Satellite Systems Corporation
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Sales Terms and Conditions

1. **APPLICATION & ACCEPTANCE** All Quotations Covering Seller's Products Are Made And All Contracts or Purchase Orders For Said Products Are Accepted And All Shipments Are Made on The Condition That The Terms And Conditions Set Forth Herein Shall Be Applicable Thereto, And Shall Supersede Any Provisions on Buyer's Purchase Order or Other Documents Accepted by Seller Which Are at Variance With or in Addition to These Terms And Conditions Other Than Additional Provisions Specifying Character of The Items Ordered, Quantity, Price, Delivery, Insurance And Shipping Instructions. No Changes or Additions to These Terms And Conditions Shall Be Binding Upon Seller Unless in Writing And Signed by a Duly Authorized Representative of Seller. All Contracts And Orders Are Subject to Acceptance by Seller at Its Virginia Beach Office.

2. **QUOTATIONS & PRICE** All quotations expire thirty (30) days after the date thereof unless otherwise stated in the body of the quotation. Prices are net and are not subject to trade or other discounts and do not Include local, state or federal sales, excise or similar taxes, or cost of Insurance or special packaging requested by Buyer, which when applicable shall by paid by Buyer.

3. **PAYMENT** Unless otherwise specified on Seller's invoice, the amount thereof becomes due and payable within thirty (30) days from the invoice date. If, in the judgment of Seller the financial condition of the Buyer at any time does not justify shipment on the terms of payment originally specified, Seller may require full or partial payment in advance, may require Buyer to furnish an acceptable irrevocable letter of credit issued or confirmed by a prime U S Bank, or may ship CO D. In the event of the bankruptcy or Insolvency of the Buyer whether under the Federal Bankruptcy laws or other Insolvency, the Seller shall be entitled to suspend or terminate performance until Buyer is able to give Seller reasonable assurance of payment. The invoiced amount shall not be subject to set-offs for any claims by Buyer against Seller, including any claims for products returned by Buyer for repair or correction of defects.

4. **WARRANTY** Seller warrants to the original purchaser that the communications products that it manufactures and sells will be free from defects in materials and workmanship for a period of one (1) year from date of shipment. If any such product proves defective during this warranty period, Seller at its option either will repair the defective product, or will provide a replacement in exchange for the defective product. Repaired or replacement product will be under this warranty for the remainder of the original warranty period of the replaced or repaired product. This warranty shall not apply to materials or components not of SSC's manufacture and shall not apply to any product which has been subject to misuse or damage or which has not been operated in accordance with the recommended safe operating procedure.

In order to obtain service under this warranty, Buyer must notify Seller in writing of the defect before the expiration of the warranty period. This notice must include the Seller's Serial Number and date of shipment for the product the Buyer claims is defective. Buyer shall be responsible for packaging and shipping the defective product to Seller's factory located at Virginia Beach, Virginia U S.A. with shipping charges prepaid.

This warranty shall not apply to any defect, failure or damage caused by improper use or improper or Inadequate maintenance and care. Seller shall not be obligated to furnish service under this warranty a) to repair damage resulting from attempts by personnel other than Seller representatives to repair or service the product, b) to repair damage resulting from improper use or connection with incompatible equipment, or c) to repair or service a product that has been modified in any way by personnel other than Seller representatives.

This warranty is given by seller in lieu of any other warranties, express or implied. Seller disclaims any implied warranties of merchantability or fitness for a particular purpose. Seller responsibility to repair or replace defective products is the sole and exclusive remedy provided to buyer for breach of this warranty. Seller will not be liable for any indirect, special, incidental or consequential damages irrespective of whether seller has advance notice of the possibility of such damages.

5. **DELIVERIES** Shipping dates are approximate and are predicated on prompt receipt from Buyer of all necessary information. Seller shall not be liable for delay or non-delivery due to causes beyond Seller's reasonable control, including but not limited to acts of God, acts of Government authority, shortage of materials, shortage of power or other public utility services, fires, strikes, lockouts and inability to obtain acceptable products from Seller's vendors. If production is curtailed as a result of any of the foregoing contingencies, Seller shall allocate available resources equitably among Seller's customers.

6. **SHIPMENT** All shipments will be made F.O.B, Seller's factory unless otherwise specified. In the absence of specific instructions, the Seller will select the carrier. Title to the material shall pass to the Buyer upon delivery thereof by the Seller to the carrier or delivery service. Thereupon the Buyer shall be responsible therefore. Products held for Buyer, or stored for Buyer shall be at risk and expense of Buyer. If at the request of Buyer shipments are postponed more than thirty (30) days, invoices shall become due thirty (30) days after notice that products are ready for shipment. Claims against Seller for shortages must be made within ten (10) days after arrival of shipment.

7. **SERVICE CHARGE** Any account not adhering to the payment terms on the face thereof will be subject to a service charge of 1% per month on the unpaid balance. Unless otherwise indicated on the hereof payment terms are net 30 days. If Seller commences an action to collect amounts due on this account, Buyer will indemnify and hold harmless from all expenses incurred in connection therewith, including attorney's fees.

8. **RETURN OF GOODS** A 15% handling or restocking charge after inspection and in the opinion of the Seller can be made upon all goods returned for credit. Goods returned for credit must be returned within five (5) days after receipt and must be accompanied by our invoice number and date of purchase.

9. **TERMINATION -DEVELOPMENT CONTRACTS** If this order calls for the development of a product or process, Seller shall have the option to terminate the contract any time if in Seller's opinion completion is not technically possible or economically practicable. Upon such termination, Seller shall refund to Buyer any amount therefore paid by Buyer to Seller on account of the contract and Seller shall return to Buyer any and all tooling, property, drawings or data furnished to Seller by Buyer with respect to the development or production of the product or process. Thereupon, all liability of Seller to Buyer for the performance of the contract
shall terminate.

10. **PROPRIETARY RIGHTS** Seller shall not be obliged to disclose to Buyer any proprietary information or to deliver to Buyer any artwork or tools including masks, drawings and production aids developed by Seller, whether in furtherance of this order or otherwise, unless a written agreement signed by Buyer and Seller expressly provides for such disclosures or delivery. In the absence of such an agreement, Buyer shall acquire no rights or property in such information, artwork or tools. Seller shall have the right to exclude Buyer or Buyer's representatives from any area of Seller's plant access to which might reveal to Buyer or such representatives information which is proprietary to Seller or to third parties.

11. **PATENTS & OTHER INTELLECTUAL PROPERTY** It is expressly agreed that seller does not, directly or indirectly, provide any indemnity to buyer with respect to infringement of patent, copyright, trademarks or other forms of intellectual property by goods supplied by seller hereunder.

12. **ASSIGNMENT** The Buyer shall not assign this order or any interest herein or any rights thereunder without the prior written consent of Seller.