Terms & Conditions of Sale

Powerex, Inc., 173 Pavilion Lane, Youngwood, Pennsylvania 15697 (724) 925-7272

1. ACCEPTANCE OF ORDERS: The acceptance of all orders and sales by Powerex Inc. are made subject to and expressly conditional upon these terms and conditions. Any of Buyer’s terms and conditions which are different from or in addition to those contained herein are hereby objected to and shall be of no effect unless specifically agreed to in writing. Buyer shall be deemed to have agreed to these terms and conditions of sale if Buyer expressly so agrees in writing or accepts any shipment of Products. No sales or other independent representatives of Buyer shall have any authority to vary these terms and conditions of sale in any respect or to agree to any additional terms or conditions.

2. QUOTATIONS: Each quotation is valid for 30 days from its date unless otherwise stated in the quotation.

3. PRICE POLICY: Price in effect at time of shipment. However, if a price increase becomes effective after the date of the order, it will not apply to items shipped within 30 days from the effective date of the price increase. For Rectifier/Thyristor discrete devices and BLOGs, prices are based on metal price indexes for copper and molybdenum. If either index increases by more than 15%, a price increase will be required. Price quotations based on estimated or projected quantities are subject to increase in the event that actual quantities purchased during the specified period are less than the estimated or projected quantities.

4. TAXES: All prices are exclusive of all present or future federal, state, local or special sales, use, excise, sales, value added or similar taxes. These taxes shall be paid by Buyer, or Buyer shall provide Powerex with a tax exemption certificate acceptable to the taxing authorities.

5. PAYMENT: Unless Powerex has extended credit to Buyer, Buyer shall pay Powerex, at Powerex’s option, either: (a) cash with order, COD, letter of credit or sight draft. Should Powerex elect to extend credit to Buyer, payment shall be made in full within 30 days of the date of the invoice. Powerex reserves the right at any time to change the amount of or to withdraw any credit extended to Buyer. Each shipment shall be considered a separate and independent transaction and payment therefor shall be made accordingly. Past due invoices of Powerex to Buyer shall bear interest at the rate of 1% per month, but not in excess of the maximum lawful rate, until paid in full. Buyer shall be responsible for all costs and expenses incurred by Powerex, including attorneys’ fees and costs of collection or enforcement of any provision of these terms and conditions.

6. TITLE AND DELIVERY: Powerex shall deliver Products to Buyer F.O.B. point of shipment. Partial deliveries shall be permitted. All shipping charges and expenses shall be paid by Buyer. Notwithstanding any request by Buyer, Powerex may, without incurring any liability, exercise its own discretion in selecting means of shipment and the carrier. POWEREX WILL USE ITS REASONABLE EFFORTS TO FILL BUYER’S ORDERS IN A TIMELY MANNER. IT IS UNDERTAKEN, HOWEVER, THAT LEAD TIME REQUIREMENTS AND DELIVERY DATES WILL VARY ACCORDING TO MANUFACTURING AND OTHER OPERATIONAL FACTORS, THAT ALL DELIVERY DATES ARE ONLY ESTIMATES. DELAY IN DELIVERY OF ANY SHIPMENT SHALL NOT RELIEVE BUYER OF ITS OBLIGATION TO ACCEPT SUCH SHIPMENT.

Powerex shall have the right to charge Buyer a service fee when shipments are delayed awaiting customer shipping instructions. Buyer will have 5 business days from the time Powerex provides the necessary information (weight, dimensions) etc. for Buyer to select a shipment method/carrier. On the 6th business day, Powerex shall have the right to apply a 2% fee (on total invoice amount) per business day until the shipment is released per Buyer’s instructions.

7. FORCE MAJEURE: Powerex shall not be liable for delay or failure to deliver due to force majeure or any other cause beyond power’s reasonable control or for any event that results in notification, delay, fuel or energy shortages or inaccessibility to or any interruption in the delivery of material, components, services, or facilities from unforeseen or uncontrollable causes. In the event of such delay, the date of delivery shall be extended for a period equal to the time lost by reason of such delay, and, in the event that such delay is caused by act of Buyer or any of its representatives or agents, Buyer shall reimburse Powerex upon invoicing for any additional costs arising from such delay.

8. HELD ORDERS: Any orders held, delayed or rescheduled at the request of the Buyer will be subject to the prices and conditions of sale stated herein. Any changes in the order held or rescheduled shall and will reimburse Powerex upon invoicing for any additional costs it incurs as a result of the hold, delay or reschedule. Any such order held, delayed or rescheduled beyond a reasonable period of time will be considered a Buyer termination.

9. SPECIAL DOMESTIC OR EXPORT PACKING: Prices include Products having standard domestic packing only. Buyer shall reimburse Powerex for any additional costs incurred for any special domestic packing or packing for overseas shipment.

