

DAINIPPON SCREEN DEUTSCHLAND (DSD)
STANDARD TERMS AND CONDITIONS OF SALE

1. TERMS AND CONDITIONS: All sales are made only upon the terms and conditions set forth herein and on the face hereof. The parties acknowledge and agree that any and all other, contrary, inconsistent or additional terms and conditions ("Other Terms") of any purchase order, sales acknowledgement or other document submitted to DSD by CUSTOMER (before or after the date of this Price Quote) shall be of no force or effect, even if used to document this transaction and even if such purchase order, sales acknowledgement or other document purports to make acceptance of such other Terms a condition to its effectiveness. The terms and conditions hereof control and supersede such other documents, any Other Terms, and any course conduct or usage of the trade between the parties, whether or not DSD specifically or expressly objects thereto. DSD's failure to object to any provision of any prior or subsequent document, communication or act of CUSTOMER shall not be deemed a waiver or amendment of any of the terms or conditions hereof. Any changes in the terms and conditions set forth herein must be specifically agreed to in writing by a duly authorised officer of DSD before becoming binding on DSD.

2. SPECIFICATIONS: THE PRODUCTS WILL OPERATE OR PERFORM IN ACCORDANCE WITH AND MEET ONLY THE CONFIGURATION, PERFORMANCE, SAFETY, HAZARDOUS MATERIALS (CONTENT AND/OR WARNING), ELECTRICAL, AND OTHER SPECIFICATIONS ("SPECIFICATIONS") NOTED OR IDENTIFIED IN, OR ATTACHED TO THIS PRICE QUOTE OR OTHERWISE MUTUALLY AGREED TO BY DSD AND CUSTOMER IN WRITING. UNLESS OTHERWISE INDICATED, ATTACHED OR MUTUALLY AGREED BY CUSTOMER AND DSD IN WRITING, ONLY DSD'S STANDARD, PUBLISHED SPECIFICATIONS FOR THE PRODUCTS, AS IN EFFECT ON THE DATE OF ORDER ACCEPTANCE BY DSD, SHALL APPLY. CUSTOMER ACKNOWLEDGES THAT THE REQUIREMENTS OF LAWS AND REGULATIONS VARY AND THAT THE SPECIFICATIONS FOR THE PRODUCTS HEREUNDER (DSD'S STANDARD, PUBLISHED SPECIFICATIONS OR OTHERWISE) MAY NOT MEET OR SATISFY ANY OR ALL OF THE REQUIREMENTS OF THE LAWS AND REGULATIONS WHICH MAY BE APPLICABLE TO THE INSTALLATION AND USE OF THE PRODUCTS AT CUSTOMER'S FACILITY.

3. ORDER RESCHEDULE/CANCELLATION: Once binding on DSD and CUSTOMER, this agreement of purchase and sale is not subject to cancellation or rescheduling of delivery except as set forth below.

Section. (a) CUSTOMER MAY NOT RESCHEDULE DELIVERY OF THIS ORDER MORE THAN ONCE OR TO A DATE MORE THAN NINETY (90) DAYS AFTER THE DATE ORIGINALLY SCHEDULED. To reschedule delivery, CUSTOMER shall issue a new purchase order or a purchase order amendment referring to this Price Quote by Number and stating the requested change. TO BE EFFECTIVE, CUSTOMER'S REQUESTED SCHEDULE CHANGE MUST BE RECEIVED BY DSD AT LEAST SIXTY (60) DAYS BEFORE THE ORIGINALLY SCHEDULED DELIVERY DATE.

