



modular rf

Terms and Conditions of Sale

For purposes of these terms and conditions of sale, the term "Contract" shall mean the agreement between AR Kalmus Corp. DBA AR Modular RF ("AR Modular RF") and Buyer arising as a result of Buyer's submission of an order for any Product offered for sale by AR Modular RF or component thereof and AR Modular RF's acceptance of said order. AR Modular RF's acceptance of Buyer's purchase order is expressly made conditional on Buyer's assent to these terms and conditions of sale (the "Terms and Conditions"), which shall be conclusively presumed from Buyer's failure to object reasonably in writing. Any modification to these Terms and Conditions must be agreed to and executed in writing by an authorized officer of AR Modular RF. Retention by Buyer of any equipment or software (collectively, "Product") delivered by AR Modular RF hereunder shall be conclusively deemed acceptance of the Terms and Conditions herein. AR Modular RF's failure to object to provisions contained in any communication from Buyer shall not be construed as a waiver of these Terms and Conditions nor as an acceptance of any such provision.

1. Quotations: Only a written quotation of prices for a Product shall constitute AR Modular RF's Quotation thereunder and shall expire on the expiration date indicated on said Quotation, or if no date is specified, then thirty (30) days after the date of the Quotation. Each and every Quotation of AR Modular RF is subject to these Terms and Conditions of Sale and fully incorporates them as a part hereof.

2. Orders and Acceptance of Orders: By submitting an order to AR Modular RF, Buyer agrees to be subject to these Terms and Conditions of Sale in their entirety. All orders must be bona fide commitments showing definite prices and requested shipping dates, together with stipulated quantities and complete description. No order or other commitment shall be binding upon AR Modular RF, unless and until such an order or other commitment is accepted in writing by an authorized officer of AR Modular RF at its principal office in Washington. Said written acceptance of order shall include an estimated date of shipment of the Products ordered by the Buyer.

In the event of a return by the Buyer, a restocking fee may be applied at the discretion of AR Modular RF.

3. Taxes: Prices do not include federal, state or local sales, use or other taxes, now or hereafter enacted, unless otherwise specifically stated herein, applicable to the Product sold in this transaction, and which taxes will, in any event, be paid by Buyer unless Buyer provides AR Modular RF with a proper tax exemption certificate. Should Buyer fail to pay any such taxes and any taxing authority seeks to collect such taxes from AR Modular RF, Buyer agrees to indemnify AR Modular RF and hold it harmless from any such tax and all interest and penalties related thereto. AR Modular RF may, at its discretion, add such taxes to the sales price or bill for such taxes separately.

4. Prices: Prices of Products delivered thereunder shall be pursuant to a valid Quotation or written confirmation from AR Modular RF, or separate contract between Buyer and AR Modular RF.

5. Shipments: All Products will be shipped F.O.B. AR Modular RF's plant in Bothell, Washington. In the absence of specific instructions, AR Modular RF will select the carrier and, at its discretion, ship "collect" or prepaid, but shall not be deemed thereby to assume any liability in connection with the shipment nor shall the carrier be construed to be the agent of AR Modular RF, and Buyer shall remain responsible for all costs of transportation from the point of shipment. Buyer must provide its own insurance. Title and risk of loss or damage to the Products shall pass from AR Modular RF to Buyer upon delivery by AR Modular RF to the possession of the carrier. Any claims for loss or damage or mis-delivery shall be filed with the carrier.

6. Delivery Dates: The estimated shipping schedule stated in AR Modular RF's Quotation or in AR Modular RF's Acceptance of Buyer's order does not constitute a commitment to deliver Products in accordance therewith. AR Modular RF will use reasonable efforts to ship on or before the estimated shipping dates indicated.

7. Terms and Method of Payment: All payments are to be made in U.S. dollars. Terms and method of payment will be as specified in the individual Equipment Quotation or on the Order acceptance. Methods of payment may vary as determined by:

- Extension of credit, with or without specific limitations, by AR Modular RF to Buyer.
- Character of the equipment ordered (*specifically, Instruments versus Systems*),
- Dollar amount of the order, and
- Whether shipment is to a destination within the continental USA or outside the continental USA.

The amount of credit or terms of payment may be changed or credit withdrawn by AR Modular RF at any time. If Buyer fails to pay the price when due, AR Modular RF may recover, in addition to the price, interest thereon at the rate of 1 1/2 % per month where lawful, otherwise the maximum lawful monthly interest rate, and reasonable attorney's fees.

8. Security Interest: Buyer hereby grants to AR Modular RF a Uniform Commercial Code security interest in Products delivered to buyer as security for the performance by buyer of all of its obligations there under. Buyer agrees to execute such documents to evidence and perfect said security interest as AR Modular RF may require. Buyer hereby appoints any officer of AR Modular RF as its duly authorized agent for the purpose of executing all such documents on Buyer's behalf, including, without limitation, the form UCC-1, and for the purpose of taking any and all other action deemed necessary by AR Modular RF, in its sole discretion, for the perfection and enforcement of the security interest granted hereby.

9. Contingencies: AR Modular RF shall not be liable for any delay in delivery or for non-delivery, in whole or in part, caused by the occurrence of any contingency beyond the control either of AR Modular RF or AR Modular RF's suppliers, including by way of illustration but not limitation, war (*whether an actual declaration thereof is made or not*), sabotage, insurrection, riot or other act of civil disobedience, act of a public enemy, failure or delay in transportation, act of

any government or any agency or subdivision thereof, judicial action, labor dispute, accident, fire explosion, flood, storm or other act of God, shortage of labor, fuel, raw material or machinery or technical failure where AR Modular RF has exercised ordinary care in the prevention thereof. If any contingency occurs, AR Modular RF may allocate production and deliveries among AR Modular RF customers.

