

STANDARD CONDITIONS OF SALE OF INSPIRED ENERGY, INC. ("Company")

1. WARRANTIES

The Company warrants to Purchaser that products furnished hereunder will be free from defects in material, workmanship and title and will be of the kind and quality specified in Company's quotation or published documents. The foregoing shall apply only to failures to meet said warranties (excluding any defects in title) which appear within one year from the date of shipment hereunder; provided, however, that if Purchaser, in the course of its regular and usual business, transfers title to or leases such products (including equipment incorporating such products) to a third party, such period shall run until one year from such transfer or lease or fourteen months from shipment by the Company, whichever occurs first.

The conditions of any tests shall be mutually agreed upon and the Company shall be notified of, and may be represented at, all tests that may be made. The warranties and remedies set forth herein are conditioned upon (a) proper storage, installation, use and maintenance, and conformance with any applicable recommendations of the Company and (b) Purchaser promptly notifying the Company of any defects and, if required, promptly making the product available for correction.

The warranties and remedies set forth herein are further conditioned upon the undertaking that the Purchaser, his customers and users (a) will not make any unauthorized modification or adaptation of the products sold hereunder (b) will not use any charger or install any device, instrument, equipment or part thereof in or on these products, the use or combination of which has not been proven and (c) will not allow the product to completely self-discharge or leave it connected to a load beyond full discharge.

Authorization for return of product claimed to be defective must be obtained from Company prior to shipment and all transportation charges must be prepaid by Purchaser. Returned product will be subject to inspection and test by Company, and a final determination as to whether any adjustment is due will be made by Company. The liability of Company under the warranty is limited to the purchase price of the product and transportation charges authorized by Company for return of product. Purchaser will be liable for the costs of testing and inspection which determines that the returned product has not suffered failure under the terms of this warranty.

The preceding paragraph sets forth the exclusive remedies for claims based on failure of products (except title) whether claims in contract or tort (including negligence) and however instituted and, upon the expiration of the warranty period, all such liability shall terminate. Except as set forth under heading "Patents", the foregoing warranties are exclusive and in lieu of all other warranties whether written, oral, implied or statutory. Company does not warrant any products of others which Purchaser has designated. In no event will the Company be liable for consequential or special damages. NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE SHALL APPLY.

2. PATENTS

The Company shall defend any suit or proceeding brought against the Purchaser so far as based on a claim that any product, or any part thereof, furnished under this contract constitutes an infringement of any patent of the United States, if notified promptly in writing and given authority, information and assistance (at the Company's expense) for the defense of same, and the Company shall pay all damages and costs awarded therein against the Purchaser. In case said product or any part thereof, is in such suit held to constitute infringement and the use of said product or part is enjoined, the Company shall, at its own expense and at its option, either procure for the Purchaser the right to continue using said product or part or replace same with non-infringing comparable product; or modify it so it becomes noninfringing; or remove said product or part and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability of the Company for patent infringement by said product or any part thereof.

Notwithstanding the provisions of the preceding paragraph, the Purchaser shall hold the Company harmless against any expense or loss resulting from infringement of patents or trademarks arising from compliance with Purchaser's designs or specifications or instructions. The sale of product or parts thereof by the Company does not convey any license, by implication, estoppel, or otherwise, under patent claims covering combinations of said product or parts with other devices or elements.

3. DELIVERY

Shipping dates are approximate and are based upon prompt receipt of all necessary information from Purchaser. The Company will notify Purchaser promptly of any material delay and will specify the revised delivery date as soon as practicable.

All product covered by this order shall be released by Purchaser for delivery within twelve (12) months from date of Company's receipt of Buyer's order. The Company shall not be liable for delays in delivery or failure to manufacture or deliver (1) due to causes beyond its reasonable control, or (2) due to acts of God, acts of the Purchaser, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, quarantine restrictions, war, riot, delays in transportation or car shortages, or (3) due to any inability due to causes beyond its reasonable control to obtain necessary labor, materials, components or manufacturing facilities, or (4) due to any other commercial impracticability. In the event of any such delay, the date of delivery shall be deferred for a period equal to the time lost by reason of the delay.

4. TRANSPORTATION

Unless otherwise agreed in writing by the Company, delivery will be made and title will pass F.O.B. point of shipment. Transportation expenses are paid by Purchaser unless otherwise agreed. The risk of loss or damage shall fall upon Purchaser, whose responsibility it shall be to file claims with the carrier. Any prepaid freight will be billed at published rate unless otherwise agreed in writing by Company.

5. PAYMENTS

Pro rata payments shall become due without set-off as shipments are made. All sales are net cash within 30 days from date of invoice. If shipments are delayed by the Purchaser, payments shall become due on the date when the Company is prepared to make shipment. If the financial condition of the Purchaser at any time is such as to give the Company, in its judgment, reasonable grounds for insecurity concerning the Purchaser's ability to perform his obligations under this contract, the Company may require full or partial payment in advance or may suspend any further deliveries or continuance of the work to be performed by the Company until such payment has been received. Failure to furnish such payment within ten days of demand by the Company shall constitute a repudiation of the contract and in such event the Company shall be entitled to receive reimbursement for its cancellation charges. In the event of bankruptcy or insolvency of the Purchaser or in the event any proceeding is brought by or against the Purchaser under the bankruptcy or insolvency laws, the Company shall be entitled to cancel any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its cancellation charges.

