

1. ACCEPTANCE; PURCHASE ORDER CONSTITUTES ENTIRE AGREEMENT -

The purchase order, together with these terms and conditions, and any attachments and exhibits, specifications, drawings, notes, instructions and other information, whether physically attached or incorporated by reference (collectively the "Purchase Order"), constitutes the entire and exclusive agreement between VERIGON and the supplier (the "Supplier") identified in the Purchase Order. Verigon's submission of the Purchase Order is conditioned on Supplier's agreement that any terms different from or in addition to the terms of the Purchase Order, whether communicated orally or contained in any purchase order confirmation, invoice, acknowledgment, release, acceptance or other written correspondence, irrespective of the timing, shall not form a part of the Purchase Order, even if Supplier purports to condition its acceptance of the Purchase Order on Verigon's agreement to such different or additional terms. Supplier's electronic acceptance, acknowledgment of this Purchase Order, or commencement of performance constitutes Supplier's acceptance of these terms and conditions. Notwithstanding the foregoing, if a master agreement covering procurement of the Work described in the Purchase Order exists between Supplier and Verigon, the terms of such master agreement shall prevail over any inconsistent terms herein.

2. CHANGES - Verigon shall have the right at any time to make changes, including customer or other requirements, in this Order by written notice to Supplier, and Supplier agrees to comply with such changes. If such changes cause a material increase or decrease in Supplier's costs or time of performance of this Order, Supplier shall notify Verigon immediately and negotiate an adjustment.

3. PRICE / SHIPPING - If this Order is not priced it shall not be filled at prices higher than those last quoted and charged Verigon for the same articles. Charges for boxing, packaging or cartage will not be allowed or paid by Verigon unless otherwise expressly stated on this Order. Unless otherwise agreed, goods are purchased on a delivered basis and an element of freight is included in the purchase price of the materials. All freight charges are to be paid by the supplier to the carrier without further liability to Verigon, its divisions, subsidiaries or affiliates, or its customer and/or consignee. Verigon reserves the right to route all shipments. Delays in shipment shall be reported immediately by Supplier to Verigon. Every package or other shipping unit, bill of lading, shipping memorandum and invoice must be marked with Verigon Purchase Order Number.

5. TIME OF THE ESSENCE - Time of shipment and of other aspects of performance hereunder is of the essence of this agreement.

6. DELIVERY / TITLE - Unless otherwise agreed, delivery shall be f.o.b. point of destination and title shall pass to Verigon upon acceptance at the final delivery point. Risk of damages or loss following shipment and prior to acceptance by Verigon shall be the responsibility of Supplier.

7. SUPPLIER NOTICES / RIGHT OF INSPECTION AND REJECTION - Supplier shall provide notice of 1) Nonconforming product; and 2) Changes in product and / or process, changes in suppliers, or changes of manufacturing location. Following notice of 1 or 2, formal authorization by Verigon is required before subject product is received. Material and equipment supplied by Supplier shall be received subject to Verigon's inspection and approval within a reasonable time after delivery, notwithstanding prior payment. If specifications or warranties are not met, material and equipment may be returned at Supplier's expense. No material or equipment returned to Supplier as defective shall be replaced except upon Verigon's formal authorization. Suppliers shall flow down to their supply chain applicable requirements, including customer requirements to ensure product complies with all specifications.

8. ASSIGNMENT - Neither this Order nor any interest therein nor any claim arising hereunder shall be transferred or assigned by Supplier without the prior written consent of Verigon.

9. GOVERNING LAW - The Purchase Order will be construed in accordance with, and all disputes will be governed by, the laws of the State of Arizona, without regard to its conflict of laws rules. The parties specifically waive any claim it may have that any proceedings brought in such State of Arizona courts have been brought in an inconvenient forum.

10. WARRANTY - Supplier warrants that all goods or services furnished pursuant to this Order will be free from defects in material or workmanship and will be in conformity with the requirements of this Order, including drawings and specifications, if any, and reasonably fit for the purpose disclosed in this Order, and Supplier further warrants that such goods or services will be merchantable and fit for the purpose for which they are sold, and where design is Supplier's responsibility, will be free from defects in design. Verigon's approval of Supplier's design or material shall not be construed to relieve Supplier of the warranties set forth herein. Without limitation of any rights which Verigon may have at law by reason of any breach of warranty, goods which are not as warranted may at any time within twelve (12) months after delivery be returned at Supplier's expense. Verigon at its option may require Supplier either to replace such goods at no increase in price (Supplier must pay all repacking, transportation and handling charges both ways) or to refund the purchase price.

