

**KEARFOTT CORPORATION
GUIDANCE & NAVIGATION DIVISION
TERMS AND CONDITIONS OF SALE**

The terms and conditions of sale set forth below apply to this sale by **Kearfott Corporation, Guidance & Navigation Division** ("Seller"). Additional or different terms proposed by Buyer shall not be applicable, unless accepted in writing and signed by an authorized employee of Seller. Seller's failure to object to different terms and conditions proposed by Buyer shall not be deemed acceptance thereof or waiver of any of the terms and conditions contained herein.

1. **PRICE:** The prices set forth herein shall be valid for thirty (30) days from the date of the quotation unless a longer period is specified on the quotation sheet. Prices are F.O.B. Seller's facilities. They do not include freight charges, insurance, export taxes or other customs duties, or any excise, sales, use, value added, unitary, property, or other taxes levied with respect to products or services (except taxes on or measured by the net income of Seller), all of which charges are the responsibility of Buyer. If such charges are incurred by Seller, Seller is authorized to charge them to Buyer.

2. **INVOICE AND PAYMENT:** Payment shall be made in United States Dollars within thirty (30) days of invoice date. Amounts unpaid more than thirty (30) days after the invoice date shall be subject to a late payment charge of one and one-half (1.5%) percent per month. Advance, progress payments and/or milestone billings may be requested at Seller's sole discretion.

3. **TITLE AND RISK OF LOSS:** Seller shall retain title to the Product until Buyer shall have made full payment to Seller for such Product. Seller shall not be liable for loss or damage to the Product while in transit. Risk of loss of any Product to be delivered-by Seller shall be on Buyer after shipment from Seller's facilities, regardless of whether a charge for freight is prepaid by Seller.

4. **CHANGES:** Any change to this sale requested by Buyer shall be subject to prior written consent by Seller. Such change shall be contingent upon a contract modification agreed to by both parties setting forth an agreed price for such change.

5. **ASSIGNMENT:** Buyer shall not assign this sale or any part thereof without the prior written consent of an authorized representative of Seller.

6. **EXCUSABLE DELAYS:** Seller shall not be liable for delays or defaults in delivery beyond Seller's reasonable control, including but not limited to force majeure, natural disasters, storms, fires, floods, explosions, earthquakes, epidemics, or quarantine restrictions, any government act or failure to act, acts of God, war, insurrection or riots, strikes or labor troubles, slowdowns, power outages, material shortages, embargoes, or any act or failure to act by Buyer.

7. **LIMITED WARRANTY:** Seller warrants that all new hardware products delivered pursuant to this sale will be free from defects in material and workmanship for a period of one (1) year from date of shipment to Buyer. Seller's obligation under this

Warranty is limited, at the discretion of Seller, to the repair or replacement of any such product returned to Seller, provided an examination thereof by Seller shall, to Seller's satisfaction, disclose it to have such defects. No product will be accepted for return without prior written approval of Seller. This Warranty does not apply to any product that has been opened, disassembled, repaired, altered, or subjected to misuse or abuse. Following the return to Buyer of a product which is repaired or replaced pursuant to this Warranty, such product shall continue under warranty for the non-expired portion of the warranty period. The time between the Buyer's return of the product to the Seller and the Seller's return of the product to the Buyer shall not be counted as part of the Warranty period. **THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING A WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL NOT BE LIABLE FOR COLLATERAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING LOSS OF PROFITS OR USE.**

8. **CANCELLATION:** Sales are not subject to cancellation except with the prior written consent of an authorized representative of Seller. If such consent is given, Buyer shall accept and pay for all finished products at the agreed prices. Buyer shall also pay for the labor and cost of parts manufactured by Seller, plus a reasonable profit on such labor and cost. Buyer shall also pay for any material procured by Seller which cannot be returned or which is on order and is not subject to cancellation.

9. **PATENTS AND INTELLECTUAL PROPERTY:** Buyer shall indemnify Seller, its employees, agents, successors and assigns, and hold them harmless from all losses or claims for infringement of any patent, trade secret, copyright or other form of intellectual property right arising either directly or indirectly from the manufacture or use of any product purchased hereunder.

10. **PUBLICITY:** Seller reserves the right to have its name and logo appear on any product delivered by it to Buyer under this Sales Agreement.

11. **GOVERNING LAW:** This sale shall be deemed to have been made in the State of New Jersey, USA, and construed and governed under the laws of the State of New Jersey, USA, exclusive of choice of law rules. No action against Seller may be instituted without Seller's prior written consent, except in the State of New Jersey. Buyer irrevocably consents to the jurisdiction of the Courts of the State of New Jersey.

12. **PROTECTION OF PROPRIETARY INFORMATION:** If this sale requires the exchange by the parties of technical information, such exchange shall be subject to the provisions of the Non-Disclosure Agreement annexed hereto. Unless specified otherwise and expressly agreed in writing by Seller, all technical data shall be delivered with limited rights and usage shall be expressly limited to the scope of this order.

13. **EXPORT LICENSING:** Products manufactured by Seller, as well as technical data related thereto, may be subject to export licensing controls under the United States Export Administration Regulations and the International Traffic in Arms Regulations. Buyer warrants that it will not assist or participate in any export of Seller's products or related technical data without first obtaining the required export license. The Buyer agrees to provide original signed copies of Form DSP-83 Non-Transfer and Use Certificate as a condition of purchase and will ensure that all foreign consignees, foreign intermediate consignees and the foreign end-user have signed this document,

STD Terms032300C

as indicated in the instructions for the DSP-83. Buyer agrees to save and hold Seller, its employees, agents, successors and assigns, harmless for any and all costs incurred by them, including attorney's fees, directly or indirectly as a result of any failure by Buyer to comply with the above Regulations.

14. **ENTIRE AGREEMENT:** The quotation and terms and conditions expressed herein constitute the entire agreement between the parties hereto, and acceptance of this quotation constitutes a contract. Seller serves notice of its objection to any inconsistent terms in Buyer's request for quotation, purchase order or other applicable documents. Any supplement or amendment to this Agreement shall be binding on Seller only if accepted in writing by an authorized representative of Seller, and Seller serves notice of its objection to any supplements or amendments not so accepted. Buyer's order for Seller's goods covered by this quotation shall be deemed to constitute Buyer's assent to the above terms and conditions.

15. **LIMIT OF LIABILITY: NOTWITHSTANDING ANYTHING IN BUYER'S PURCHASE ORDER OR ANY OTHER DOCUMENT RELATED TO THE GOODS TO BE PROVIDED BY SELLER, IN NO CIRCUMSTANCE SHALL SELLER BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, COLLATERAL, SPECIAL, MULTIPLE OR PUNATIVE DAMAGES, WHEREVER OR HOWEVER CAUSED.**