10. Substitutions and Modifications of Equipment.

A. Equipment Manufactured by AR Modular RF: AR Modular RF may modify the specifications of equipment designed and manufactured by AR Modular RF and incorporated into the Product, provided the modifications do not adversely affect the performance of the equipment. Equipment may be newly manufactured or assembled by AR Modular RF from new parts or from serviceable used parts, which are equivalent in performance to new parts in such equipment. In addition, AR Modular RF may furnish suitable substitutes for materials unobtainable because of priorities, or regulations established by government authority, or non-availability of materials from suppliers.

B. Equipment Not Manufactured By AR Modular RF: With respect to any equipment not manufactured by AR Modular RF, AR Modular RF agrees to use reasonable efforts to notify Buyer of any equipment modifications made by the manufacturer of such equipment and of which AR Modular RF has received notice. If authorized by the manufacturer, AR Modular RF shall modify, at the manufacturer's expense, such equipment, as is returned to it by Buyer (*at Buyer's expense*) for modification.

11. Software: The term Software shall refer to all software and firmware programming routines and documentation thereof supplied by AR Modular RF or the manufacturer for use with the Product, whether or not such Software was separately priced. AR Modular RF or the manufacturer, as the case may be, shall at all times have title to and full ownership of all Software supplied by AR Modular RF with the product. AR Modular RF grants to Buyer a fully paid License to use the Software with the Product.

Buyer shall have the right to make copies of the Software in any human or machine-readable form only to the extent necessary for the efficient use of the Product.

Buyer shall not remove any statutory copyright notice included in the Software furnished to Buyer and shall reproduce all such notices on all copies of any form including revised, modified, or translated version made by Buyer, unless otherwise directed by AR Modular RF in writing.

Buyer shall limit use and access of all Software provided with the Product, and copies thereof, to such of Buyer's employees as are directly involved in the operation and maintenance of the Product. Buyer shall require its employees to make no disclosure of such Software or copies, which is not directly connected with the operation and maintenance of the Product.

The rights and licenses granted to Buyer with respect to any Software provided with the Product may not be assigned or transferred to another party without the prior written consent of AR Modular RF, except that such rights and licenses may be assigned or transferred upon the transfer of the Product to which such rights and licenses apply, provided that AR Modular RF is furnished a written acceptance of the transferee's agreement to assume and comply with any all obligations of Buyer with respect to such Software.

When Buyer no longer desires to use the Software, Buyer shall notify AR Modular RF in writing and destroy all copies thereof.

12. Warranties:

A. Equipment Manufactured By AR Modular RF.

a) **New Equipment.** AR Modular RF warrants to Buyer that the new equipment manufactured and sold by it (directly or through its authorized resellers and distributors) to Buyer shall conform to AR Modular RF Specifications for that equipment and shall be free from defects under normal use in material and workmanship for the period of thirty-six (36) months from the date of the original sales invoice for that equipment (the "**New Equipment Limited Warranty**"), except with respect to equipment (or components thereof) for which a different warranty period is specifically identified by AR Modular RF to that equipment, including in its published price list in effect upon receipt of Buyer's order or in the applicable Product brochure, or in the quotation furnished by AR Modular RF to Buyer, in which event, such different warranty period shall apply. The New Equipment Limited Warranty is limited to new equipment manufactured, and work performed at AR Modular RF by AR Modular RF employees, but includes components purchased by AR Modular RF and installed by AR Modular RF in the equipment.

If within thirty-six (36) months from the date of the original sales invoice (or within the different warranty period provided for in the immediately preceding paragraph), AR Modular RF receives written notification (in accordance with these Terms and Conditions) of the New Equipment Limited Warranty claim for that equipment, and within that period the equipment or any components covered by this New Equipment Limited Warranty are returned to AR Modular RF at the original shipping point, with transportation charges and all other charges including, but not limited to, customs duties and insurance prepaid, and double boxed or packed in other suitable manner, and upon examination AR Modular RF determines to its satisfaction that the equipment or such components are defective in material or workmanship and such defect was not caused by accident, misuse, neglect, alteration, improper installation, repair, improper testing, or by improper packing for return or other warranty exclusion set forth in Section 12(E), below, AR Modular RF shall at its option: (1) repair or replace the defective parts and ship prepaid to Buyer, excluding any customs duties and/or import fees and similar charges, which shall be Buyer's responsibility; or (2) credit the account of Buyer for the original cost of the equipment plus original transportation charges. If AR Modular RF elects to repair or replace non-conforming or defective equipment, AR Modular RF shall have a reasonable time to make such repairs or replace such parts.

b) **Refurbished Equipment.** AR Modular RF warrants to Buyer that the Refurbished Equipment manufactured and sold by it (directly or through its authorized resellers and distributors) to Buyer shall conform to AR Modular RF Specifications for that equipment and shall be free from defects under normal use in material and workmanship for the period of thirty-six (36) months from the date of original sales invoice for that equipment (the "**Refurbished**



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Equipment Limited Warranty”), except with respect to equipment (or components thereof) for which a different warranty period is specifically identified by AR Modular RF to that equipment, including in its published price list in effect upon receipt of Buyer’s order or in the applicable Product brochure, or in the quotation furnished by AR Modular RF to Buyer, in which event, such different warranty period shall apply. The Refurbished Equipment Limited Warranty is limited to Refurbished Equipment manufactured, and work performed at AR Modular RF by AR Modular RF employees, but includes components purchased by AR Modular RF and installed by AR Modular RF in the equipment.

