

INNOMEDIA, INC.

Terms and Conditions of Quotation and Sale

1. ACCEPTANCE OF ORDER

Any order or change order shall be subject to confirmation and acceptance by InnoMedia in writing at 1901 McCarthy Blvd., Milpitas, California 95035, USA. The term "acceptance" as used herein shall mean that the original order or change order has been signed by an authorized representative of InnoMedia.

Any sale resulting from InnoMedia's acceptance hereunder shall be governed solely by these terms and conditions, the validity and construction of which shall be determined according to the laws of the State of California.

2. DELAYS

InnoMedia shall in no case incur any liability, consequential or otherwise, for delays or failure to deliver for any cause beyond its reasonable control.

3. TERMS OF PAYMENT

Purchaser is required to prepay for products before they are shipped. On approved credit accounts, all invoices are due and payable in full thirty (30) days after the date of invoice, or as noted on the Purchase Order. Late payment is subject to an interest charge of 2% per full or partial month.

4. CHANGE ORDER OR CANCELLATION

Change or cancellation of any order shall be subject to acceptance by InnoMedia which shall be evidenced in the same manner as set forth in the first paragraph of these terms and conditions, and shall not be binding unless prior agreement is reached as to the amount of the change and the charges thereof. In no case will the cancellation fee be less than 15% of the value of the order.

5. SHIPMENT AND PASSAGE OF TITLE

Shipment is made FOB San Jose, California, or FOB Port of Origin as provided for in the order. As an accommodation to Purchaser, InnoMedia may prepay transportation charges, which will then be invoiced separately. In the absence of specific instructions acknowledged and agreed to by InnoMedia, the method of shipment shall be determined by InnoMedia. In all cases, InnoMedia's responsibility (except as stated in our warranty) ceases and title shall pass upon delivery of the material to the carrier. All costs of insurance, freight, taxes, customs and import duties shall be borne by the purchaser.

6. WARRANTIES

InnoMedia warrants its products to be free from material defects or poor workmanship for a period of 1 year from the date of shipment, unless stated otherwise in the product documentation. InnoMedia further warrants, during this period, that its general release/available hardware products shall substantially conform to InnoMedia's published specifications for the particular configuration ordered.

THE FOREGOING EXPRESS WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, AND INNOMEDIA DISCLAIMS ANY WARRANTY OF ANY OTHER KIND, INCLUDING ANY WARRANTY THAT THE GOODS ARE MERCHANTABLE OR FIT FOR A PARTICULAR PURPOSE.

InnoMedia's liability under this warranty is limited to the obligation to repair or, at its sole option, to replace any part found to be defective, provided that:

- a. InnoMedia is promptly notified in writing upon discovery of such defects.

- b. The defective parts are returned transportation charges prepaid, in accordance with InnoMedia instructions.
- c. The product was purchased within the warranty period.
- d. At InnoMedia's determination, the defect was not caused by misuse, abuse, neglect, accident, or adjustments other than those specified in the product user manual or installation document.

All items repaired or replaced during the warranty period assume the unexpired portion of the original warranty, or 90 days which ever is greater.

Purchaser expressly waives any rights, claim or case of action that might otherwise arise out of the purchase and use of InnoMedia products or services.

7. RETURN FOR CREDIT

Returns for credit are accepted within thirty (30) days from receipt of product and only with prior written authorization from InnoMedia. In the event that InnoMedia grants such permission, Purchaser shall prepay all transportation charges and assume all other expenses in connection with such returns. InnoMedia shall, if products returned are, in InnoMedia's sole opinion, unused, undamaged and in fully saleable condition, issue a credit equal to the net amount paid for such product, less twenty-five percent (25%) of the said net amount paid by Purchaser.

8. REPAIRS AND RETURNS

All correspondence should be written in English, and send to the addresses below:

InnoMedia, Inc.
Customer Service Department
1901 McCarthy Blvd.
Milpitas, CA 95035 USA

Email: rma@innomedia.com

A Return Authorization (RMA) number must be obtained from an InnoMedia customer service representative before the return of any product. Unauthorized returns or returns without a valid RMA number are returned freight collect.

All returned equipment, even if in warranty, shall be forwarded freight prepaid. InnoMedia returns in-warranty equipment at its expense and out-of-warranty equipment at Purchaser's expense.

There is no charge for repairs to equipment within the warranty period, provided conditions of the InnoMedia warranty are met. A handling charge of \$25 per unit is applied to equipment returned for which no fault can be determined.

The standard repair charge for "out-of-warranty" equipment is a minimum \$25 plus parts. Repair work on out of warranty product is warranted for 90 days.

9. TAXES AND CUSTOMS DUTIES

Per unit product price quotes do not include taxes, or other charges. Any taxes in effect at the time of shipping is billed separately and is due and payable under the Terms of Payment stated in paragraph 3 above, unless properly executed Tax Exemption Certificates are furnished to InnoMedia. Customs duties, if any, are the responsibility of Purchaser.

10. CONSEQUENTIAL DAMAGES

InnoMedia shall not be liable for consequential damages of any nature arising out of, or with respect to any product sold, delivered or rendered or any failure to meet delivery schedules.

11. ASSIGNMENT

No assignment by Purchaser of any order covered by this Agreement shall be binding on InnoMedia.