

DRUV INTERNATIONAL LLC
TERMS AND CONDITIONS OF PURCHASE

1. Terms and Conditions. These Terms and Conditions of Purchase (these "Terms") control the purchase of the goods (the "Products") set forth in the attached purchase order (the "Order") by Druv International LLC, a California limited liability company ("Buyer") from the seller referenced in the Order ("Seller").

2. Acknowledgment and Acceptance. The issuance of the Order to Seller constitutes an offer expressly limited to the terms contained herein. SELLER'S ACCEPTANCE OF THE ORDER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY ADDITION OR CHANGE TO OR DELETION OF THESE TERMS BY SELLER IN ANY PRIOR PROPOSAL, IN SELLER'S ACKNOWLEDGMENT FORM OR OTHERWISE COMMUNICATED TO BUYER SHALL BE DEEMED A MATERIAL ALTERATION AND IS EXPRESSLY OBJECTED TO AND REJECTED BY BUYER. Unless Seller accepts this offer within two (2) days of the date hereof, this offer shall expire at Buyer's option without liability.

3. Buyer Information. All product specifications, instructions or other information referred to in the Order or contained in attachments or exhibits hereto, or otherwise provided by Buyer to Seller are deemed to be incorporated herein by reference, and Seller expressly acknowledges that Seller will treat the same as Confidential Information in accordance with Section 14.

4. Price and Delivery. Seller shall furnish the Products in accordance with the price and delivery schedule set forth on the Order. TIME IS OF THE ESSENCE with respect to all of Seller's performance hereunder. Prices include all charges for inspection and packaging but are exclusive of all federal, state and municipal sales, use and excise taxes, and any customs duties not otherwise paid or provided for by Buyer. Subject to Section 5, prices of the Products shall remain fixed until completion of the deliveries contemplated by the Order. Buyer may return or store at Seller's expense any of the Products delivered more than 5 days in advance of the delivery date. Seller shall immediately notify Buyer in writing when Seller first has knowledge of any impending material shortage, governmental regulation, labor dispute or other event or impediment that could result in any delay in the delivery of the Products. If delivery or performance is not effected within 1 day after the time stated in the Order, Buyer may, in addition to Buyer's other rights and remedies, cancel the Order upon written notice to Seller and purchase the Products elsewhere and charge Seller for any resulting expense, loss or damage and/or cancel the Order.

5. Most Favored Customer. Seller represents, warrants and agrees that the terms and conditions for the sale of the Products contained in the Order and these Terms are not less favorable than the terms extended to any other customer for similar products, particularly with respect to price and payment terms. If Seller sells any products on pricing and payment terms that are more favorable than the terms and conditions hereof, then Seller shall automatically grant Buyer at least as favorable terms and conditions for pricing and payment for any future Orders and undelivered Products under an accepted Order. Additionally, Seller shall promptly notify Buyer in writing of any more favorable terms that Seller automatically grants to Buyer pursuant to this Section 5. Additionally, prices charged for Products will reflect any price declines occurring prior to the actual shipping date and will reflect any price decreases occurring after the actual shipping date but before the originally specified shipping date if Buyer permits shipments to be made before the originally specified shipping date.

6. Packaging and Shipping. Seller shall package, mark and ship the Products (i) in accordance with the terms of the Order, these Terms and good commercial practices, (ii) in a manner acceptable to common carriers that will protect against the hazards of shipment and storage and (iii) in accordance with all applicable laws. Each package shall be legibly marked with proper handling instructions, shipping information, order number, part

or item number, if any, and the names of Buyer and Seller. An itemized packing list shall accompany each shipment of Products. When the Products are ready for shipment, Seller shall inform Buyer in writing of such pending shipment and thereafter ship the Products to Buyer's designated destination. If Buyer does not provide shipping instructions to Seller, Seller shall ship the Products by normal carriage to Buyer. Buyer may reject any shipment not meeting each of these requirements.

7. Delivery Point and Risk of Loss. Unless otherwise stated in the Order, all deliveries of the Products shall be made DDP Buyer's location (Incoterms 2000) as such location is designated in the Order. Seller shall also bear all risk of loss and any costs of re-packaging, return and redelivery associated with any of the Products rightfully rejected by Buyer.