If within thirty-six (36) months from the date of the original sales invoice for the Refurbished Equipment (or during the different warranty period provided for in the immediately preceding paragraph), AR Modular RF receives written notification (in accordance with these Terms and Conditions) of the Refurbished Equipment Limited Warranty claim for that equipment, and within that period the equipment or any components covered by this Refurbished Equipment Limited Warranty are returned to AR Modular RF at the original shipping point, with transportation charges and all other charges including but not limited to custom duties and insurance prepaid, and double boxed or packed in other suitable manner, and upon examination AR Modular RF determines to its satisfaction that the equipment or such components are defective in material or workmanship and such defect was not caused by accident, misuse, neglect, alteration, improper installation, repair, improper testing, or by improper packing for return or other warranty exclusion set forth in Section 12(E), below, AR Modular RF shall at its option: (1) repair or replace the defective parts and ship prepaid to Buyer, excluding any customs duties and/or import fees and similar charges, which shall be Buyer’s responsibility; or (2) credit the account of Buyer for the original cost of the equipment plus original transportation charges. If AR Modular RF elects to repair or replace non-conforming or defective equipment, AR Modular RF shall have a reasonable time to make such repairs or replace such parts.

AR Modular RF and Buyer may agree to refurbish equipment for a set price. Repairs required outside the scope of the agreed refurbishment will be priced at the prevailing rates for labor and materials at the time of the repair.

c) **Reconditioned Equipment.** AR Modular RF warrants to Buyer that the Reconditioned Equipment manufactured and sold by it (directly or through its authorized resellers and distributors) to Buyer shall conform to AR Modular RF Specifications for that equipment and shall be free from defects under normal use in material and workmanship for the period of twelve (12) months from the date of original sales invoice for that equipment (the **“Reconditioned Equipment Limited Warranty”**), except with respect to equipment (or components thereof) for which a different warranty period is specifically identified by AR Modular RF to that equipment, including in its published price list in effect upon receipt of Buyer’s order or in the applicable Product brochure, or in the quotation furnished by AR Modular RF to Buyer, in which event, such different warranty period shall apply. The Reconditioned Equipment Limited Warranty is limited to Reconditioned Equipment manufactured, and work performed at AR Modular RF by AR Modular RF employees, but includes components purchased by AR Modular RF and installed by AR Modular RF in the equipment.

If within twelve (12) months from the date of the original sales invoice for the Reconditioned Equipment (or during the different warranty period provided for in the immediately preceding paragraph), AR Modular RF receives written notification (in accordance with these Terms and Conditions) of the Reconditioned Equipment Limited Warranty claim for that equipment, and within that period the equipment or any components covered by this Reconditioned Equipment Limited Warranty are returned to AR Modular RF at the original shipping point, with transportation charges and all other charges including but not limited to customs duties and insurance prepaid, and double boxed or packed in other suitable manner, and upon examination AR Modular RF determines to its satisfaction that the equipment or such components are defective in material or workmanship and such defect was not caused by accident, misuse, neglect, alteration, improper installation, repair, improper testing, or by improper packing for return or other warranty exclusion set forth in Section 12(E), below, AR Modular RF shall at its option: (1) repair or replace the defective parts and ship prepaid to Buyer, excluding any customs duties and/or import fees and similar charges, which shall be Buyer’s responsibility; or (2) credit the account of Buyer for the original cost of the equipment plus original transportation charges. If AR Modular RF elects to repair or replace non-conforming or defective equipment, AR Modular RF shall have a reasonable time to make such repairs or replace such parts.

AR Modular RF and Buyer may agree to recondition equipment for a set price. Repairs required outside the scope of the agreed reconditioning will be priced at the prevailing rates for labor and materials at the time of the repair.

d) **Repair Warranty.** If equipment is outside of the relevant warranty period AND the defect arising is identical to the defect purported to be remedied at a service on the same equipment within the immediately preceding six (6) months AND the defect concerned can be traced to a defect in materials or workmanship in that earlier repair, AR Modular RF will make the repair under warranty at no charge (the **“Repair Warranty”**). AR Modular RF shall make a final determination of coverage under the Repair Warranty when the repair is completed. The Repair Warranty is limited to work performed at AR Modular RF by AR Modular RF employees.

B. Proprietary Software Used in Product Manufactured by AR Modular RF: If, at any time during the period ending two years after delivery to the Buyer of Software proprietary to AR Modular RF and for use in or with any Product manufactured and sold by AR Modular RF, Buyer notifies AR Modular RF, in accordance with Section 12(F), below, of any error in the Software or any failure of the Software substantially to conform to AR Modular RF’s software description, which error or non-conformance in fact exists AND which Buyer can demonstrate to AR Modular RF limits or prevents Buyer’s use of the Software, AR Modular RF agrees to use its reasonable efforts to correct such error or failure so that the Software substantially conforms to AR Modular RF’s software description (the **“AR Modular RF Software Undertaking”**), but AR Modular RF does not warrant that the Software is free from defects or that the defects or non-conformance can be corrected; provided, however, that this AR Modular RF Software Undertaking shall apply only to those portions of the Software, or its replacement, that incorporated all program corrections and modifications, if any, delivered to Buyer; and provided further that, in addition to the Warranty exclusions in Section 12 (E), this AR Modular RF Software Undertaking shall not apply to any error or failure due to the misuse or negligence of any person other than AR Modular RF and shall not apply to any Software which has been modified by any person other than AR Modular RF. For the purposes of these Terms and Conditions, “Software proprietary to AR Modular RF” means solely software developed in-house by AR Modular RF to the exclusion of all other software.

