

Progressive Technology Inc.

TERMS AND CONDITIONS OF SALE

This material is quoted, and will be sold if ordered, subject to the mutual agreement that the following terms and conditions apply:

1. The prices and terms on our quotations are not subject to changes either verbal or via purchase order unless approved in writing by Progressive Technology Inc. Prices are based on cost and conditions existing on the date of the quotation and are subject to change by Seller before final acceptance. Typographical errors are subject to correction.

2. Taxes - Buyer is responsible for the ultimate payment of all taxes which may be assessed or levied on or on account of materials sold hereunder to the Buyer. Prices are subject to change due to any Federal or State laws taxing raw or processed materials or governing the working hours or compensation of labor.

3. Packing and Loss or Damage in Transit - Materials will be packed for shipment in a manner suitable to the method of shipment specified by Buyer, or to the method selected by Seller in the absence of instructions. Risk of loss or damage to materials in transit is upon the Buyer.

4. Delivery - Shipment schedules are approximate and are based on conditions at the time of acceptance. Seller will make every effort to complete shipment as indicated, but assumes no responsibility or liability for loss or damage by reason of delay or inability to ship caused by acts of God, fires, floods, wars, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any governmental act, regulation or request, shortage of labor, materials or manufacturing facilities, or any other cause or causes beyond Seller's reasonable control. If, by reason of any of these things, Seller's supplies of the materials covered hereby are limited, Seller shall have the right to prorate the available supply in such manner as it, in its discretion, determines.

5. Partial Deliveries - Partial deliveries shall be accepted and paid for at contract prices on maturity of bills therefore. If any part of the material is not delivered by the Seller or is not in accordance with the order, the order for the remainder of the material and the Buyer's obligation there under shall not be affected thereby. The Seller may, at its option, replace any or all returned material within a reasonable time after it is finally determined that the returned goods are not in accordance with the contract; and in such event the Seller shall not be liable for any damages arising from the defective delivery or delay caused thereby.

6. Manufacturing - If any of the goods covered by this Order are to be manufactured in accordance with drawings and/or specifications provided by Buyer (the ~~Specifications~~), Progressive Technology shall manufacture the goods strictly in accordance with the Specifications. Buyer may make changes to the Specifications at any time upon reasonable advance notice to Progressive Technology. If such changes result in delay or additional expense to Progressive Technology or unusable raw materials, WIP or finished goods, or such changes result in the obsolescence of any goods or materials, an equitable adjustment of price and delivery schedule will be made.

7. Quantity Modifications - If the goods provided to Buyer under this Order are custom goods, Progressive Technology reserves the right to over or under ship by ten percent (10%) of the ordered quantity for any given shipment, until the Order is complete, and bill Buyer for the amount actually shipped. Nothing herein shall relieve either party from fulfilling the obligations set forth herein.

8. Inspection on Arrival - The Buyer shall inspect the material immediately on its arrival and shall within seven (7) days of its arrival give written notice to the Seller of any claim for quantity discrepancy or breakage. Buyer shall fully inspect all parts and materials, for conformity with the terms of the contract, within 30 days of arrival. Furthermore, the buyer agrees to return non-conforming materials to Progressive Technology Inc. within thirty (30) days of delivery. Progressive Technology Inc. shall have no liability hereunder if Buyer fails to respond within these time frames.

9. Standard Warranty - Except as otherwise indicated, Progressive Technology Inc. warrant to the Buyer that the items sold by it~~s~~ hereunder are free from defects in material and workmanship and meet applicable specifications. It is recognized that by their very nature, some parts, components, accessories or assemblies may cease to function properly. In honor of the warranty, Progressive Technology Inc. agrees to repair or replace, as it may elect, any part or parts which under proper and normal use prove to fail to function for a period of one year. Progressive Technology Inc. may at any time discharge its warranty as to any item by refunding the purchase price and taking back the item.

July 22, 2009

Progressive Technology Inc. shall have no liability for parts scratched, chipped or damaged in any way unless those parts were reported as received as such within 7 days of delivery.

The foregoing warranty and remedy are exclusive and Progressive Technology Inc. shall have no other liability under any other warranty express or implied either in fact or by operation of law, statutory or otherwise. Progressive Technology Inc. shall have no liability for special or consequential damages of any kind and from any cause arising out of the installation or use of any item.

10. Indemnity - The Buyer will protect and indemnify the Seller against all claims for damages or profits arising from infringement of patents, designs, copyrights or trade-marks, with respect to all goods manufactured, either in whole or part, to the Buyer's specifications.

Buyer further agrees to protect, indemnify, and hold harmless Seller against all claims for damages which may arise out of the injury to persons or property caused by the misfeasance or nonfeasance of Buyer in the use of the goods and materials quoted and sold pursuant to this agreement. The indemnities contained herein with respect to infringements and injury to person or property shall include an indemnity for attorney's fees and court costs, as well as for any damages arising out of any transaction related to the material herein quoted and sold.

11. Dies, Tools or Fixtures - Invoices covering dies, tools and fixtures, whether of a mechanical, electrical, electronic or optical nature, do not convey any title or interest to the Buyer. Only a portion of such cost is ordinarily charged the Buyer, while the Seller assumes the remainder and provides engineering time and experience in their design. For these reasons, dies, tools and fixtures remain the property of the Seller and are not removable from the Seller's factory.

12. Modifications - No deletion, amendment or addition to the terms hereof shall be affected by the acceptance or acknowledgment of a purchase order or other forms unless expressly agreed to in writing signed by an authorized representative of the Seller. All orders are subject to acceptance or rejection by Progressive Technology Inc.

13. Confidentiality - Buyer agrees that it will not disclose the contents of this Order to any unrelated party without the advance written consent of Progressive Technology Inc.