

TERMS AND CONDITIONS OF SALE

Electro-Metrics Corporation (EM Antennas)

1. General

The terms and conditions of sale contained herein apply to all quotations made and purchase orders entered into by Electro-Metrics Corporation (the Seller). The said terms and conditions may in some instances conflict with some of the terms and conditions affixed to the form or order blank and/or specified by the buyer. Therefore acceptance of the buyer's order is made only on the express understanding and condition that insofar as the terms and conditions of this acceptance conflict with any terms and conditions of the Buyer's order, the terms and conditions of this acceptance shall govern, irrespective of whether the buyer accepts these conditions by a written acknowledgement, by implications, or acceptance and payment of goods ordered hereunder.

Seller's failure to object to provisions contained in any communication from buyer shall not be deemed a waiver of the provisions of this acceptance. Any changes in the terms and conditions of sale contained herein must specifically be agreed to in writing by the Contracts Manager of the Seller before becoming binding on either the Seller or buyer.

The said terms and conditions of sale shall be applicable whether or not they are attached to or enclosed with the products to be sold or sold hereunder.

Prices quoted for the terms described above and acknowledged hereby are firm and not subject to audit, price revision, or price re-determination. In no event shall any claim for consequential or special damages be made by either party.

2. Price and Payment

a. Domestic Sales: For sales to a Buyer having its principal place of business within the United States of America, Seller will invoice Buyer on the date the product is tendered to the carrier at Seller's shipping point (delivery date). Such invoices will be due and payable net thirty days from date of invoice. A finance charge of 1 ½% per month will be levied for payments received after the due date. Payments made with a credit card will have a 3.5% surcharge levied on the total.

b. International Plan: For sales to a Buyer having its principal place of business outside of the United States of America, the seller requires payment of 100% of the value of the order via Electronic Transfer to the Seller's bank prior to shipment. The payment is to be made in United States Dollars. A pro-forma invoice will be sent to the buyer about one (1) week prior to shipment. The pro-forma invoice will provide all necessary banking information to facilitate the buyer's monetary transaction.

c. Credit Terms: At any time and from time to time prior to the date of delivery, Seller reserves the right to change any terms of credit extended to Buyer in the event Seller believes, in good faith, that there had been an adverse change in credit worthiness of Buyer and to require partial or full payment in

advance. In such event, if Buyer refuses to accept such change in credit terms, the order shall be cancelled without liability arising from either party. In the event of bankruptcy or insolvency of Buyer or in the event any proceeding is brought by or against Buyer under any bankruptcy or insolvency laws or their equivalent, Seller may cancel any order then outstanding without liability to Seller and Seller shall receive reimbursement from Buyer for costs incurred and lost profit for product so cancelled.

d. Independent Transactions: Each shipment shall be considered a separate and independent transaction, and payment shall be made accordingly. If shipments are delayed by the Buyer, payments shall become due on the date when the Seller is prepared to make shipment. If the work covered by the purchase order is delayed by the Buyer, payments shall be made based on the purchase price and the percentage of completion. Products held for the Buyer shall be at the risk and expense of the Buyer.

3. F.O.B. Point

All sales are made F.O.B. point of shipment Seller's facility and title and risk of loss or damage shall pass to buyer upon tender of the product in good condition to the carrier at the shipping point. All claims for damages must be filed with the carrier. Unless written instructions from Buyer specifying the method of shipment to be used have been received and accepted by Seller, Seller will exercise its own discretion with respect to manner of shipment, insurance, and carrier to be used. Seller may make partial shipments by line item to Buyer for such partial shipments.

4. Delivery

Seller will manufacture in accordance with the requested shipping date as confirmed in Seller's Acknowledgement. These dates for delivery or other performance are best current estimates only until such time as the final Shipping Date is established and failure to perform on or by such date shall not subject seller to any liability. Final Shipping Date will be established following the date of system's acceptance in accordance with Paragraph 11 for products covered thereby.

5. Force Majeure

Seller shall not be liable for nonperformance or delays, not otherwise excused, which occur due to causes beyond its control. These causes shall include, but shall not be limited to, acts of God, war, riots, strikes, fires, storms, flood, earthquake, shortages of labor or material, labor disputes, vendor failures, transportation embargoes, acts of any government agency thereof, judicial action or any or all other causes beyond its reasonable control. In the event of any such excused delay or failure of performance, the date of delivery shall, at the request of Seller, be deferred for a period equal to the time lost by reason of delay. Seller shall notify Buyer in writing of any such event or circumstance within a reasonable time after it learns of same. In no event will Seller be liable for any special consequential or incidental damages.

6. Taxes

All taxes included but not limited to, sales, use, excise, value added or similar taxes applicable to the manufacture or sale of products shall be paid by the Buyer and, when applicable, shall be added to the purchase price. In lieu of the imposition of any particular tax, the Buyer shall, where applicable, provide a tax exemption certificate to Seller in a form acceptable to the taxing authorities.

7. Patents

Buyer shall hold Seller harmless against any expense or loss resulting from infringement of any patent or proprietary right of a third party arising from compliance by Seller with Buyer's designs and specifications or instruction. The sale of products by Seller does not convey any license, by implication, estoppel or otherwise under any patent or patent claims covering combinations of said products with other devices or components nor does Seller's undertaking hereinabove with respect to patent infringement extend to any claim of infringement based upon such combination.

8. Assignment

The Buyer shall not assign his order or any interest therein of any rights there under without the prior written consent of Seller.