8. Payment. Seller shall issue invoices only after the shipment of the Products ordered by Buyer hereunder. Original invoices shall be submitted and shall include at least, the Order number, line item number, part number, complete bill to address, description of items, quantities, unit price and extended totals. Buyer may reject any invoice for noncompliance with this Section 8. The time periods for any cash discount or payment shall commence on the later of the installation date or the date Buyer receives a correct invoice. Buyer shall make payment within 60 days after Buyer's receipt of the Products or the date of invoice, whichever is later. Buyer's payment is contingent upon Seller's delivery of conforming Products. Seller will arrange for the re-packaging of any rejected Products for return shipment within 14 days of receiving written notice from Buyer. Seller will refund the full purchase price, including the cost (if any paid by Buyer) to ship such Products back to Seller, to Buyer by wire transfer within 10 days of receipt of the returned Products.

9. Set-Off; Recoupment. Upon written notice to Seller, Buyer shall have the right at any time to set off any amount owing from Seller to Buyer against any amount rightfully due and owing from Buyer to Seller under these Terms or any other agreement between Buyer and Seller.

10. Inspection; Acceptance. Buyer reserves the right to conduct Buyer's own pre-shipment inspection and testing wherever such Products are located. If Buyer conducts pre-shipment inspection or testing on Seller's premises, Buyer shall provide at least 2 days prior written notice to Seller, and Seller shall provide, without additional charge, Buyer with reasonable access to the Products at Seller's facilities and reasonable assistance for such inspection and tests. Final inspection and acceptance by Buyer shall be at destination unless otherwise specified in the Order. Upon receipt of the Products at Buyer's facility, Buyer will install and test the Products to determine if the Products meet the mutually-agreed specifications. When the Products meet the agreed specifications, Buyer will notify Seller of final acceptance ("Final Acceptance"). Payment before or after inspection shall not constitute acceptance of non-conforming Products, and neither inspection, testing nor acceptance of the Products shall relieve Seller from Seller's responsibility for fraud or Seller's warranty obligations. If, at any time during the 30 day period after delivery of the Products to Buyer, (or any longer period mutually agreed in writing), Buyer learns that the Products are defective or otherwise not in conformity with the warranties of Section 11, Buyer may, in addition to Buyer's other rights and remedies, upon written notice to Seller (i) rescind the Order as to such Products, (ii) accept such Products or any portion thereof at an equitable reduction in price as mutually and reasonably determined in good faith by both Buyer and Seller or (iii) reject such Products and require, at Buyer's option, replacement, repair, refurbishment, or credit or rebate of the purchase price paid by Buyer. All replacements shall be delivered or undertaken promptly, and if not, Buyer may either replace or correct

such Products and charge Seller for the reasonable out-of-pocket expenses properly and directly allocable to and resulting from such replacement or correction, or terminate the Order for cause.

11. Warranty. SELLER REPRESENTS AND WARRANTS THAT (i) ALL PRODUCTS DELIVERED HEREUNDER ARE FREE FROM DEFECTS IN DESIGN, MATERIALS AND WORKMANSHIP AND ARE OF A QUALITY OF WORKMANSHIP THAT IS CONSISTENT WITH THE HIGHEST INDUSTRY STANDARDS IN SIMILAR INDUSTRIES, (ii) SELLER HAS GOOD AND MARKETABLE TITLE TO THE PRODUCTS AND HAS CONVEYED SUCH TITLE TO BUYER FREE FROM ANY ENCUMBRANCES, LIENS, SECURITY INTERESTS OR OTHER DEFECTS IN TITLE, AND (iii) THE PRODUCTS CONFORM IN ALL MATERIAL RESPECTS TO APPLICABLE SPECIFICATIONS, SAMPLES AND OTHER DESCRIPTIONS, IF ANY, REFERENCED IN THE ORDER OR HEREAFTER PROVIDED BY BUYER. All warranties set forth in these Terms shall survive any inspection, delivery, acceptance or payment, and such warranties shall run to Buyer, Buyer’s successors and permitted assigns. Any Products repaired or replaced shall be further warranted as set forth above.

12. Indemnity. To the fullest extent provided by law, Seller shall defend Buyer from and against any and all demands, claims, suits and proceedings (each a “Claim”), asserted against Buyer by third parties arising from or related to the acts or omissions of Seller, Seller’s agents, employees, representatives, subcontractors or assigns, any Product or as a result of a breach of this Agreement. Seller will indemnify and hold harmless Buyer from and against all costs, liabilities and damages (including reasonable attorneys’ fees and costs) arising from or related to such Claims.

