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Standard Terms and Conditions of Purchase

SV Microwave, Inc., hereinafter referred to as "Buyer".

1. ACCEPTANCE

Any of the following acts by Seller shall constitute acceptance of this order and all its terms and conditions: (a) signing and returning a copy of this order, (b) returning the Seller's own form of acknowledgment, (c) delivery of any of the items ordered, or (d) commencement of performance. Acceptance of this order is specifically limited to the terms hereof, and any term or condition stated by the Seller in any prior proposal or in acknowledging or otherwise accepting this order is hereby rejected and shall not become a part of this contract unless specifically authorized in writing by the Buyer.

2. TECHNICAL REPRESENTATIVES

The issuance of advice, approvals, or instructions by the Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect the Buyer's or Seller's right and obligations hereunder unless same is in writing, which is signed by an officer of Buyer and which expressly states that it constitutes an amendment to this Purchase Order.

3. DELIVERY

Time is of the essence hereof. Delivery shall be made strictly in accordance with the terms of this order, and Buyer may cancel this order or reject or refuse any delivery made prior to or subsequent to the specified delivery schedule.

4. WARRANTY

Seller warrants that all materials, goods, and services furnished to Buyer hereunder will conform to applicable specifications, drawings, samples, and/or other descriptions given, shall be free from defects in workmanship and material, shall be merchantable and, if selected or specified for the Buyer's purposes, shall be fit for such purposes.

5. INSPECTION

All materials, goods, and services covered by this order shall be subject to final inspection and test by Buyer at the destination designated herein, notwithstanding prior payments or inspection of source; it is expressly agreed that payment shall not constitute final acceptance. If inspection is required at the Seller's facility, Seller shall provide, without additional cost, all reasonable facilities and shall protect the Buyer's or its customer's personnel while on the Seller's premises.

6. PACKAGING AND SHIPPING

Seller agrees to crate, box, or otherwise suitably pack for shipment so as to meet carrier's requirements, and all containers will be marked so as to identify the contents of each package without opening. The packing sheets, bills of lading, and other pertinent documents must contain the Buyer's Purchase Order Number and packing sheets must be placed inside and outside each package.



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7. CHANGES

Buyer reserves the right, at any time, by written or telegraphic notice, to suspend performance by Seller hereunder, whether in whole or in part, or to make changes in the drawings, specifications, or shipping instructions. Any difference in the price or time for performance resulting from such change, whether by way of increase or decrease, will be equity adjusted and the Purchase Order modified in writing accordingly, provided any such claim by Seller, and the amount thereof, shall be made in writing within twenty (20) days from receipt by Seller of notice of change or be conclusively deemed waived, provided further that nothing contained herein shall excuse Seller from proceeding with its performance under the Purchase Order as changed.

8. INSURANCE

If this order provides for work to be performed by Seller on property owned or controlled by Buyer or on property of others named herein, Seller shall insure to each of its employees engaged upon the work the compensation provided for by and shall strictly comply with each and every statute applicable thereto with respect to Workman's Compensation and Employer's Liability Insurance and shall procure and maintain at the cost and expense of Seller until final acceptance of the work by Buyer, public liability insurance in a reputable and financially responsible insurance company, properly safeguarding Seller against liability for injuries to persons, including injuries resulting in death, in amounts acceptable to Buyer and shall furnish to Buyer written certificates from insurance carriers or from appropriate governmental authorities establishing that said insurance of employees and said public liability insurance have been procured and are being properly maintained and that the premiums therefor are paid and specifying the names of the insurers and the respective policy numbers and expiration date. All such insurance policies shall be provided unless by statute applicable to it it is otherwise provided that in the event of cancellation thereof, written notice of such cancellation shall be given to Buyer at least five (5) days prior to the effective date of such cancellation.

9. ASSIGNMENT

Any and all amounts paid or to be paid hereunder are subject to setoff or recoupment for any present or future claims against Seller, whether under this order or otherwise. Seller shall not, without the written consent of the Buyer, make any contract with any other person for furnishing any of the completed or substantially completed items covered by this order or assign this order or any right hereunder.

10. COMPLIANCE WITH APPLICABLE LAWS

Seller hereby agrees that the products ordered hereunder will be produced in compliance with the Fair Labor Standards Act, as amended, and agrees to so certify on its invoices. Seller agrees to observe and comply with any applicable Federal, State, and Local laws, rules, and regulations in the performance of this order.

11. DRAWINGS, ETC.

All drawings, blueprints, dies, patterns, tools, printing plates, etc., prepared or constructed by Seller and paid for by Buyer shall be the property of Buyer and, upon completion of deliveries hereunder or upon the termination of this order, shall be delivered to Buyer.