6. PRICE POLICY

Prices are those in effect at the time of shipment. Prices quoted herein are subject to adjustment either upward or downward to the price levels announced or published at the time of shipment.

7. SALES AND SIMILAR TAXES

The Company's prices do not include sales, use, value-added excise or similar taxes. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, value-added, excise or other similar tax, applicable to the sale or use of the product sold hereunder shall be paid by the Purchaser, or in lieu thereof the Purchaser shall provide the Company with a tax-exemption certificate acceptable to the taxing authorities.

8. CANCELLATION

The Purchaser may cancel this order only upon written notice and upon payment to the Company of cancellation charges which shall include, among other things, expenses incurred, directly and indirectly, commitments already made by the Company and Company profits.

9. NONASSIGNMENT

Any assignment of this order, or of any rights or obligations hereunder, by the Purchaser without the written consent of Company shall be void.

10. LIMITATION OF LIABILITY AND INDEMNITIES

Unless otherwise agreed in writing by a duly authorized Company representative, products sold hereunder are not intended for use in connection with any nuclear facility or activity, military application or medical device (as defined by the Food and Drug Administration). If so used and any damage, injury or contamination occurs, the Company disclaims any responsibility of every kind, and Purchaser shall indemnify the Company from any such damage, injury or contamination whatsoever arising out of any such use, including such damage, injury or contamination arising out of the Company's negligence. The Company also disclaims any responsibility and Purchaser shall indemnify the Company from any and all liability of any loss or damage or judgment whatever arising out of any unauthorized modification or adaptation of the product sold hereunder and the installation of any device, instrument or equipment or part thereof in or on the products sold hereunder, the use or combination of which has not been proven.

In no event, whether as a result of breach of contract, warranty or tort (including negligence), shall the Company or its suppliers be liable for any consequential or incidental damages, including but not limited to loss of profit or revenues, loss of use of the products or any associated equipment, damage to associated equipment, cost of capital, cost of substitute products, facilities, service or replacement power, downtime costs, or claims of Purchaser's customers, for such damages. If Purchaser transfers title to or leases the products sold hereunder to any third party, Purchaser shall obtain from such third party a provision affording the Company and its suppliers the protection of the preceding sentence.

Except as provided in the article entitled "Patents" the Company's liability on any claim of any kind (including negligence) for any loss or damage arising out of, or resulting from this agreement, or from the performance or breach thereof, or from the products or services furnished hereunder, shall in no case exceed the price of the specific product which gives rise to the claim. Except as to title, any such liability shall terminate upon the expiration of the warranty period specified under heading, "Warranties."

If the Company, without separate compensation therefore, furnishes Purchaser with advice or other assistance concerning any product supplied hereunder or any system or equipment in which any such product may be installed which is not required pursuant to this agreement, the furnishing of such advice or assistance will not subject the Company to any liability, whether in contract, warranty, tort (including negligence) or otherwise.

Each of the foregoing paragraphs in this article will apply to the full extent permitted by law. The invalidity, in whole or part, of any paragraph will not affect the remainder of such paragraph or any other paragraph.

11. GENERAL

Any product delivered by the Company hereunder will be produced in compliance with the Fair Labor Standards Act of 1938, as amended and applicable. The Company will comply with applicable Federal, state and local laws and regulations as of the date of any quotation which relate to (I) equal employment opportunity (including the seven paragraphs appearing in 202 of Executive Order 11246, as amended), (II) workmen's compensation, and (111) the production in the Company's manufacturing facilities of products furnished hereunder. Price and, if necessary delivery will be equitably adjusted to compensate the Company for the cost of compliance with any other laws or regulations. The delegation or assignments by either party hereto of any or all of its duties or rights hereunder without the other party's prior written consent shall be void.

Substitutions and Modifications of Goods: Company may modify the specification of products designed by Company, provided the modifications do not adversely affect the performance of said products.

This agreement (including any specifications or other documents incorporated by reference to the Company's quotation) constitutes the entire understanding between Purchaser and the Company concerning the subject hereof and any representation, promise, course of dealing or trade usage not contained herein will not be binding. No modification, amendment, rescission, waiver or other changes of this agreement or any part thereof shall be binding on the Company unless consented to in writing by the Company's authorized representatives.

The validity, performance and all matters relating to the interpretation and effect of this agreement and any amendment hereto shall be governed by the law to the State of Florida.

Claims for shortages must be made within thirty days after date of delivery. Claims for non-delivery must be made within sixty days after date of invoice. Claims must be written and shortages on motor carrier shipments must be verified by attaching a copy of the delivery receipt. If any discrepancy exists Purchaser shall short remit and attach debit memo to payment.

Claims for prices, trade allowances, cash discounts or other benefits pertaining to this invoice must be made within one year from the date of invoice.

Use of a credit must occur within one year from the date of the credit. A credit pertaining to this invoice may only be applied against the amount due under this invoice or, if this invoice is paid in full without the application of the credit, the credit may be applied against other amounts due.