C. Equipment Not Manufactured By AR Modular RF: AR MODULAR RF GIVES NO WARRANTY (INCLUDING WITHOUT LIMITATION, ANY AND ALL EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AND SHALL HAVE NO RESPONSIBILITY OR OBLIGATION WHATSOEVER FOR, OR WITH RESPECT TO EQUIPMENT SOLD TO BUYER BY AR MODULAR RF (DIRECTLY OR THROUGH ITS AUTHORIZED RESELLERS AND DISTRIBUTORS) BUT NOT MANUFACTURED BY AR MODULAR RF.

If AR Modular RF is notified in accordance with these Terms and Conditions, and Buyer returns to AR Modular RF equipment (or parts thereof) covered by the third-party manufacturer’s warranty at the original shipping point, with transportation charges and all other charges including but not limited to customs duties and insurance charges prepaid, and double boxed or packed in other suitable manner, within good time prior to the expiry of the period of the relevant third-party manufacturer’s warranty, and where AR Modular RF, in its sole discretion, determines that service should be performed under the third-party manufacturer’s warranty, and to the extent available, permitted or approved under the third-party manufacturer’s warranty, AR Modular RF may in its sole discretion and without liability or obligation to any person, either: (1) repair or replace the equipment (or parts thereof) at the third-party manufacturer’s expense; or (2) return to the third-party manufacturer the equipment (or parts thereof) for the third-party manufacturer’s assessment or repair or replacement.

In the event that AR Modular RF elects to repair or replace the equipment (or parts thereof), or if the equipment is returned to the third party manufacturer for repair or replacement, AR Modular RF or the third party manufacturer, as the case may be, shall have a reasonable time to make such repairs or replace such equipment (or parts thereof). All service provided by AR Modular RF thereunder shall be performed by it in-house.

In the event that AR Modular RF either elects not to facilitate return of the equipment (or parts thereof) to the third-party manufacturer or itself to repair or replace or within a reasonable time of receipt of the equipment fails to so elect, Buyer may apply to the manufacturer for service in accordance with the terms and condition of the manufacturer’s warranty. The responsibility of ensuring that claims on, and in accordance with the manufacturer’s warranty are timely and properly made rests solely with Buyer. AR Modular RF shall have no responsibility whatsoever for any delays or failure to return or facilitate the return of equipment (or parts thereof) to the third-party manufacturer. To the extent available, and permitted by the third-party manufacturer’s warranty, AR Modular RF agrees to assign the third-party manufacturer’s warranty to Buyer.

D. Software Not Proprietary to AR Modular RF: AR Modular RF makes no warranties (INCLUDING WITHOUT LIMITATION, ANY AND ALL EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) with respect to Software licensed to Buyer by AR Modular RF and not proprietary to AR Modular RF. AR Modular RF agrees to assign the manufacturer’s warranty covering such Software, to the extent available and permitted, to Buyer.

E. Warranty Exclusion. None of the New Equipment Limited Warranty, the Reconditioned Equipment Limited Warranty, the Refurbished Equipment Limited Warranty, the Repair Warranty or the AR Modular RF Software Undertaking (all together, the “Limited Warranties”) shall cover, or apply to, and AR Modular RF shall not have any responsibility under the foregoing or otherwise for:

- (a) Non-conformance, defect, damage or malfunction caused by, or attributable to:
 - (i) Misuse, improper use, abuse, accidents including but not limited to fire, lightning, flooding or other acts of nature, unauthorized product modification, use for purposes for which Product or other product is not intended or failure to follow operational procedures or instructions provided with, or applicable to the Product or other products;
 - (ii) Any associated or complimentary equipment or software or other products not furnished by AR Modular RF;
 - (iii) Failed input and/or output devices (transistors or other elements in the RF signal path) on standalone Power Amplifier Modules where there is no AR Modular RF provided protection system within the product;
 - (iv) Installation or removal of Product or any other Product to, or from other equipment;
 - (v) Improper handling during shipping of Product to destination (claims to be filed with the freight carrier);
 - (vi) Exposure of Product to conditions beyond the AR Modular RF specified or usually deployed environmental, power and operating constraints or tolerances;
 - (vii) Installation or wiring not in accordance with AR Modular RF recommended or, in the absence of which, industry acceptable practices; or
 - (viii) Anything other than manufacturing non-conformance to AR Modular RF’s specifications or to manufacturing or AR Modular RF repair defects in materials and workmanship;
- (b) Any product which was not originally manufactured by, and purchased (directly or through its authorized resellers and distributors) from AR Modular RF;
- (c) Any Product with an altered, removed, or otherwise unintelligible serial number; or
- (d) Any Product with broken warranty seals and/or evidence of any attempted repair or alteration by anyone without AR Modular RF’s written authorization.

F. Filing, Conditions of Warranty Claims and Returns.

- (a) Any and all Limited Warranty or third-party manufacturer warranty claims must be notified to ARM in writing, setting forth in reasonable detail a description of the alleged manufacturing non-conformance or defect and the Buyer’s full name and contact information, in accordance with Section 24, below.



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(b) No Product (or component thereof) will be accepted for repair, replacement, other service or credit without a specific return authorization ("RA") number furnished by AR Modular RF in advance of the return shipment. AR Modular RF may, at Buyer's expense, return to Buyer or hold any product received without a valid RA. Responsibility for providing Buyer contact or other requested information, and to obtain updates in the RA and Product return process rests with Buyer.

(c) Notwithstanding anything to the contrary in these Terms and Conditions, upon the occurrence of any default by Buyer in the payment of any portion of the purchase price due for any Product (or component thereof), all warranties and all obligations of AR Modular RF to service Product or components sold to Buyer whether under the transaction for which payment is past due or otherwise shall terminate.