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12. DATA

Seller agrees not to use, reproduce, or disclose any data, designs, drawings, patterns, tools, equipment, or any other information supplied to it by Buyer hereunder without express written permission by an authorized officer of Buyer, except in the performance of work or services to be performed for Buyer. Seller further agrees to the aforesaid conditions with regard to any data or other matter generated by Seller in the performance of work or service for Buyer. Seller also agrees that any other data or matter supplied by it to Buyer need not be considered by Buyer to be proprietary in Seller unless expressly so agreed in writing by Buyer.

13. INSTALLATION

In the event that any goods ordered hereunder require, in connection with the installation thereof, the services of a supervisor, expert, or other employee connected with or employed by Seller, and Seller agrees to furnish the same, either with or without charge, such supervisor, expert or another employee in performing such services shall not be deemed to be the agent or employee of Buyer, and Seller assumes full responsibility for his acts and omissions and exclusive liability for any payroll taxes or contributions imposed by any Federal Security Act approved August 14, 1935, as amended.

14. TERMINATION

(Non-Government-items) Buyer shall have the right by written or telegraphic notice to terminate this contract for convenience in whole or from time to time in part. In such an event, and provided the items ordered are not standard commercial items, Buyer's sole and maximum liability shall be limited to payment (1) for completed and delivered items at the contract price, (2) of direct costs plus attributable overhead and general and administrative expenses, plus a reasonable profit on same not to exceed eight percent (8%). Buyer shall have the right to delivery of items partially fabricated and to all unused material and inventory required and included in Seller's claim or to credit for agreed value thereof. If the items ordered are standard commercial items, Buyer shall have the right to terminate this contract for convenience in whole, or from time to time, in part without any obligation or liability whatsoever except for payment of items delivered prior to such termination.

15. NON-LIABILITY

In order to minimize liability in the event changes are directed pursuant to the Change clause hereof, or termination for convenience occurs as provided for in Paragraph 14 hereof, with respect to non-standard commercial items, it is agreed that Buyer will not be responsible for materials, labor production costs or changes that are unrealistic, excessive or inconsistent with the minimum needs to meet the delivery requirements of this order.

16. PATENTS

Seller agrees to indemnify and save harmless the Buyer and all persons claiming under the Buyer against all claims, suits, demands, damages, and costs, including attorneys through appeal, for actual or alleged infringement to patents, copyrights, or trademarks by the materials, articles, goods or services furnished under this order unless the same arise solely out of the Buyer's drawings or designs.



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17. EQUAL OPPORTUNITY

Executive Order 11246, as amended; Sec. 402 of the Vietnam Era Veterans Readjustment Act of 1972, as amended; Sec. 503 of the Rehabilitation Act of 1973, as amended; and Sec. 61-250.10 (Vets-100 Reporting) and Public law 95-507 contain required contract clauses relative to equal employment opportunity and are incorporated herein by specific reference.

18. GENERAL

The rights and remedies of Buyer set forth in this order are non-exclusive or cumulative and are in addition to all other rights and remedies available to Buyer. No waiver by Buyer, whether express or implied, of any of the terms or conditions of this order shall be or shall be construed to be a continuing waiver nor deprive the Buyer of the right to rely upon or reassert any such terms or conditions here for. This order constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and there are no oral understandings, representations, or warranties relying thereto. This agreement shall be governed by the laws of the State of Florida. The venue for any action hereunder shall be Palm Beach County, Florida. In the event of any default by Seller hereunder, Buyer shall be entitled to receive from Seller all expenses incurred by Buyer, including attorney fees through appeal.

19. ADDITIONAL TERMS AND CONDITIONS

If so indicated on the face of this order, then all applicable clauses from the Defense Acquisition Regulations (DAR) and/or Federal Acquisition Regulations (FAR) are hereby incorporated by reference and made a part of this order and, where necessary to make the context of such regulations applicable to this contract, the term contractor shall mean Seller; the contract shall mean this order, and Government Contracting Officer and equivalent phrases mean Buyer.

Except as otherwise herein provided, title to all properties purchased therein shall vest in the United States Government upon acceptance thereof by Buyer. Seller agrees that the Controller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payments of this order, have access to and the right to examine any directly pertinent books, documents, papers, and records of Seller involving transactions relating to this Purchase Order. Seller further agrees to include in all his subcontracts hereunder the provisions of this clause whenever applicable by the requirements of any applicable DAR and/or FAR, which are hereby incorporated herein by reference.

20. NO CONTRIBUTIONS, FEES, AND COMMISSIONS

Seller will not directly or indirectly authorize, promise, offer, or make any payment, gift, or contribution to any person, organization, government, government representative, political party, or organization that would constitute or appear to constitute a bribe, kickback, or other illegal payment under any applicable law, including the United States Foreign Corrupt Practices Act, either during or after the termination of the contract. In addition, Seller will not directly or indirectly authorize, promise, offer, or make any political contributions as defined in 22 Code of Federal Regulations (CFR) 130.6 or any fees or commissions defined in 22 CFR 130.5.