

Minco Technology Labs, Inc.

Terms & Conditions of Purchase Order

1. Acceptance

The Seller agrees that if this Purchase Order is accepted, by shipment of the products or otherwise, the contract with respect to the products covered by this Purchase Order will consist in its entirety of the terms and conditions appearing on the face and back hereof.

With each shipment, the following is required:

- *Original C of C
- *Complete packing list including our Purchase order number and Minco part number.
- *Confirmation required via return fax or email
- *Wafer lot Traceability to be maintained by Supplier

Excluding all usages to the trade and all terms and conditions of the Seller's acceptance which are in conflict with, or which are in addition to the terms and conditions appearing hereon. No changes in, or addition to this contract shall be of any effect unless set forth in writing signed by the party claimed to be bound thereby, and no changes or additions shall be effected by Buyer's receipt and retention, without rejection of any acknowledgement of order or other form of acceptance sent by Seller containing conflicting or additional terms and conditions.

The seller agrees to flow down all requirements of the purchase order to all sub tier suppliers and contractors involved in purchase order fulfillment.

2. Changes

Where the products to be furnished are to be specifically manufactured in accordance with drawings and specifications, Buyer by written order may make changes, within the general scope of this Purchase Order, in the drawings and specifications, the method of shipment or packing, and the time and place of delivery. If any such change causes a change in cost or time required for performance, an equitable adjustment shall be made in the price or delivery schedule or both by written amendment to this Purchase Order, provided that the Seller has requested such adjustment within thirty (30) days after the receipt of the change order.

3. Warranty and Inspection

Seller warrants and agrees that the product delivered on this Purchase Order will be free from defects in workmanship and materials and will be in accordance with specifications, drawings or samples in all respects and, if they are to be installed by Seller, that they will function properly when installed. Seller further agrees that this warranty shall survive acceptance and payment for a period of one year after delivery to Buyer. Rejected products will be returned for credit at Seller's risk and expense. No replacements are to be made unless specified by Buyer. Orders are subject to inspection and test at any time or place before, during and after manufacture.

4. Use of Specifications

Any specifications, drawings, technical information or data furnished to Seller hereunder shall remain the property of Buyer, shall be kept confidential and shall be returned at Buyer's request. Such documents shall be used in filling this order and may be used for other purposes only upon such terms as may be agreed upon in writing between Buyer and Seller.

5. Quality Control Provisions

A) Access to Facilities

Upon Buyer's request, Seller shall grant to Buyer and its agents and representatives access to Seller's manufacturing facilities, quality control data, and other information necessary for Buyer to ascertain Seller's ability to consistently supply an acceptable quality product, provided that this position shall not apply to items or areas which are Government classified.

B) Design, Material or Process Changes

Seller shall keep Buyer advised of all changes in design, material, process or other aspects of products which may affect life, interchangeability, safety or performance of any products ordered under this Purchase Order.

C) Evidence of inspection

For each shipment of products under this Purchase Order, Seller will maintain records to substantiate compliance with Buyer's mechanical, electrical, environmental and special process requirements and Seller will make such records available for inspection by Buyer or any of its authorized agents or representatives.

6. Quality and Delivery

Products shipped in excess of Buyer's order will be returned at Seller's risk and expense. Buyer will not be responsible for any products furnished without a written order. In the

absence of Buyer's consent, no delivery hereunder shall be made in advance of the time specified therefore in Buyer's delivery schedule. Seller shall be responsible for all products until they are delivered at the point of delivery specified in this Purchase Order.

7. Delays

A) Neither Buyer nor Seller shall be liable for damages for delay in delivery due to any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of the public enemy or of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and (unless the materials or supplies to be furnished under a subcontract are procurable on the open market) delay of a subcontractor due to such causes.

B) With reasonable promptness and in any event no later than ten (10) days after learning that any actual or potential labor dispute or any other cause is delaying or threatens to delay the timely performance and fulfillment of this Purchase Order, Seller shall give Buyer notice thereof, including all relevant information with respect thereto.

C) Time is of the essence in this order and unless otherwise authorized by the Buyer, premium transportation cost to meet delivery schedules shall be at Seller's expense.

8. Termination

A) Notwithstanding any other provisions set forth herein, Buyer may at its option cancel any part or all of the unfilled portion of the Purchase Order and return to Seller for full credit and refund any unused portion of the products delivered hereunder if Seller fails to make delivery of any products or to perform any services herein provided for within the time specified herein or if the Seller fails to perform any other provisions of this contract.

B) Buyer may also terminate this Purchase Order in whole or in part, if Seller ceases to conduct its operations in the normal course of business or is unable to meet its obligations as they mature, or if any proceedings in bankruptcy or insolvency are brought by or against Seller, or if a receiver for Seller is appointed or applied for, or if an assignment for the benefit of creditors is made by Seller.

C) If this Purchase Order is terminated as provided above, Buyer shall have the right, in addition to any other available rights and remedies, to recover from Seller any excess cost of obtaining elsewhere any reasonable substitute for products or services which were not properly delivered to Buyer under this Purchase Order prior to termination.