(d) Return transportation for Limited Warranty covered Products will be by 'best way' or ground, as AR Modular RF, within its discretion, determines. AR Modular RF may, within its discretion, arrange for expedited shipping or transportation at the customer's request and expense. All Product returns shall be subject to Buyer's obligations as set forth in these terms and conditions of sale, including specifically as set forth in Section 20, below. Return shipping is specifically subject to AR Modular RF receiving the necessary export, and any other applicable license for the return of the Product, with all costs incurred in relation thereto being for Buyer's account. All customs, import or export fees and similar charges or taxes incurred in the return of Product to, or by AR Modular RF shall be for the sole account of Buyer, and Buyer shall have responsibility for properly procuring all import and export licenses and other applicable approvals.

G. Exclusion of All Other Express and All Implied Warranties. OTHER THAN AS SPECIFICALLY SET FORTH IN THE LIMITED WARRANTIES (OR SUCH OTHER WARRANTY AS AR MODULAR RF MAY SPECIFICALLY AUTHORIZE AND GIVE TO BUYER IN RELATION TO PRODUCT IN AN AGREEMENT WITH BUYER DULY EXECUTED BY AR MODULAR RF (EACH, AN "ADDITIONAL WARRANTY")), AR MODULAR RF GIVES NO WARRANTY OR REPRESENTATION IN RELATION TO PRODUCT AND ALL PRODUCTS BEING SOLD HEREUNDER ARE BEING SOLD "AS IS." THE LIMITED WARRANTIES (AND SUCH ADDITIONAL WARRANTIES, IF ANY) ARE THE SOLE WARRANTIES AND REPRESENTATIONS GIVEN BY AR MODULAR RF IN RELATION TO PRODUCT. ALL (OTHER THAN, AS SPECIFICALLY GIVEN, THE LIMITED WARRANTIES AND ANY ADDITIONAL WARRANTY, IF GIVEN,) EXPRESS AND ALL IMPLIED WARRANTIES OF EVERY TYPE AND KIND IN CONNECTION WITH THE DESIGN, MANUFACTURE, SALE, SUPPLY, LICENSE, DISTRIBUTION OR OTHERWISE IN RELATION TO ANY PRODUCT, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED IN ALL RESPECTS AND FOR ALL PURPOSES. AR MODULAR RF GIVES NO WARRANTY, AND SHALL HAVE NO RESPONSIBILITY FOR, OR WITH RESPECT TO: (A) ANY EQUIPMENT SOLD TO BUYER BY AR MODULAR RF BUT NOT MANUFACTURED BY AR MODULAR RF; (B) ANY EQUIPMENT MANUFACTURED BY AR MODULAR RF BUT NOT SOLD TO BUYER BY AR MODULAR RF (OR ITS AUTHORIZED RESELLERS AND DISTRIBUTORS); OR (C) SOFTWARE LICENSED TO BUYER BY AR MODULAR RF AND NOT PROPRIETARY TO AR MODULAR RF. AR MODULAR RF DOES NOT MAKE ANY REPRESENTATION AND DOES NOT ASSUME ANY LIABILITY OR RESPONSIBILITY WITH REGARD TO THE CONTENT, ACCURACY, MANNER OR PREPARATION OF ANY GENERAL TRADE INFORMATION, CERTIFICATION OR REPORT OBTAINED BY BUYER, OTHER THAN SOLELY THE AR MODULAR RF SPECIFICATIONS AS STATED IN THESE TERMS AND CONDITIONS. AR MODULAR RF IS NOT THE MANUFACTURER OF THE RAW MATERIALS COMPRISING THE PRODUCTS AND HAS NOT MADE ANY INDEPENDENT CHEMICAL OR PHYSICAL ANALYSIS OR ANY OTHER TYPE OF TEST ON ANY OF SUCH RAW MATERIALS WHATSOEVER AND DOES NOT GIVE ANY WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, REGARDING THE COMPOSITION OF THE RAW MATERIALS. WITHOUT LIMITING THE FOREGOING (BUT SUBJECT SOLELY TO SECTION 14, BELOW), AR MODULAR RF DOES NOT GIVE ANY WARRANTY, REPRESENTATION, COVENANT OR ANY OTHER UNDERTAKING WHATSOEVER AND HEREBY DISCLAIMS ANY AND ALL LIABILITY AND RESPONSIBILITY FOR ANY CLAIM OF INFRINGEMENT OF ANY INTELLECTUAL OR INDUSTRIAL PROPERTY RIGHTS OF ANY PERSON ARISING OUT OF, OR IN RELATION TO THE DESIGN, MANUFACTURE, SUPPLY, DISTRIBUTION OR USE OF THE PRODUCTS OR THE PRODUCTS THEMSELVES (OR ANY EQUIPMENT, SOFTWARE OR COMPONENTS MANUFACTURED OR SUPPLIED BY THIRD-PARTIES).

