



Limited Warranty

Product Warranty and Disclaimer

Limited Product Warranty

Logic PD, Inc., dba Beacon EmbeddedWorks ("Beacon") warrants that Products manufactured hereunder will be free from Defects in manufacturing workmanship for a period of two (2) years from the date of delivery of the Products to the Buyer. This warranty shall not apply to any Products Beacon determines have been, by Buyer or otherwise, subjected to testing for other than specified electrical characteristics or to operating and/or environmental conditions in excess of the maximum values established in applicable specifications, or have been subjected to mishandling, misuse, neglect, improper testing, repair, alteration, damage, electrostatic discharge, assembly, or processing that alters physical or electrical properties. This warranty does not apply to: any first articles, prototypes, pre-production units, test units of a Product, development kits, units that have had conformal coating applied, or units where security fuses have been blown. Buyer shall promptly notify Beacon in writing of any malfunction in the Products, which notification shall describe the malfunction in sufficient detail to permit Beacon to isolate the malfunction. Upon notification from Buyer, Beacon will provide Buyer with instructions on returning the Product under a warranty RMA. The Buyer shall be responsible for all shipping charges; provided, however, that Beacon shall pay freight costs for return of repaired or replaced defective Products covered by the Warranty. Upon receipt of any Products returned by Buyer, Beacon shall test the Products in accordance with the contracted level of testing as set forth in the manufacturing process to isolate any malfunctions in the Product. If Beacon determines that the malfunction is not due to nonconformity in the manufacturing workmanship, then Beacon will seek instructions from the Buyer regarding whether Beacon should return the Product to Buyer or dispose of it and the Buyer will be charged a service charge. If Beacon is unable to isolate any malfunctions in the Product using the contracted level of testing, then Buyer is solely responsible for isolation of the malfunction and Beacon will seek instructions from the Buyer regarding whether Buyer will authorize additional testing paid by the Buyer on the returned Product or whether Beacon should return the Product to Buyer or dispose of it. Beacon will seek approval from the Buyer for approval of costs associated with diagnosing, testing, and/or repairing of units that have been conformal coated or where security fuses have been blown because of the difficulty of working with those units. If any returned Product contains malfunctions due to nonconformity in manufacturing workmanship, then Buyer's exclusive remedy and Beacon's sole liability under this warranty will be for Beacon, at its sole option and expense, to correct or replace the defective Product. Beacon does NOT accept debit memos on RMA Products.

Product Use

Buyer shall be responsible for determining that the Product is suitable for Buyer's use and that such use complies with any applicable local, state, or federal law. Beacon's Products are intended to be incorporated into the Buyer's end product. As such Beacon's Products may not

be complete in terms of required design and/or manufacturing related to protective considerations, including product safety measures and system level integration testing typically found in the end product incorporating Beacon's Product. Buyer assumes all responsibility and liability for proper and safe handling of Beacon's Products.

Disclaimer

THE WARRANTY STATED ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS OR OTHER TERMS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF TERMS AS TO QUALITY, FITNESS FOR PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE, WHETHER IMPLIED BY CUSTOM OR LAW. Without limiting the foregoing disclaimer, Buyer understands, acknowledges, and agrees that Beacon does not warrant any parts, components or other materials used in the manufacture of the Products. This warranty does not apply to any software including firmware, operating system, VHDL or Verilog in programmable devices, and application code supplied by Beacon or Buyer.

Limitation Of Liability

EXCEPT AS EXPRESSLY PROVIDED IN THE INDEMNIFICATION SECTION OF THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND OR NATURE ARISING OUT OF OR RELATING TO THIS AGREEMENT OR CONNECTED WITH OR RESULTING FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, REPAIR, REPLACEMENT, OR USE OF ANY PRODUCTS OR THE FURNISHING OF ANY SERVICE OR PART THEREOF, WHETHER SUCH LIABILITY IS BASED IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, EVEN IF SUCH PARTY HAD BEEN WARNED OF THE POSSIBILITY OF ANY SUCH DAMAGES.

Indemnification

Buyer shall defend, indemnify and hold Beacon and its parent companies, subsidiaries, affiliates, officers, directors, employees, agents and representatives harmless from any and all claims, demands, liabilities, actions, suits, proceedings, losses, injuries, death including damages, judgments, expenses and/or costs (including without limitation reasonable attorneys' fees and related costs) based on or arising out of: (i) any claims or demands that use of Buyer's Proprietary Information in manufacturing the Products constitutes infringement; (ii) any claims or demands relating to the design of the Products including software operating system, firmware, or application code; (iii) any claims or demands by any third party that there was a failure to warn of any foreseeable use, improper use, misuse or defects of any Products; (iv) any claims or demands relating to Buyer's negligence, use, ownership, maintenance, transfer, transportation or disposal of the Products; (v) any claims or demands of Buyer's violation or alleged violation of any federal, state, or local laws or regulation, including without limitation, the laws and regulations governing product safety, labeling, packaging and labor practices; or (vi) any claims or demands arising out of a breach by Buyer of any of the terms and conditions of this Agreement. Beacon shall give written notice of any claim or potential claim to Buyer within a reasonable time following the time at which Beacon first became aware of the circumstances which gave rise to such claim for indemnification hereunder. Buyer may, at its option, have control of any litigation and appointment of counsel in defense of any third-party claims for which Beacon seeks indemnification hereunder. No suit or proceeding shall be settled or compromised without the prior written consent of Beacon. The obligation to indemnify under this Section shall survive the termination or expiration of this Agreement.