

ANTONA CORPORATION
STANDARD TERMS AND CONDITIONS OF SALE

The following are the terms and conditions under which Antona Corporation, hereinafter called ANTONA, sells and/or licenses its products.

1. TAXES. Prices are exclusive of all sales use and like taxes. Any tax ANTONA may be required to collect or pay upon the sale or delivery of the products shall be paid by the purchaser and such sums shall be due and payable upon delivery.

2. DELIVERY, SECURITY INTEREST, DELAYS. Delivery will be made F.O.B. ANTONA'S facility with shipping charges to be prepaid by ANTONA and invoiced separately. Risk of loss shall pass to purchaser upon delivery by ANTONA to the carrier. Insurance will be provided on products while in transit and a charge will be made for same unless instructions to the contrary are clearly stated on the face of the purchaser's order. In the absence of specific instructions, ANTONA will select the carrier but shall not thereby assume any liability in connection with shipment, nor shall the carrier be construed to be the agent of ANTONA.

Purchaser hereby grants ANTONA a security interest in the products (goods) and proceeds (including accounts receivable) thereof, if any, as security for all its obligations hereunder.

ANTONA shall not be liable for any damages or penalty for delays in delivery or failure to give notice of delays when such delays are due to: the elements, acts of chance, delays in transportation, delays in delivery by ANTONA vendors or any other causes beyond the reasonable control of ANTONA. The delivery schedule shall be extended by a period of time equal to the time lost because of any such delays.

3. PAYMENT. Terms are cash upon delivery (COD) or, at ANTONA's option, with approved credit net fifteen (15) days from date of delivery. Failure to pay within the time specified shall result in the forfeiture of any discounts provided to purchaser. If deliveries are authorized in installments, each shipment shall be paid for when due without regard to other scheduled deliveries.

4. PATENTS. If notified promptly in writing of any action (and all prior claims relating to such action) brought against the purchaser, based on a claim that the purchaser's use or sale of the product(s) (including software) infringes a United States patent or copyright, ANTONA will defend such action at its expense and will pay the costs and damages awarded in any such action, provided that ANTONA shall have sole control of the defense of any such action and all negotiations for its settlement or compromise. In the event that a final injunction is obtained against the purchaser's use of the product(s) by reason of infringement of the United States patent or copyright, or if in ANTONA's opinion the product(s) is likely to become the subject of a claim of infringement of a United States patent or copyright, ANTONA will at its option and at its expense either procure for the customer the right to continue using the product(s), replace or modify same so that it becomes non-infringing, or grant the purchaser a credit for such product(s) as depreciated and accept its return. The depreciation shall be an equal amount per year over the lifetime of the product(s) as established by ANTONA. ANTONA shall not have any liability to the purchaser under any provision of this clause if the infringement or claim thereof is based upon (i) the use or sale of the product(s) in combination with other products or devices which are not made by ANTONA or (ii) the use of the product(s) in practicing any process or (iii) the furnishing to the purchaser of any information, service or applications assistance. The purchaser shall hold ANTONA harmless against any expense, judgment or loss for infringement of any patents, copyrights or trademarks which results from ANTONA's compliance with the purchaser's designs, specifications or instructions. No cost or expenses shall be incurred for the account of ANTONA without the written consent of ANTONA. In no event shall ANTONA's total liability to the purchaser under or as a result of compliance with the provisions of this clause exceed the aggregate sum paid to ANTONA by the purchaser for allegedly infringing product(s). The foregoing states the entire liability of ANTONA with respect to infringement of patents and copyrights by the product(s) or any part thereof or by its operation.

5. SOFTWARE PRODUCT LICENSE. Licensed software provided hereunder, including any subsequent improvements or updates, is furnished to purchaser under a license for use of a single CPU and may only be copied, in whole or in part (with the proper inclusions of the appropriate copyright notice on the software), for use of such CPU. Purchaser shall not provide or otherwise make available the software or any part or copies thereof in any form to any third party, except as may be permitted in writing by ANTONA. No title to or ownership of the software in any form is granted to purchaser. If purchaser fails to comply with these license terms and conditions, the purchaser agrees upon notice of such license termination to immediately return or destroy the software and all portions and copies thereof.

6. PRODUCT SPECIFICATION CHANGES. ANTONA reserves the right without prior approval from or notice to purchaser to make changes to the products (i) which do not affect physical or functional interchangeability or performance at a higher level of assembly, or (ii) when required for purposes of safety or (iii) to meet product specifications.

7. WARRANTY. All ANTONA products (except for software products) unless stated otherwise in an applicable price list, are warranted for a period of one (1) year from date of delivery.