H. Exclusive Remedy. BUYER'S SOLE AND EXCLUSIVE REMEDY AND AR MODULAR RF'S ABSOLUTE, AGGREGATE LIMIT OF LIABILITY IN CONNECTION WITH ANY CLAIM WHATSOEVER DIRECTLY OR INDIRECTLY RELATING TO OR ARISING OUT OF ANY BREACH OF ANY AR MODULAR RF REPRESENTATION OR WARRANTY IN RELATION TO, OR ANY NON-COMFORMANCE OF, OR DEFECT IN ANY PRODUCT, WHETHER BASED IN CONTRACT, TORT OR ANY OTHER LEGAL THEORY OF RECOVERY (INCLUDING, BUT NOT LIMITED TO ANY LIMITED WARRANTY), SHALL IN ALL CASES BE STRICTLY LIMITED, AT AR MODULAR RF'S SOLE OPTION, TO EITHER: (a) CREDITING BUYER IN AN AMOUNT UP TO, AND NOT EXCEEDING THE AMOUNT OF THE PURCHASE PRICE PAID FOR THE RELEVANT DEFECTIVE OR OTHER NON-CONFORMING PRODUCT PURCHASED; OR (b) REPLACING OR REPAIRING ANY (AND ONLY THE) NON-CONFORMING OR DEFECTIVE PRODUCT OR COMPONENT THEREOF AT THE ORIGINAL POINT OF SHIPMENT, AS PER, AND STRICTLY IN ACCORDANCE WITH THIS SECTION 12. AS A CONDITION PRECEDENT TO AR MODULAR RF'S OBLIGATION TO CREDIT THE PURCHASE PRICE OR REPLACE OR REPAIR THE NON-CONFORMING PRODUCT, BUYER MUST ASSIST AR MODULAR RF IN ALL RESPECTS IN ITS INVESTIGATION OF THE BASIS AND LEGITIMACY OF ANY SUCH CLAIMS. BUYER ACKNOWLEDGES AND AGREES THAT THE REMEDIES SET FORTH HEREIN ARE BUYER'S SOLE AND EXCLUSIVE REMEDIES FOR ANY NON-COMFORMANCE OR DEFECT EVEN IF SUCH REMEDIES FAIL IN THEIR ESSENTIAL PURPOSE FOR ANY REASON WHATSOEVER.

I. Out of Warranty Service. To the extent it is, within AR Modular RF's discretion, feasible or practical for it to do so, AR Modular RF may agree to provide out-of-warranty service or repairs on equipment manufactured by it or a third-party (or components thereof) but only pursuant to a service contract or purchase order executed and accepted by AR Modular RF and Buyer. The rates and other terms of such service or repairs shall be in accordance with AR Modular RF's prevailing rates, terms and policies from time to time.

J. Certain Definitions. In addition to those terms defined elsewhere in this Section 12, when used in these Terms and Conditions, the following capitalized terms shall have the following meanings:

(a) '*AR Modular RF Specifications*' means, subject to the provisions of these Terms and Conditions, AR Modular RF's approved specifications for the specific equipment manufactured and sold by it, which AR Modular RF may issue from time to time, or which are set forth in AR Modular RF's data sheets provided to its customers at the time of quotation or otherwise;

(b) '*Reconditioned Equipment*' means used equipment previously manufactured and sold by AR Modular RF which AR Modular RF has restored to operating within its original specifications by replacing or repairing worn components or other restorative work. Reconditioned equipment may contain cosmetic defects; and

(c) '*Refurbished Equipment*': means used equipment previously manufactured and sold by AR Modular RF which AR Modular RF has restored to operating within its original specifications and renewed or refreshed by replacing, repairing, renewing or refreshing components (including thermal management components) or other restorative work. Refurbished equipment may still contain cosmetic defects, but is reworked to support a warranty period longer than that for Reconditioned Equipment.

13. Certain Claims Excluded. IN NO EVENT SHALL AR MODULAR RF OR ANY OF ITS AFFILIATES OR REPRESENTATIVES BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, FOR ANY LOSS OF PROFITS OR ANTICIPATED SALES, BUSINESS INTERRUPTION, OR FOR THE LOSS OF GOODWILL OR OTHERWISE, WHETHER ANY SUCH CLAIM IS FRAMED IN CONTRACT, BREACH OF WARRANTY, TORT, STRICT LIABILITY OR OTHER THEORY OF LEGAL OR EQUITABLE RECOVERY, WHETHER ARISING UNDER, IN CONNECTION WITH OR AS A RESULT OF THESE TERMS AND CONDITIONS, ANY CONTRACT, AGREEMENT OR PURCHASE ORDER (OR TERMINATION THEREOF), AND/OR ANY PRODUCT OR THE SALE OR SUPPLY THEREOF OR OTHERWISE AND WHETHER OR NOT AR MODULAR RF, BUYER OR ANY OF THEIR AFFILIATES KNEW SUCH DAMAGE, LOSS OR DAMAGES MIGHT BE INCURRED, AND ALL SUCH DAMAGE, LOSS AND DAMAGES ARE HEREBY EXPRESSLY WAIVED AND DISCLAIMED.

14. Patents: AR Modular RF agrees to defend Buyer in any United States judicial proceedings comprising, and pay any non-appealable, final award of damages granted by any competent court within the United States against Buyer in any third-party suit or proceeding against Buyer so far as the same is for any claim that equipment manufactured and sold by AR Modular RF (except for equipment manufactured to Buyer's specification) directly infringes the third-party's United States patent, provided Buyer gives AR Modular RF prompt notice in writing of such claim and permits AR Modular RF to contest same through its counsel and, at AR Modular RF's option, to settle same by securing for Buyer the right to use the equipment, or by modifying it to avoid infringement or by reclaiming it and replacing it with non-infringing equipment or to grant Buyer a credit for the then value of the equipment, as depreciated at the rate of one-fifth (1/5) of the price per year, but not below one-fifth (1/5) of the price, and accept its return; and provided further that Buyer gives AR Modular RF all necessary authority and assistance, at AR Modular RF's expense, to enable AR Modular RF to do so. **THE FOREGOING STATES THE SOLE AND EXCLUSIVE LIABILITY OF AR MODULAR RF FOR PATENT INFRINGEMENTS AND IS IN LIEU OF ALL WARRANTIES AND REPRESENTATIONS, EXPRESSED OR IMPLIED, IN REGARD THERETO.**

15. Proprietary information: Certain Product documentation, Software and computer applications and other information and materials furnished to Buyer constitutes Proprietary Information of AR Modular RF or of the third-party manufacturer of the Product sold by AR Modular RF to Buyer. With respect to such information, Buyer, by submitting an order for Products which is accepted by AR Modular RF, agrees as follows:

A. Definition: 'Proprietary Information' of AR Modular RF or the third-party manufacturer, as the case may be, shall mean documentation, materials, data and other information which is in written, graph or machine-readable form and marked 'proprietary'. Where alternative forms of information are received from AR Modular RF, such information shall be considered proprietary information if at least one of said forms is marked proprietary.