9. Product Warranty

a. Standard Warranty: Seller warrants the products manufactured and sold by it against defects in material or workmanship for a period of one year from date of shipment or one year from the date of installation, in the event that installation is included as a separate line item in the purchase price. Any product found to be defective during the warranty period will be repaired or replaced without charge for service or materials if the product is returned freight prepaid, to the factory or service center designated by Seller. Seller will bear freight charges for return shipment after repair or replacement, where the product has been verified by Seller to have been defective. Throughout the warranty period, should the Buyer request field service support from the Seller because of product defects, the Buyer's liability shall be limited to reimbursement to Seller for travel and living expenses of Seller's agent. This warranty is limited to 30 days on out-of-warranty repairs.

b. Relocation: If installation on site was included in the sales contract, and Seller has done the installation and Buyer subsequently wishes to move the product from the originally installed site during the warranty period, it will be necessary that Seller be notified in order to determine the effect and Seller's risk for the remainder of the warranty. Failure to give notice and moving the product shall void the remainder of the warranty.

c. International Systems: Standard warranty terms may not apply to large systems outside the US/Canada unless purchased at the contracted international list price.

d. Limitations: These warranties are in lieu of all other warranties or representations, expressed or implied, including the implied warranties of fitness for a particular purpose or merchantability. This warranty may not be asserted only by Buyer and not by Buyer's Customers, if any. In no event shall

Seller be liable for any incidental consequential or special damages, including, specifically, but without limitation, lost profits.

e. Exclusions: The foregoing warranties shall not apply to products which Seller determines have been subjected to operating and/or environmental conditions in excess of the maximum values specified or otherwise have been subjected to misuse, neglect, or unauthorized installation or repair.

10. Termination

Buyer may terminate an order at no cost with ninety (90) days prior written notice. For shorter periods, the following charges apply:

Notice Period Prior to Shipment	Cancellation Charge
61 to 90 days	20%
31 to 60 days	30%
Less than 31 days	50%
Special modifications to standard products	Non-cancellable

11. Acceptance of Products

Acceptance is via Seller's test procedures. If installation is not included, acceptance occurs at Seller's plant. If installation by Seller is not included as a line item in the purchase price, acceptance shall be at the time of completion of final tests at Seller's plant. If Buyer's order indicates its intention to witness final tests, Seller shall give Buyer at least five (5) days advance notice of the date of such tests. Seller shall notify Buyer of any additional charges that may be associated with witnessing such tests. If installation by Seller is included as a line item in the purchase price, acceptance shall occur at the installation site when Seller demonstrates that the applicable diagnostic or verification programs work properly, or the product is otherwise demonstrated to be in normal operating condition. Delays in installation by Buyer exceeding 30 days will result in deemed acceptance on the 31st day.

12. Training

Training included in the contract will be provided during standard acceptance. Additional training is available at Buyer's request and cost, conducted during normal business hours at an agreed upon location.

a. Included Training: If training was included as a line item in the sales contract, the Buyer will be given an opportunity to receive training during the standard acceptance procedure at Seller's designated facility.

b. Additional Training: Seller will make additional training available to Buyer, at Buyer's convenience, request and cost. Such training shall be conducted during normal business hours at an

agreed upon location.

13. Proprietary Rights

In addition to the product(s), Seller supplies various data to Buyer to aid in the installation, operation, test and maintenance of its products. Some parts of this data are proprietary in nature. Buyer agrees to abide by the terms and marking placed on such data by Seller and to be responsible for loss or damage incurred by Seller in the event of, or as a result of, Buyer's improper or unauthorized disclosure or use of such data. Seller retains to itself all proprietary rights in and to all designs, engineering details and other data pertaining to the products specified in any order and to all discoveries, inventions, patents and trade secrets which may be found or developed as a result of the efforts and work done by Seller in connection with the order and to any and all products developed by Seller. This includes the sole right to manufacture and sell any and all such or similar products. Buyer agrees to be responsible for all monetary loss and damages incurred by Seller in the event of, or as a result of, Buyer's improper or unauthorized disclosure or use of such data.

14. Modifications and Substitutions

Seller reserves the right to make substitutions and modifications to the specifications of products manufactured by Seller, providing that such substitution or modification will not materially adversely affect the form, fit, or function of the product. In the interest of conservation of scarce materials, products may contain reconditioned parts. Such parts are subject to the same high standard of Quality Control applied to other materials and Components, and will be warranted as new.

15. Government Contracts

If the goods to be furnished under this contract are to be used in the performance of a U.S. Government contract or subcontract and a U.S Government contract number shall appear on Buyer's purchase order, those clauses of the applicable U.S. Government Procurement Regulations which are mandatorily required by Federal Statute or Regulation to be included in the U.S. Government subcontracts shall be incorporated herein by reference.

16. Applicable Laws

The validity, performance, and construction of this contract shall be governed by the laws of the State of New York. For international business: the laws of Geneva, Switzerland.

The Seller represents that with respect to the production of the articles and/or the performance of the services covered by this order, it will fully comply with all requirements of the Fair Labor Standards Act of 1938, as amended.

17. Entire Agreement

The terms and conditions contained herein, and on the front page hereof, constitute the entire Agreement between the parties. No representation, promise or condition not expressly provided in writing and signed by authorized representatives of the Buyer and Seller shall be binding on either party. The invalidation in whole or in part, of any provision of this agreement shall not affect the validity of any other provision.