Section (b). To cancel this order, CUSTOMER must so notify DSD in writing as required by this provision, referring to this Price Quote by Number. ORDER CANCELLATION IS SUBJECT TO PAYMENT OF A CANCELLATION CHARGE AS SET FORTH BELOW. FAILURE TO PAY THE APPLICABLE CANCELLATION CHARGE CONCURRENTLY WITH SUBMITTING THE ORDER CANCELLATION NOTICE MAY, AT DSD' SOLE OPTION, CAUSE THE CANCELLATION NOTICE TO BE INEFFECTIVE. If an order is rescheduled and then subsequently cancelled, the originally scheduled delivery date will be used for purposes of determining applicable cancellation charges. TO BE EFFECTIVE, CUSTOMER'S ORDER CANCELLATION NOTICE MUST BE RECEIVED BY DSD AT

LEAST SIXTY-ONE (61) DAYS BEFORE THE SCHEDULED DELIVERY DATE. Orders are not cancellable sixty (60) or fewer days before the scheduled delivery date.

CANCELLATION CHARGES:

Number of days prior to scheduled installation date

180+	151-180	121-150	90-120	61-90	
% of					
Purchase	0%	10%	30%	50%	70%
Price					

4. INSTALLATION: DSD will notify CUSTOMER at least ten (10) days before shipment of any special installation and/or environmental requirements of DSD for the Products. CUSTOMER will comply with said requirements and all other requirements of applicable law and regulation (including, without limitation, obtaining any necessary permits and approvals) and appropriately prepare the equipment site prior to the date scheduled for delivery. In addition, CUSTOMER acknowledges and agrees to any installation or environmental requirements set forth in the Specifications and/or on any attached Schedule. If CUSTOMER'S facility and/or installation site does not conform to DSD's installation or environmental requirements, then (a) the Products will be stored at CUSTOMER's expense, DSD and CUSTOMER will cooperate in good faith to resolve the problem (with any additional costs and expenses being borne by CUSTOMER), and (b) any other provision or Section hereof notwithstanding, DSD may immediately invoice CUSTOMER for 100% of the Product purchase price.

5. PRICE: Unless otherwise agreed, Product prices on the Price Quote are in Japanese YEN, FCA Osaka, Japan. Installation services are separately quoted. Prices do not include any applicable VAT, sales or use taxes or any post-FCA point duties or shipping charges.

6. DELIVERY, ACCEPTANCE AND PAYMENT: Delivery shall occur at the point of FCA. Payments are to be made in Japanese YEN, as follows: 90% of the total purchase is due net thirty (30) days after the date of DSD's invoice upon shipment and the remaining 10% net thirty (30) days after the date of DSD'S invoice upon whichever of the following occurs first: (a) CUSTOMER puts any Product into production, (b) CUSTOMER executes a written certificate of acceptance (or equivalent), or (c) sixty (60) days after delivery of the Products in the absence or a bona fide refusal, in writing, by Customer to accept the Products. CUSTOMER MAY REFUSE TO ACCEPT THE PRODUCTS IF BUT ONLY IF THE PRODUCTS AS INSTALLED DO NOT PERFORM IN SUBSTANTIAL COMPLIANCE WITH THE SPECIFICATIONS APPLICABLE TO THE PRODUCTS HEREUNDER. CUSTOMER shall pay a service charge of one and one-half percent (1.5%) per month or the maximum allowed by law, whichever is lower, on all balances past due.

7. SECURITY INTEREST: DSD retains title to the Products (hereinafter „Title Retention Products“) , until all receivables out and in connection with the present and future business relationship with Customer have been duly settled. Pledging or transfer of title to the Title Retention Products by Customer requires DSD's prior written approval.

Any processing or machining of the Title Retention Products shall be deemed to be carried out on behalf of DSD as producer. If Title Retention Products are processed with third party goods or in case of any adjunction of Title Retention Products and third party goods, DSD shall acquire joint ownership in the new products in proportion of the invoice value of the Title Retention Products to the total of the invoice values of all other goods used therewith. If DSD's ownership lapses in case of processing, machining or adjunction, title or joint ownership rights of Customer in the new product shall pass to DSD.