10. MINIMUM FACTORY ORDER: Powerex will not accept an order of less than $500 in value exclusive of transportation charges or “F.O.B. FACTORY AND DELIVERY”. The minimum billing for each line item ordered is $250.

11. PRODUCT NOTICES: Buyer shall provide the user (including any employer of the Product with a Product as supplied product notices, warnings, instructions, recommendations and similar materials.

12. WARRANTIES AND REMEDIES: (a) WARRANTIES: Powerex warrants to Buyer that the Products shall be free from defects in material and workmanship and conform to the agreed upon specifications, if any, for a period of one year from the date of shipment: provided that, as a condition to this warranty, the Products so purchased have been operated and maintained in accordance with Powerex’s instructions and recommendations and applied in accordance with standards industry-accepted testing methods and standards, as defined “AS IS”, “WITH ALL FAULTS”, and with no warranty whatsoever. The foregoing warranties shall not apply to Products that have been repaired other than with Powerex’s authorization and by Powerex’s approved procedures, that have been subjected to misuse, abuse, improper maintenance, negligence or accident, that have been damaged by excessive physical or electrical stress or that have had a serial number or any part thereof altered, defaced or removed. (b) REMEDIES: Should any Products fail to satisfy warranty, Buyer, in its option, shall repair or replace such Products or issue Buyer a credit or a refund in the amount of the purchase price therefor; provided that: (i) Buyer notifies Powerex of such failure within 30 days after discovery; (ii) Buyer obtains a return material authorization from Powerex prior to returning any defective Products; (iii) the defective Products are returned to the location specified by Powerex; (iv) the defective Products are received by Powerex no later than 4 weeks following the last day of the warranty period; and (v) examination of such Products by Powerex shall confirm the failure and that it has not been caused by improper installation, application, repair, alteration, accident or negligence. Products which Powerex considers or directs in writing to be returned to Powerex, freight prepaid, in accordance with Powerex’s standard return policies. (c) THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The foregoing remedies set forth above are the Buyers exclusive remedies for claims (except as to take) based on defects in or failure of any Products whether a claim is based on contract, tort (including negligence and strict liability), warranty or otherwise and however instituted. Upon the expiration of the applicable warranty for any Products, all such liability shall terminate.

(d) The above warranties shall apply only to Buyer and shall not apply to Buyer’s Buyers or any other third parties

13. GENERAL LIMITATIONS OF LIABILITY: (a) In no event, whether as a result of claims in contract, warranty, tort (including negligence and strict liability) or otherwise, shall Powerex be liable for any losses, damage to goodwill claims of Buyers, loss of use, damages to or loss of other property or equipment, or INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHATSOEVER. (b) THE REMEDIES OF THE BUYER SET FORTH IN THESE TERMS AND CONDITIONS PRODUCTS ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES TO THE CONTRARY CONTAINED IN THIS TERMS AND CONDITIONS, POWEREX’S LIABILITY WITH RESPECT TO PRODUCTS ORDERED BY BUYER OR ANYTHING DONE IN CONNECTION THEREWITH OR FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, OR USE OF ANY PRODUCTS, WHETHER FOR CLAIMS IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE SHALL IN NO CASE

EXCEED THE PRICE OF THE SPECIFIC PRODUCTS TO WHICH THE CLAIM RELATES.

14. PRODUCT APPLICATION: Products purchased from Powerex are not to be used in critical safety systems (including without limitation medical devices, life support equipment and devices used for implementation into the body), any activity or process involving nuclear fission, fusion or in any other manner not considered a standard and ordinary commercial use. Buyer agrees not to use or sell or transfer the product to others for any such purpose without prior written authorization from Powerex. If any such use occurs, Powerex disclaims all liability and will in no event have any liability to Buyer or any third party for personal injury, death or property or other economic damage suffered. Buyer agrees to defend and indemnify Powerex against any and all cost, damage or expense arising out of or related to such liability. As used herein, “liability” means liability of any kind at any time whether in contract, tort (including negligence and strict liability), warranty or otherwise.

15. PATENTS: (a) With respect to Products manufactured solely to Powerex’s designs and specifications, Powerex shall defend any suit or proceeding brought against Buyer involving such suit or proceeding is based on a claim that such Products infringe any US patent provided Buyer gives Powerex prompt notice of such suit or proceeding, tenders the defense thereof to Powerex and gives Powerex complete authority, information and assistance, at Buyer’s expense, in such defense. Powerex shall pay all expenses and costs incurred by Buyer in any such suit or proceeding, but shall not be responsible for any compromise thereof made by Buyer without its written consent. If such Products are held in such suit or proceeding to constitute infringement and their use is enjoined or if, in the opinion of Powerex, any build-in Powerex Products, such infringement or any other claim of infringement, Powerex may either (i) procure for Buyer the right to continue using such products; (ii) modify such Products so that they become non-infringing; (iii) replace such products with non-infringing Products or (iv) accept the return of such Products, granting Buyer a refund equal to the purchase price.