13. Cancellation. At any time greater than 15 days prior to the scheduled shipment date, Buyer may cancel, suspend, delay or interrupt the Order or any part thereof, with or without cause by notice to Seller specifying the effective date and the extent of such cancellation, suspension, delay or interruption (a “Cancellation Notice”) and without any liability for such cancellation, suspension, delay or interruption. If Buyer cancels the Order or any part thereof within 15 days of the scheduled shipment date, upon receipt of the applicable Cancellation Notice, Seller shall immediately terminate any affected work under the Order and any contracts thereunder and take all reasonable actions to reduce Seller’s costs in connection with any affected Products and Buyer shall reimburse Seller for Seller’s reasonable out-of-pocket expenses properly and directly allocable to and resulting from such cancellation, as mutually and reasonably agreed by Buyer and Seller according to generally accepted accounting principles. The amount of such reimbursement shall in no event exceed an amount equal to the portion of the purchase price that is allocable to the canceled portion of the Order. Such reimbursement shall be Seller’s sole and exclusive remedy for any cancellation. In addition to Buyer’s other rights and remedies, Buyer may cancel or suspend the Order, in whole or in part, by written notice to Seller, and receive reimbursement as provided in the following sentence, for cause if (i) the Products or any portion thereof fail any inspection or test hereunder or are defective or non-conforming, (ii) the Products are not delivered to Buyer as scheduled or (iii) Seller fails to comply with any material terms or conditions of the Order after receiving 30 day cure notice from Buyer for such failure. Seller shall reimburse Buyer for Buyer’s reasonable expenses that are properly and directly allocable to and result from such cancellation for cause, as mutually and reasonably determined by Buyer and Seller according to generally accepted accounting principles.

14. Confidential Information. All information in tangible or intangible form provided by Buyer to Seller under the Order that is not now or hereafter in the public domain shall be kept in the strictest trust and confidence by Seller and will not be used by Seller other than solely for the purposes of performing under the Order. The confidential information of

Buyer includes information that relates to Buyer’s data, know-how, trade secrets, formulae, processes, business plans, drawings, specifications, samples, reports, customer lists, pricing information, personnel information, business studies, inventions and ideas. Seller shall return Buyer’s confidential information (including all copies thereof whether in tangible or intangible form) to Buyer immediately upon receipt of Buyer’s request. Seller shall certify that Seller has not retained any of Buyer’s confidential information in a writing delivered to Buyer within thirty (30) days of Buyer’s request for the return of such information.

15. Compliance With Laws. Seller shall comply with all laws, regulations and orders with respect to Seller’s performance hereunder. If the Order is placed under a government contract or subcontract, the provisions required by applicable governmental procurement regulations are hereby incorporated into the Order.

16. Relationship Between Parties. The relationship between the parties hereto is that of independent contractors. Nothing in the Order shall be construed as creating any partnership, joint venture, or agency between the parties.

17. Notices. All notices shall be in writing and deemed effective upon delivery (i) in person, or (iii) by registered or certified mail, postage prepaid, return receipt requested, to the addresses set forth herein, as the same may be changed pursuant to this Section 17.

18. Governing Law; Venue. The Order, including these Terms, shall be governed by and construed under the laws of the State of California without reference to California’s provisions regarding choice of law. Buyer and Seller agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply to the Order. Courts located in and serving Sacramento County, California will have exclusive jurisdiction and venue over any dispute arising out of the Order and Seller and Buyer hereby consent to the jurisdiction and venue of such courts; provided that such jurisdiction and venue shall be non-exclusive with respect to any actions in equity or to protect intellectual property rights.

19. Remedies/Non-Waiver. Unless otherwise provided, the remedies provided herein are cumulative and in addition to any other or further remedies provided by law or in equity. Any waiver of any kind by a party of a breach of the Order must be in writing, shall be effective only to the extent set forth in such writing and shall not operate or be construed as a waiver of any subsequent breach. Any delay or omission in exercising any right, power or remedy pursuant to a breach or default by a party shall not impair any right, power or remedy that either party may have with respect to that or any other future breach or default.

20. Attorneys’ Fees. The prevailing party to any legal action arising out of the Order shall be entitled to recover attorneys’ fees and costs it incurred in bringing such action.

21. Severability; Headings. If it is determined by a court of competent jurisdiction as part of a final nonappealable ruling, government action or binding arbitration that any provision of the Order (or part thereof) is invalid, illegal, or otherwise unenforceable, such provision shall be enforced as nearly as possible in accordance with the stated intention of the parties, while the remainder of the Order shall remain in full force and effect and bind the parties according to its terms. Headings are inserted solely for convenience of reference, shall not constitute a part of the Order and shall not otherwise affect the interpretation hereof.

22. Survival. Sections 11, 12 and 14 through 22, shall survive the expiration, termination or fulfillment of the Order.

Accepted by: -----

Title & Company Name: -----