If and to the extent that the retention of title is not acknowledged by an applicable law, in particular law of the country where the

Title Retention Products are located, any other security interest in the Products which is recognized by this law and which gives DSD an equivalent security for its claims shall be deemed to be agreed upon between the parties. If such equivalent security interest requires a co-operation on the part of Customer, Customer shall be bound to perform all acts and take all steps necessary for the creation and maintenance of such security interest.

Customer hereby assigns to DSD as a security all claims which arise from or in connection with the sale of Title Retention Products to third parties.

8. EXCUSABLE DELAYS: Dates for shipment as acknowledged are to be considered as given in good faith within the bounds of business-like considerations and are subject to change by DSD without notice upon any contingency beyond its reasonable control, including without limitation, labour disputes, materials procurement problems, government action, flood, fire, power failure, etc.

9. TITLE AND RISK OF LOSS: CUSTOMER agrees to assume (a) all risk for loss of, or damage or injury to, the Products from and after delivery occurs as provided herein; (b) all risk of loss arising out of any delay in shipment of the Products after they are first delivered to a common carrier for shipment to Customer; and (c) if shipment is deferred by an act or omission of the CUSTOMER, all risk of loss of, or damage or injury to, the Products from and after the time the Products are completed and ready for shipment.

10. WARRANTY: DSD warrants that all Products will be free from material defects in materials and workmanship for a period of twelve (12) months from the date of installation at Customer's facility. DSD's liability for the breach of the foregoing warranty is limited to the repair or replacement (and shipment) of components or subassemblies which are returned to DSD'S designated return facility within the applicable warranty period and which are found by DSD to be other than as warranted in this Section. If DSD is not willing or not capable to repair or replace the defective components or subassemblies within a reasonable period of time, Customer shall have the right to cancel the contract concluded with DSD or to reduce the Product price. Product components and subassemblies will be accepted for return only if (a) Customer obtains a return materials authorisation ("RMA") number from DSD promptly after discovery of the alleged defect and prior to return to DSD, (b) returns them to DSD'S factory or repair depot within seven (7) days from the time DSD issues the RMA number, and (c) notes the RMA number on the outside of the return packaging and includes written notation of the serial number of the Product from which such component or subassembly was removed. In case of defects for which we are liable, Customer's right to cancel the contract entered into with DSD is neither excluded nor limited. The statutory warranty period pursuant to the German Civil Code shall apply to such cancellation right. Customer's right to claim damages instead of performance in case of defects for which DSD is liable only exists insofar as the damages are caused by intent or gross negligence –in cases of personal injury: by intent or negligence- on the part of DSD's obligations vis-à-vis Customer. The reduction of the statutory warranty period to twelve months shall only apply to such right to claim damages within the limits of § 309 no.7 and 8 a lit. bb of the German Civil Code.
IN CASE USED PRODUCTS ARE SOLD TO CUSTOMER, ALL WARRANTY CLAIMS OF CUSTOMER ARE EXCLUDED.

11. LIMITATION OF LIABILITY: IN NO EVENT WILL DSD BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT ANY LIMITATION, DAMAGES RESULTING FROM ANY FAILURE OR LACK OF PERFORMANCE OF GOODS MANUFACTURED USING THE PRODUCTS OR FAILURE OF ANY EQUIPMENT OR DEVICE INTO WHICH PRODUCTS PURCHASED HEREUNDER HAVE BEEN INSTALLED OR INTEGRATED) OR DAMAGES RESULTING FROM LOSS OF USE OR LOSS OF PROFITS ARISING OUT

OF OR IN CONNECTION WITH THIS AGREEMENT OR THE USE OR PERFORMANCE OF PRODUCTS, WHETHER IN AN ACTION BASED ON CONTRACT OR TORT, INCLUDING NEGLIGENCE. IN NO EVENT WILL DSD'S TOTAL LIABILITY FOR ANY DAMAGES IN ANY ACTION BASED ON CONTRACT OR TORT ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID TO DSD BY CUSTOMER FOR THE PRODUCTS. The aforementioned limitation of liability does not apply to DSD's liability for personal injury and for damages resulting from intent or gross negligence on the part of DSD, its legal representatives or persons performing DSD's obligations vis-à-vis Customer.

