

PLEASE READ THIS DOCUMENT CAREFULLY. IT CONTAINS VERY IMPORTANT INFORMATION ABOUT THE TERMS, CONDITIONS, AND ABOUT YOUR RIGHTS, OBLIGATIONS, AND LIMITATIONS PERTAINING TO ALL PRODUCT SALES. THE SALE OF PRODUCTS AND SERVICES BY ADVANCED OPTICAL SYSTEMS, INC., HEREINAFTER REFERRED TO AS AOS, ARE SUBJECT TO THESE TERMS AND CONDITIONS.

THIS AGREEMENT SHALL SUPERCEDE ANY INCONSISTENT OR CONFLICTING TERMS, CONDITIONS, OR PROVISIONS CONTAINED IN SUPPLEMENTAL DOCUMENTATION ATTACHED TO PURCHASE ORDERS SUBMITTED BY THE PURCHASER. ANY SUCH SUPPLEMENTAL TERMS AND CONDITIONS ARE HEREBY EXPRESSLY REJECTED BY AOS.

ACCEPTANCE

All Orders are subject to acceptance by AOS. AOS reserves the right to allocate the sale of Products among its customers. Orders for special, custom, value-added and Products specifically identified by AOS as non-standard are non-cancelable and non-returnable ("NCNR"). The Customer may not cancel or reschedule Orders for standard Products without AOS' consent.

Customer may, upon written confirmation from AOS, reschedule or cancel orders for Products up to 24 hours following AOS' receipt of an order.

PRICING AND SALES QUOTATION

AOS' quoted prices apply for 30 days or as otherwise stated in its quote. AOS may increase prices if costs increase or other circumstances beyond AOS' reasonable control. Prices are subject to change at any time prior to acceptance of an order. Prices do not include taxes, fees, or shipping charges and duties imposed by any government authority. Customer is responsible for any additional fees and taxes.

PAYMENT

Terms of payment are at AOS' sole discretion upon receipt of an order. All payments are to be made in U.S. funds at the time of order unless otherwise agreed.

Unless otherwise agreed, payment in full is required at time of order. Credit Cards are accepted with a completed credit card authorization.

AOS has sole discretion in extending credit to purchaser. If credit is extended, Purchaser will be invoiced once Product has been shipped. Payment terms for invoices shall be strictly enforced as net 30 days unless otherwise agreed in writing by AOS. Interest shall accrue on overdue amounts at the rate of 1.5% per month (18% annum).

TAXES

AOS processes orders as FOB origin. Purchaser shall pay all applicable sales, use, excise, or similar taxes where and when applicable unless Purchaser provides AOS with a valid exemption certificate at the time of purchase.

DELIVERY AND TITLE

Customer is responsible for all shipping costs and any applicable surcharges.

AOS will make all reasonable efforts to fill orders according to the anticipated shipment schedule provided by AOS at the time of order acceptance, however, AOS' delivery dates are reasonable best estimates only. AOS is not liable for delays in delivery by shipper. AOS reserves the right to make partial shipments and Customer will accept delivery and pay for the Products delivered. A delayed delivery of any part of an Order does not entitle Customer to cancel other deliveries.

Shipments will be made by way of Fedex or the United Parcel Service with tracking and signature acceptance. Customers local to AOS' office in Huntsville, Alabama, may schedule a time to pick up the order at our facility.

ASSIGNMENT AND RESALE

Purchaser shall not assign an order, or any interest therein, or any rights hereunder without the prior written consent of AOS. Purchaser agrees that all products are for its own use and not for commercial resale unless with the express written consent of AOS.

AOS' LIMITED WARRANTY

AOS will provide a 12 month warranty on all product sales. AOS reserves the right, at its discretion, under this Limited Warranty to elect (1) product repair, or (2) replacement at no cost to Customer; or (3) refund of Customer's purchase price.

AOS makes no other warranty, express or implied. AOS makes no warranty of merchantability, fitness for purpose or non-infringement.