(b) Powerex shall have no liability to Buyer if any patent infringement or claim is based upon (i) a modification of the Products not approved by Powerex, (ii) the interconnection or use of the Products in combination with other products or devices not made by Powerex or (iii) the use of Products in other than an application recommended by Powerex. Buyer shall defend and indemnify Powerex from all liabilities and costs resulting from any suit or proceeding based on any of the foregoing exclusions or upon a claim that Products infringe upon the rights of a third party to the extent such claim arises from Powerex’s compliance with Buyer’s designs, specifications or instructions.

(c) The above states Powerex’s sole liability for infringement of patents by its Products.

16. REGULATORY REQUIREMENTS AND GOVERNMENT CONTRACTS: Powerex makes no promise or representation that the Products will conform to any federal, state, or local laws, or regulations, or standards, except as specifically and agreed upon in writing by a duly authorized representative of Powerex. If the Products are to be used in the performance of a government contract or subcontract, no government requirements or regulations shall be binding upon Powerex unless specifically agreed to in writing.

17. CANCELLATION CHARGES: (a) Should Buyer cancel an order (or portion thereof) prior to the delivery date, Buyer shall pay Powerex cancellation charges within 15 days from the date of invoice thereof as follows:

<table>
<thead>
<tr>
<th>Percentage of Price</th>
<th>Cancellation Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>15 days of scheduled shipment date</td>
</tr>
<tr>
<td>75%</td>
<td>60 days of scheduled shipment date</td>
</tr>
<tr>
<td>50%</td>
<td>90 days of scheduled shipment date</td>
</tr>
</tbody>
</table>

(b) Should Buyer cancel an order (or portion thereof) for other than standard Products, such as wafers, semi custom or custom Products, Buyer shall pay Powerex cancellation charges within 15 days from the date of invoice thereof in an amount equivalent to the subsequent cost of the non-standard Products (regardless of when the cancellation occurs).
18. CHANGES AND DRAWINGS. Powerex reserves the right to change or modify the specifications, design, drawings and construction of any Products and to substitute other suitable material. If drawings are furnished, they are submitted only to show general style and arrangement of the Products.

19. US EXPORT LAWS: Powerex’s obligations are subject to the export administration and control laws and regulations of the US Government. The Buyer shall comply fully with such laws and regulations in the export, resale or other disposition of Products. Unless otherwise agreed in writing by a duly authorized representative of Powerex, Buyer shall be responsible for, at its own risk and expense, any necessary export license or permit and any other approval or documentation which may be required for or in connection with the export of any Products. Buyer shall indemnify and hold Powerex harmless from all liabilities, damages, costs and expenses arising from or connected to any breach of Buyer’s obligations under this paragraph. Buyer shall execute any documents reasonably required by Powerex for the purpose of complying with US laws and regulations.

20. NON-ASSIGNMENT: Buyer may not assign any of its rights or interest under these terms and conditions of sale without the prior written consent of Powerex and any such attempted assignment shall be void.

21. MISCELLANEOUS: (a) The sale of Products by Powerex to Buyer and any of legal issues arising under or with respect to these terms and conditions shall be governed by the laws of the Commonwealth of Pennsylvania.

22. Foreign Corrupt Practices Act Contract Provision, Compliance with Laws/No Unlawful Payments: In the performance of this Agreement, Customer shall comply with all applicable laws, rules and regulations, including but not limited to the United States Foreign Corrupt Practices Act. Customer agrees it will not, and will not permit its subsidiaries, affiliates, and all of its and their directors, officers, employees and agents, directly or indirectly, to, offer, pay, promise to pay or authorize the payment of any money or give, offer, promise or authorize giving anything of value to (a) any Foreign Official (as hereinafter defined) or (b) any other person, while knowing or having reason to know that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a Foreign Official for the purpose of: (i) influencing any act or decision of such Foreign Official in his or her official capacity, including a decision to fail to perform his official functions; or (ii) inducing such Foreign Official to use his or her influence with a government or instrumentality to affect or influence any act or decision of such government or instrumentality, in order to assist in obtaining or retaining business for or with, or directing business to, any person. For purposes of this provision, the term “Foreign Official” means any officer or employee of a government or any department, agency, or instrumentality thereof, or any corporation or other entity controlled thereby or any person acting in an official capacity for or on behalf of any such government, department, agency, instrumentality, corporation or other entity, or candidate for political office, or any officer, employee or agent thereof.