9. Tools and Equipment

If Buyer furnishes to Seller or makes any payment or allowance to Seller for tools, jigs, fixtures, moulds, dies, production or testing equipment, including any re-placement thereof, to be used by Seller in the fulfillment of this Purchase Order, all of the same shall

be and remain the property of Buyer and shall be used by Seller solely for the purpose of filling Buyer's orders or, upon Buyer's written consent, filling other orders, and Seller shall deliver all such tools and other equipment to Buyer or its designee on demand when the same are no longer required for Seller's performance under Buyer's orders.

Seller shall maintain adequate property control records on all such tools and other equipment and shall, to the extent practicable, identify them by appropriate tags or markings. Seller will, at the request of Buyer, furnish to Buyer a list of all the tools and other equipment for which Buyer has made any payment or allowance to Seller under this Purchase Order, or the cost of which in whole or in part is chargeable to this Purchase Order.

10. Scrap

Scrap resulting from the manufacturing of any material furnished by Buyer to Seller shall remain the property of Buyer subject to Buyer's direction and shall not be disposed of without Buyer's written consent.

11. Patents

Except in the case of products of Buyer's design, Seller will defend any suit or proceedings brought against Buyer or its customers so far as the same is based on a claim that any product hereby ordered infringes any patent, trademark, or copyright, if Seller is promptly notified in writing and given authority, information and assistance (as the Seller's expense) for defense of the same; and Seller will pay all damages and costs awarded therein against Buyer or its customers. In the event of any such claim of infringement, Buyer may cancel any or all of the unused portion of this Purchase Order and may return to Seller for full credit the unused portion of any products delivered pursuant to it. Seller shall not be liable because of patent infringement resulting from Buyer's modifying any product ordered hereunder or use thereof in combination with other products.

12. Indemnity against Claims

Seller shall indemnify Buyer against all loss of account of claims of injury to persons (including death) or damage to property which may result in any way from any act or omission of Seller, or of its agents, employees or subcontractors. Seller shall also maintain such Public Liability, Property Damage, Employer's Liability and Compensation insurance and Motor Vehicle Liability (Personal Injury and Property Damage) as will protect Seller (or its subcontractors) and Buyer from said risks and from any claims under any applicable Workmen's Compensation or Occupational Disease statutes.

13. Assignment

Seller agrees that without the written consent of Buyer, it will not in any manner assign this Purchase Order or any interest therein, or any payment hereunder, nor purchase any substantial portion of the work to be performed by Seller hereunder. Any assignment or attempted assignment made without such written consent shall be void as to Buyer.

14. Other Rights of Buyer

Failure of Buyer to insist in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Purchase Order shall not be construed as a waiver or, of a relinquishment of future performance of any such terms, covenant or conditions and Seller's obligation with respect to such future performance will continue in full force and effect. Moreover, the rights and remedies of the Buyer provided in this Purchase Order shall not be exclusive and are in addition to any other rights and remedies provided by law.

15. Gratuities Prohibited

Seller warrants and agrees that it will abide by Buyer's policy that Buyer's employees and agents accept no gratuities from its vendors.

16. Miscellaneous

The terms and conditions of this Purchase Order shall be binding upon the successors and assigns of Seller and Buyer and shall be governed by and enforced in accordance with Texas Laws.

17. Equal Opportunity

Seller agrees to comply with all local, state and federal laws, orders, regulations, and ordinances regarding discrimination in employment against any individual on the basis of race, color, religion, sex, age, national origin, handicapped, status of disabled veteran or creed and pay any penalties assessed for violations thereof. In particular, Seller agrees to comply with all provisions of Title 7 of the Civil Rights Act of 1964, as amended and all applicable Executive Orders, including, but not limited to, Executive Order No. 11246

The Seller shall comply (unless exempted) with the provisions below with respect to equal employment opportunity.

All applicable government regulations concerning equal employment and affirmative action are incorporated into this document by reference:

Seller agrees to comply with all applicable provisions of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended; Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, and

implementing regulations set forth in 41 C.F.R. Sections 60-250 and 60-741. Seller agrees that the equal opportunity clause set forth in 41 C.F.R. 60-1.4 and the affirmative action clauses set forth in 41 C.F.R. Sections 60-250.4 and 60-741.4 are hereby incorporated by reference and made a part of this Agreement. Seller certifies that it does not and shall not maintain any facilities it provides for its employees in a segregated manner and that it does not and shall not permit its employees to perform their services at any location under Seller's control where segregated facilities are maintained. Seller further agrees to submit and obtain such certification of non-segregated facilities as are required by 41 C.F.R. Section 60-1.8 The provisions of this paragraph shall apply to Seller only to the extent that Seller is not otherwise exempt from said provisions and compliance with said provisions is consistent with and not violative of 42 U.S.C. Section 2000e et seq., 42 U.S.C. Section 1981 et seq., or other acts of Congress.