11. INVOICES - All invoices shall be mailed to Verigon at its office as indicated on the face of this Order and will state Verigon's Purchase Order Number clearly on the Invoice. Invoice and duplicates shall be rendered for each order or for each shipment if more than one is made on an order. No invoice shall be delivered by Supplier to any employee of Verigon.

An itemized delivery ticket, bearing Verigon's Purchase Order Number as shown hereon, must be left with the goods to insure their receipt. If delivery is made by carrier, an itemized delivery ticket must be attached to the package or other shipping unit. Supplier shall use the lowest published freight rates and any excess transportation charges incurred, including any that deviate from the published tariff rates, are to be borne by the Supplier.

12. PATENT INDEMNITY - Supplier agrees to indemnify, save harmless and defend Verigon from and against any and all suits, claims, damages, costs, and attorney's fees arising out of or in connection with any infringement or claimed infringement of any United States patent, trademark or copyright in the manufacture, use or sale of the equipment or materials furnished under this Order. In case said equipment or material is in such suit, or in final adjudication elsewhere, held to constitute infringement, and the use thereof is enjoined, Supplier shall, at its own expense, either procure for Verigon the right to continue using said equipment or material, or at the option of Verigon either replace same with equally efficient non-infringing equipment or material, or modify it without impairing its efficiency so it becomes non-infringing, or remove said equipment or material and refund the purchase price and the transportation and installation costs thereof.

13. INDEMNITY AND INSURANCE - Supplier shall defend, indemnify and hold harmless Verigon from any claims, suits, judgments, fees and costs (including attorney's fees) based on or arising out of the Supplier's products, services and/or the resale or use of the products purchased hereunder including death, personal injury, or damage to property.

NOTWITHSTANDING ANYTHING ELSE IN THE PURCHASE ORDER OR OTHERWISE, VERIGON WILL NOT BE LIABLE TO SUPPLIER WITH RESPECT TO THE SUBJECT MATTER OF THE PURCHASE ORDER UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY AMOUNTS IN EXCESS OF THE AMOUNT OF THE PURCHASE ORDER. IN NO EVENT WILL VERIGON BE LIABLE TO SUPPLIER FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS ARISING OUT OF, OR IN CONNECTION WITH, THE PURCHASE ORDER, WHETHER OR NOT VERIGON WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN.

14. COMPLIANCE WITH LAWS / ACCESS AND RECORDS RETENTION - Supplier, in the performance of this Order, shall comply with all applicable Federal, state, and local laws, regulations, rules and ordinances, including but not limited to those dealing with the environment. All goods and services will be produced in compliance with applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof. Supplier shall provide access to Verigon (including Verigon's customers and regulatory authorities at any level of the supply chain) to applicable areas of all facilities involved with product. In addition, Supplier will meet quality management system requirements, provide access to all applicable records and meet all standard records retention requirements of AS 9100 (generally seven (7) years).

15. CHEMICAL SUBSTANCE IDENTIFICATION - By acceptance of this Order, Supplier certifies that any chemical substance(s) furnished pursuant to this Order has been properly labeled, and that proper information on the substance(s), e.g., material safety data sheets, have been provided to Verigon, pursuant to all federal, state or local laws and regulations.

16. TERMINATION - Verigon, by written notice, may terminate this order, in whole or in part. In the event this order is terminated as a result of Supplier's default, the Supplier shall be liable for all damages allowed in law or equity, including the excess cost of re-procuring similar items. If this order is terminated for the convenience of Verigon, Supplier will be compensated to the extent that items have been accepted by Verigon prior to the effective date of termination. Other than to this extent, Verigon shall not be liable to Supplier for any damages on account of its failure to accept all of the items ordered.

17. CONFIDENTIALITY / TRADE SECRETS - All specifications, data and other information furnished by Verigon, or its agents, to Supplier in connection with this order remain the exclusive intellectual property of Verigon and shall be treated by the Supplier as proprietary and shall not be disclosed or used, outside the limitation of this order, without prior written approval of Verigon.

If Verigon and Supplier have entered into a Non-Disclosure Agreement ("NDA") which covers disclosure of confidential information under the Purchase Order, and if the term of the NDA expires before the expiration or termination of the Purchase Order, then the term of the NDA shall be automatically extended to match the term of the Purchase Order. The parties shall treat the terms, conditions, and existence of the Purchase Order as Confidential Information as defined in the NDA. Supplier shall obtain Verigon's written consent prior to any publication, presentation, public announcement, or press release concerning its relationship as a supplier to Verigon.

18. PRODUCT PROVISIONS AND COUNTERFEIT PREVENTION - Supplier shall ensure, through a Quality Management System or other controlled process document, that each person within their organization is aware of: their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior. The supplier must also implement, manage, and maintain a process or program to raise awareness of and prevent the use of counterfeit parts.