12. DISPOSAL: The CUSTOMER herewith agrees to assume the responsibility for the disposal of the Products delivered by DSD under the *Electric and Electronic Devices Redemption Act (ElektroG)* and to indemnify DSD as well as Dainippon Screen Mfg. from all duties, including possible payment obligations, resulting from the ElektroG insofar as permissible under the German Laws. Furthermore, in case that CUSTOMER does not use the Product himself, CUSTOMER will make sure that his clients will assume the before mentioned obligations under the ElektroG, provided however that the respective client is not a private person.

13. INDEMNIFICATION: With respect to all products not manufactured pursuant to designs furnished by CUSTOMER, DSD shall save CUSTOMER harmless from any settlement agreed to in writing by DSD and any final judgement for damages and costs for infringement by the products of any patent or any other intellectual property right issued as of the date of this Price Quote, provided (1) DSD is notified in writing within ten (10) days after the receipt by CUSTOMER of notice of any charge of action for such infringement, (2) DSD has the sole control over the defence and settlement of such charge or action, and (3) CUSTOMER agrees to minimise damages of any such infringement. If Customer is enjoined from using the Products due to such infringement, DSD will, at its option and at its expense, (a) procure for CUSTOMER the right to continue using the Products or (b) replace the Product with a non-infringing instrument or part. In case DSD fails to do so, Customer may reduce the Product price or cancel the contract concluded with DSD. If the infringement of a patent or other intellectual property right is caused by negligence of DSD, its legal representatives or persons performing DSD's obligations vis-à-vis Customer, Customer's right to cancel the contract entered into with DSD is neither excluded nor limited. If the infringement is caused by intent or gross negligence of DSD, its legal representatives or persons performing DSD's obligations vis-à-vis Customer, Customer's right to claim damages instead of performance is neither excluded nor limited.

14. DISCREPANCIES: Claims for discrepancies in shipment shall be made within thirty (30) days from date of first delivery to CUSTOMER and shall cover only the cost of Products as charged by DSD. DSD will not accept liability for any costs other than for Products invoiced. DSD reserves the right to correct clerical errors and omissions.

15. SUCCESSORS AND ASSIGNS: This contract shall inure to the benefit of the successors and assigns of DSD CUSTOMER shall not assign this contract without the prior written consent of DSD.

16. CHOICE OF LAWS: This contract shall be governed by, and its terms shall be construed in accordance with, the laws of Germany.

17. SEVERABILITY: In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, except in those instances where removal or elimination of such invalid, illegal, or unenforceable provision: or provisions would result in a failure of consideration hereunder, such invalidity, illegality or unenforceability shall not effect any other provision hereof, and the remaining provisions shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

18. NOTICES: All notices hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, one day after delivery to a nationally recognised overnight delivery service, charges prepaid, three days after sent by registered or certified mail, postage prepaid, or when receipt is confirmed if by telex, facsimile or other telegraphic means to the party's address set forth above or to such other address as any party shall have specified by notice to the other in accordance with this Section.

19. RELATIONSHIP OF PARTIES: Neither party shall, for any purpose, be deemed to be an agent, partner, employer, employee, or joint venture of the other party. The relationship between the parties shall only be that of independent contractors.

20. SURVIVAL: The limitations of warranty and liability, and confidentiality provisions set forth herein shall survive the cancellation, completion or other termination of this contract for any reason

21. PROPRIETARY INFORMATION CONFIDENTIALITY: Any information or data in the form of specifications, drawings, reprints, technical information or otherwise furnished to CUSTOMER shall remain DSD' property, shall be deemed proprietary, shall be kept confidential and shall be promptly returned at DSD' request.

22. EXPORT: CUSTOMER represents and warrants that it will comply with all applicable export regulations, including restrictions or prohibitions on re-export, with respect to Products.

DSD / 11-2005