B. Conditions: Buyer represents that it has adopted reasonable procedures to protect Proprietary Information, including binding agreements with employees to prevent unauthorized publication, disclosure or use of such information. Buyer shall not disclose Proprietary Information to any third party and shall not transmit any documents or copies thereof containing Proprietary Information to any third party, except as may be authorized in writing by AR Modular RF or the third-party manufacturer, as the case may be.

16. Termination: Orders accepted by AR Modular RF may be canceled by Buyer only with the written consent of AR Modular RF (which consent AR Modular RF may withhold in its discretion) and upon payment of reasonable cancellation charges.

AR Modular RF shall have the right to cancel any order placed, or to refuse, or to delay, the shipment thereof for failure of Buyer to promptly meet payments due to AR Modular RF, or any other reasonable requirements established by AR Modular RF, or for any acts or omissions of Buyer that delay AR Modular RF's performance.

In the event of bankruptcy or insolvency of Buyer, or in the event any proceeding is brought by or against Buyer, voluntarily or involuntarily, under any provision of the Bankruptcy Code or any insolvency law, AR Modular RF 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 reimbursements for its reasonable and proper cancellation charges.

17. Non-Waiver of Default: In the event of any default by Buyer, AR Modular RF may decline to make further shipments. If AR Modular RF elects to continue to make shipments, AR Modular RF's action shall not constitute a waiver of any default by Buyer or in any way affect AR Modular RF's legal remedies for any such default. Any waiver by AR Modular RF of any breach or default by Buyer under these Terms and Conditions or Contract must be in writing and signed by a duly authorized representative of AR Modular RF, and shall be effective only to the extent



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specifically stated in such writing, and shall be limited to the instance of breach or default expressly referenced in the waiver.

18. Applicable Law and Jurisdiction: These Terms and Conditions and this Contract shall be governed and construed in all respects by the laws of the State of Washington and the federal laws of the United States of America, without reference to its, or their conflict of laws provisions. Buyer hereby submits and consents to the exclusive jurisdiction of the state and federal courts in the State of Washington in relation to any dispute, action or proceeding in connection with, arising under, or in relation to these Terms and Conditions or this Contract (whether framed in tort, contract, equity or other theory of legal recovery). The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

19. Government Contracts: If any product to be furnished under this Contract is to be used in the performance of a Government contract or subcontract, the Government contract number and a statement to this effect shall appear on Buyer's purchase order, and in such event those clauses of the applicable government procurement regulation which are mandatory required by Federal Statute to be included in Government subcontracts shall be incorporated herein by reference, including, without limitation, the Equal Opportunity clause specified in 41 CFR Section 60-1.4 the Affirmative Action For Disabled Veterans and Veterans of the Viet Nam era clause specified in 41 CFR Section 60-250.4, and the affirmative Action For Handicapped Workers clause specified in 41 CFR Section 60-741.4.

20. Export Control:

a) Buyer agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act (EAR), 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-774; including the requirement for obtaining any export license or authorization, if applicable. In addition, Buyer is responsible for complying with any local laws that may impact Buyer's right to import, export, or use AR Modular RF products. Without limiting the foregoing, Buyer agrees that it will not transfer any export controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Buyer or Buyer's lower-tier suppliers, without the authority of an export license, agreement, or applicable exemption or exception.

b) Buyer represents and warrants that (i) Buyer is not located in, and shall not use any AR Modular RF products in, any country that is subject to U.S. or foreign export restrictions; (ii) Buyer shall not use any AR Modular RF products in the design, development, or production of nuclear, chemical, or biological weapons, or rocket systems, space launch vehicles, sounding rockets or unmanned air vehicles; (iii) Buyer is not a Restricted Person defined as any person or entity (1) included on any list (promulgated by any Government) of prohibited persons or denied parties determined to be affiliated with certain regimes or otherwise involved in narcotics trafficking, terrorism, weapons proliferation, or other restricted activities; (2) owned or controlled by, or acting for or on behalf of, any party described in clause (1); and (iv) Buyer is not prohibited from participating in export transactions by any federal agency of any government.

c) Buyer agrees to notify AR Modular RF if any deliverable under this Contract is restricted by export control laws or regulations.

d) Buyer shall immediately notify the AR Modular RF Procurement Representative if Buyer is, or becomes, a Prohibited Person or owned or controlled by or acting for or on behalf of a Prohibited Person or if Buyer export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.

e) If Buyer is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Buyer represents that it is registered with the Directorate of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

f) Where Buyer is a signatory under an AR Modular RF export license or other authorization, Buyer shall provide prompt notification to the AR Modular RF Procurement Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the EAR, and the initiation or existence of a U.S. Government investigation, that could affect the Buyer's performance under this Contract.

g) Buyer hereby acknowledges that AR Modular RF is prohibited from participating in or supporting international boycotts of certain foreign countries, including Israel, if such boycotts are not sanctioned by the U.S. Government. For this reason, neither Buyer nor AR Modular RF shall take (or be required to take) or refrain from taking any action that is impermissible or penalized under the laws of the United States or any applicable foreign jurisdiction.

h) Buyer undertakes to ensure that before it returns any Product (or any component thereof) from a foreign country to AR Modular RF for repair or other service (whether or not under warranty), it shall first confer with AR Modular RF to ensure that the Product was legally exported to the end user in question and that the end user is not a Restricted Person.

i) These representations and warranties shall be deemed to be continuing in effect throughout the term of this Contract. Buyer shall promptly advise AR Modular RF of any change in circumstances which may affect the continuing validity of the representations and warranties.

j) If in AR Modular RF's sole judgment, any breach of any section of this paragraph has occurred, AR Modular RF is entitled to terminate this Contract effective immediately on five (5) days written notice to Buyer and Buyer shall not be required to provide the warranty or other services set forth in this Contract.

k) Buyer shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Buyer, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

l) The representations and other undertakings set forth in this Section 20 and Section 21 shall survive the acceptance of the purchase order and delivery of the product.

