

## SALE TERMS AND CONDITIONS

Last Modified: 03/31/2017

1. QUOTE CONFIDENTIALITY: This quote is considered Confidential and Proprietary to Carbonics Inc.

2. QUOTES EXPIRATION: Custom Quotations expire 30 days from the date of quotation.

3. ACCEPTANCE AND CANCELLATION: A Purchase Order or Online Order initiating any services or ordering any materials and is an acknowledgement that customer accepts and agrees to all terms and conditions herein. Customer may not cancel any Purchase Orders within 90 days of the date of the Purchase Order, unless otherwise notified and will be held liable for payment regardless.

 PURCHASE ORDERS & PAYMENTS: Address Purchase Orders and/or Payment By Mail: Carbonics, Inc., 4640 Admiralty Way # 1015 Marina del Ray, CA, 90292, USA

Payment by Wire or ACH: email sales@carbonicsinc.com for details.

5. PAYMENT TERMS: Carbonics Inc will receive all payment of all orders prior to shipping any products or begin to undertake custom services. Customer is responsible for all bank charges resulting from wire transfers or credit card payments that are not accepted due to credit limits or default. All transactions are in USD.

6. USE LIMITS. Products sold are intended for research and development (R&D) purposes only. If customers intend for items to be used within another system, product, to be resold, repackaged, rebranded or integrated and reprocessed as another product or embodiment, a license agreement or distribution agreement must be executed with Carbonics, Inc.

7. TRANSPORT: Customer shall be responsible for all costs incurred (including freight, freight insurance, duty and brokers' service charges) to transport customer's product to and from Carbonics Inc, as applicable, and customer will be the "Importer of Record". No warranties, express or implied, apply to damages incurred in transit. Shipping method and insurance are at the customer's discretion and expense.

8. PROCESSING & VARIANCE: Processing performed by Carbonics Inc is based on Carbonics Inc standard processes, flows, materials and cycle times, unless otherwise agreed upon. Orders for products not stocked as a standard item, or not packed in standard packages, or for which special fabrication or production is required, may result in a quantity variance less than or



greater than the order quantity.

9. LIMITED LIABILITY: Carbonics Inc shall not be liable for damages arising directly or indirectly from the sale, use or failure of any wafers or devices sold or processed by Carbonics Inc and no warranty is offered or implied. Carbonics Inc's liability is limited to the total price paid or to be paid, as the case may be, by Customer to Carbonics Inc for the services and/or goods that are the subject of the dispute. Carbonics Inc must receive all claims in writing (send email to sales@carbonicsinc.com), within fifteen (15) days of date of invoice. Carbonics Inc authorization is required prior to customer return of goods to Carbonics Inc for any applicable rework and/or credit; material must be received within thirty (30) days of receipt. Customer will be held liable for payment terms, regardless.

11. INDEMNIFICATION & INTELLECTUAL PROPERTY: Carbonics Inc assumes no obligation or liability of any kind with respect to claims of Intellectual Property, infringement of United States or foreign patents, copyrights, trademarks or other proprietary rights arising out of or relating to the customer's purchase, importation, use, possession, sale, or delivery of any processing, products or services rendered to customer by Carbonics Inc. Customer shall indemnify, defend and hold Carbonics Inc harmless from any and all such claims and liabilities, damages and expenses. All designs and patentable features related to Carbonics Inc services are, and shall remain, the property of Carbonics Inc, including those resulting from the requirements of Customer. Unless otherwise agreed to in writing by Carbonics Inc, Carbonics Inc shall retain title to and possession of all tooling and assembly designs produced, even if Customer has paid non-recurring engineering charges (NRE) to Carbonics Inc for such tooling or designs.

12. CONFIDENTIAL INFORMATION: All non-public, confidential or proprietary information including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Carbonics Inc to the Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with this sale is confidential. Customer name and affiliated company information may be disseminated to Carbonics Inc business partners, investors, IP licensors or IP licensees.

13. FORCE MAJEURE: Carbonics Inc shall not be liable for delays in delivery of goods or services caused by inability to obtain transportation, equipment ore material, insurrection, fires, flood, storms, embargoes, action of military or civil authorities, strikes, labor difficulties, acts of GOD, or other similar or different circumstances beyond the control of Carbonics Inc.

14. ENTIRE TERMS AND CONDITIONS: The prices and terms and conditions of this quotation supersede any and all other prices, terms and conditions, unless agreed to in writing by Carbonics Inc.