Customers wishing to return an item under this limited warranty must first request "Warranty Return Authorization" (RMA) by submitting an email to sales@aos-inc.com to include an order number, serial number, and explanation for return. Upon acceptance of the warranty claim, AOS will issue Return Merchandise Authorization (RMA) number.

AOS shall not be responsible for any defect in the Products due to physical damage, as a result of improper handling during or after shipment, misuse, neglect, static discharge, or improper installation or operation, repair, alteration, accident or for any other cause not attributable to workmanship on the part of AOS. In addition, customer modifications will void the warranty.

RETURN AND EXCHANGE

Returns and Exchanges are only accepted during the 12 month Warranty Period.

Purchaser is responsible for all shipping costs on returns for any reason. Products are to be shipped in original shipping container or equivalent packaging.

Products must be returned to AOS in the same condition as originally shipped. If a product is not returned in the same condition as originally shipped, the Purchaser may be charged a damage, restocking or missing part fee. AOS has sole discretion for returns, credit, replacement, exchange, repair or remedy of deficiencies.

DAMAGE

Title and risk of loss pass to Customer upon delivery of the Products to the carrier. If you receive merchandise that has been damaged in transit, it is imperative to keep all shipping documents, cartons, and packaging materials. The customer is responsible for reporting freight damage directly with the carrier.

GOVERNING LAW

All sales shall be governed by and construed by Alabama State Law.

LIMITATION OF LIABILITY

AOS IS NOT LIABLE FOR AND THE CUSTOMER IS NOT ENTITLED TO ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES; INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF DATA, LOSS OF USE, REWORK, MANUFACTURING EXPENSE, INJURY TO REPUTATION, OR LOSS OF CUSTOMERS.

CUSTOMER'S RECOVERY FROM AOS FOR ANY DIRECT DAMAGES WILL NOT EXCEED THE PRICE OF THE PRODUCT AT ISSUE. CUSTOMER WILL INDEMNIFY, DEFEND AND HOLD AOS HARMLESS FROM ANY CLAIMS OTHER THAN THE PRICE PAID FOR THE PRODUCT.

USE

Products are not authorized for use in critical safety or other applications where a failure may reasonably be expected to result in personal injury, loss of life, or property damage. If Customer uses or sells the Products for use in any such applications, Customer acknowledges that such use or sale is at Customer's sole risk. Customer will indemnify, defend and hold AOS harmless from and against any and all liabilities and costs arising out of or in connection with such use or sale.

EXPORT/IMPORT

Certain Products sold by AOS and other related technology and documentation may be subject to export control laws, regulations and orders of the United States and the export or import control laws and regulations of other countries. Customer will not directly or indirectly export or divert any Products and other related technology and documentation to any third party or country where such export or transmission is restricted or prohibited. Customer agrees it is responsible to obtain any license to export, re-export, or import as may be required.

FORCE MAJEURE

AOS shall not be liable for any delay or failure in performance, including delay or non-shipment, caused by or resulting from acts of God, fire, flood, accident, riot, war, government intervention, delayed issuance of export licenses, embargoes, strikes, labor difficulties, equipment failures, or any other causes beyond the control of AOS.

TECHNICAL ASSISTANCE

AOS offers technical assistance and customized engineering support services solely as a convenience to AOS' customers. Please contact sales@aos-inc.com for a customized quote. In the event that any such information or any part is provided, AOS does not guarantee that any information or recommendation provided is accurate, complete, or correct, and AOS shall have no responsibility or liability in connection with this support. The Purchaser is solely responsible for analyzing and determining the appropriateness of any information or recommendation provided by AOS personnel.

MISC.

This Agreement can only be modified in writing that is signed by authorized representatives of both AOS and Customer.

AOS and Customer are independent contractors and agree that this Agreement does not establish a joint venture or partnership.

AOS' failure to object to any document, communication, or act of Customer will not be deemed a waiver of any of these terms and conditions.

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