ANTONA will honor the warranty on its products at its facility at Los Angeles, California U.S.A. It is the purchaser's responsibility to return, at his expense, the defective products to ANTONA. The purchaser must obtain shipping instructions from ANTONA prior to returning any product under the warranty. Transportation charges for the return of the product to the purchaser shall be paid by ANTONA within the United States. The warranty outside the United States, excludes all costs of shipping, customs clearance and any other related charges. If ANTONA determines that the products are not defective within the terms of the warranty, purchaser shall pay ANTONA all costs of handling,

transportation and repairs (at the then-prevailing ANTONA repair rates). ANTONA's sole responsibility under the above warranties shall be, at its option, to either repair or replace any component which fails during the period of the applicable warranty due to a defect in workmanship or material and, provided the purchaser has promptly reported same to ANTONA in writing and ANTONA has upon inspection, found such components to be defective. All replaced products or parts shall become ANTONA's property.

All ANTONA software is warranted to conform to the ANTONA Software Product Description (SPD) applicable at the time of order. ANTONA's sole obligation hereunder shall be to remedy any nonconformance of the software to the SPD. Such remedy shall be provided as specified by the SPD for nonconformance reported to ANTONA during the one (1) year period following delivery. Any Non-ANTONA software offered by ANTONA is furnished on an "as-is" basis, with the original vendor's own warranty.

All above warranties are contingent upon proper use of the product. These warranties will not apply (i) if adjustment, repair or parts replacement is required because of accident, unusual physical or electro-magnetic stress, neglect, misuse, failure of electric power or air-conditioning or humidity control, transportation, failure of any parts, sub-assemblies or peripherals not furnished by ANTONA, operation with media not meeting or not maintained in accordance with ANTONA specifications or causes other than ordinary use or (ii) if the product has been modified by the purchaser or where ANTONA serial numbers or warranty date decals have been removed or altered.

EXCEPT FOR THE EXPRESS WARRANTIES STATED ABOVE OR ON THE FACE HEREOF, ANTONA CORPORATION DISCLAIMS ALL WARRANTIES ON PRODUCTS FURNISHED HEREUNDER INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS and the stated express warranties are in lieu of all obligations or liabilities on the part of ANTONA for damages, including but not limited to special, indirect, or consequential damages arising out of or in connection with the use or performance of the products.

8. ACCEPTANCE OF PRODUCTS. Purchaser's acceptance of ANTONA PRODUCTS shall occur upon delivery unless otherwise notified in writing within ten (10) days from receipt of the products by purchaser that the products do not conform to ANTONA product specifications. ANTONA's obligation for such nonconforming products shall be limited to repair or replacement (at its option) pursuant to the provisions of the foregoing Warranty clause.

9. INSTALLATION. When specified on customer's purchase order, or otherwise agreed to in writing or stated in an applicable price list, products can be installed by ANTONA in any location within the United States.

Installation shall not be the responsibility of ANTONA unless purchaser agrees to pay for such installation. The purchaser shall make available a suitable place of installation with all facilities in accordance with ANTONA's installation procedures. The purchaser shall furnish all labor required for unpacking and placing the equipment in the desired location. Notwithstanding the foregoing, ANTONA shall be under no obligation to install the equipment, if the equipment has been modified without ANTONA's written approval and/or subjected to unusual physical or electrical stress, accident, neglect, misuse or other damage beyond the control of ANTONA.

10. CANCELLATION AND RESCHEDULE CHARGES. Requests for cancellation or rescheduling are required in writing. In the event purchaser does cancel any order or portion thereof or requests a rescheduling of scheduled products, and such request is accepted by ANTONA, purchaser agrees to pay ANTONA Cancellation and/or Rescheduling charges within thirty (30) days in accordance with the Cancellation/Reschedule Table below. Purchaser may not cancel or reschedule any order or portion thereof after delivery.

CANCELLATION/RESCHEDULE TABLE *

No. of Days Prior To Scheduled Shipment That Cancellation Or Rescheduled Notice Is Received	Cancellation Charge	Rescheduled Charge
0 - 14	60%	30%
15 - 29	50%	25%
30 - 44	40%	20%
45 - 59	30%	15%
60 - 74	20%	10%
75 - 89	10%	5%
90	0	0

* The charges listed in this Table are specified as a percentage of the list price of the cancelled or rescheduled products.

11. ADDITIONAL TERMS. A valid contract binding upon ANTONA will come into being only as of the time a formal written acknowledgment/acceptance of the purchase order is sent to the purchaser by ANTONA. Such contract is governed by the laws of the State of California. Such contract is not assignable without prior written approval of ANTONA and any attempt to assign any rights, duties or obligations which apply under such contract without such approval shall be void. All ANTONA rights and remedies, whether evidenced herein or by any other instrument or agreement, shall be cumulative. It is expressly understood that in the event either party shall on any occasion fail to perform any term of such contract and the other party shall not enforce that term(s), the failure to enforce on that occasion shall not prevent enforcement on any other occasion. Deviations from these terms and conditions are not valid unless confirmed in writing by an authorized officer of ANTONA. In no event will ANTONA be liable for special, indirect or consequential damages.

12. MODIFICATION. The foregoing terms and conditions shall prevail notwithstanding any variation from these terms and conditions of any order submitted by the purchaser.