21. Anti-Corruption:

a) Buyer is aware of and familiar with the provisions of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. §§ 78dd-1, et seq.) as amended (together with all other applicable anti-corruption laws or regulations, "Anti-Corruption Laws"), and will comply with all Anti-Corruption Laws. Buyer will take no action and will not make, offer, or receive any payment or other advantage in violation of or that might cause AR Modular RF or Buyer to be in violation of an Anti-Corruption Law. Buyer and its directors, officers, employees, agents, assigns, subcontractors, representatives, and/or consultants will not authorize or make any payments or gifts or any offers or promises of payments or gifts of any kind, directly or indirectly, in connection with this Contract to: (i) any government official to influence the official for the purpose of obtaining or retaining business or securing some other improper advantage; (ii) any employee of a private company in order to improperly induce that employee to provide any competitive advantage in selling products or services or in otherwise doing business with that company.

b) If in AR Modular RF's sole judgment, any breach of any section of this paragraph has occurred, AR Modular RF is entitled to terminate the Contract effective immediately on five (5) days written notice to Buyer.

c) Buyer shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Buyer, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

22. Assignment: This Contract shall be binding upon and inure to the benefit of AR Modular RF and Buyer and their successors and permitted assigns. Buyer shall not be entitled to assign or otherwise transfer any of its rights or obligations under these Terms and Conditions or this Contract without AR Modular RF's prior written consent, and any purported assignment in violation of this Section 22 shall be void.

23. Complete Agreement; Modifications: This Contract constitutes the entire agreement between the parties relating to the sale and purchase of the Product described on the face hereof and no addition to, consensual termination or modification of any provision of this Contract or these Terms and Conditions shall be binding upon AR Modular RF unless made in writing and signed by an authorized officer of AR Modular RF.

24. Notices: All Notices or other communications under or pursuant to these Terms and Conditions ("Notices") must be addressed in writing: by Buyer to AR Modular RF's physical or email address as stated below, or by AR Modular RF to Buyer's physical or email address as stated on Buyer's purchase order (or such other address as AR Modular RF or Buyer may notify to the other in writing in accordance with this Section 24), and are deemed to have been duly received: (a) on delivery, when delivered in person; (b) five (5) business days after being sent by registered or certified mail, return receipt requested, postage prepaid; (c) two (2) business day after deposit with a recognized international or overnight courier service; or (e) when emailed (if sending party can show the complete email string showing no send or receipt failure). For the purposes of this Section 24, a "business day" shall mean a day other than a Saturday or a Sunday or a day on which the banks are required or authorized by law to be closed in the State of Washington and the State in which the Buyer's physical address on its purchase order for this Contract is situated.

AR Modular RF:

Physical Address: Customer Service, AR Modular RF, 21222 30th Dr. SE, Suite 200, Bothell, WA, 98021, USA;

Email: ARMService@ARWorld.us

25. Severability: If any provision (or part thereof) of these Terms and Conditions or Contract are held to be unenforceable under any applicable law, such provision shall be modified or excluded from these Terms and Conditions or Contract to the extent necessary to implement the purposes of these Terms and Conditions or Contract, and the balance of these Terms and Conditions or Contract shall be interpreted as if such provision were so modified or excluded and shall be enforceable in accordance with its terms.

26. Remedies: All AR Modular RF rights and remedies whether evidenced hereby or by any other agreement, instrument, or paper shall be cumulative and may be exercised singularly or concurrently.

27. Attorneys' Fees: In the event that AR Modular RF or Buyer institutes legal proceedings (to include, without limitation, litigation, arbitration or interlocutory proceedings) under or pursuant to these Terms and Conditions or Contract against the other, whether based in contract, tort or any other legal theory of recovery, then the prevailing party in those proceedings shall be entitled to recover its reasonable costs and expenses against the unsuccessful party, including its reasonable attorneys' fees and court costs.

28. Legal Action: ALL ACTIONS OR OTHER PROCEEDINGS BY BUYER OR ANY OF ITS AFFILIATES AGAINST AR MODULAR RF OR ANY OF ITS AFFILIATES OR THEIR RESPECTIVE REPRESENTATIVES ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS, ANY CONTRACT, ANY PURCHASE ORDER OR THE DESIGN, MANUFACTURE, SUPPLY, SALE, WARRANTY, DELIVERY, INSTALLATION, INSPECTION, ASSEMBLY, TESTING, REPAIR, SERVICE, REPLACEMENT, OPERATION, MAINTENANCE, USE OF, OR OTHERWISE IN RELATION TO ANY PRODUCTS, WHETHER BASED IN CONTRACT, BREACH OF WARRANTY, TORT, STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY OF RECOVERY, MUST BE COMMENCED WITHIN THE APPLICABLE STATUTORY PERIOD, BUT IN NO EVENT MORE THAN ONE (1) YEAR FROM THE DATE OF ACCRUAL OF THE RELEVANT CAUSE OF ACTION.