

General Terms and Conditions of Sale

1. Application

All orders placed with **Orbit Systems, Inc. "Orbit"** on its web sites such as *OrbitDirect.net*, *shortages.com* and otherwise are subject to the Terms and Conditions of Sale contained herein. No modification of any of these terms and conditions is permitted, unless agreed in writing by an officer of *Orbit*. Any different or additional terms and conditions contained on Customer's purchase order, invoice, confirmation or any other document from Customer are specifically objected to by *Orbit*. Customer's placement of any purchase order with *Orbit* indicates Customer's acceptance of these terms and conditions. These terms and conditions shall supersede any subsequent terms or conditions included with any purchase order. *Orbit* reserves the right to make changes to these terms and conditions at any time.

2. Prices

Prices are in US dollars and FOB *Orbit's* facilities, and fulfillment locations worldwide. Prices do not include: (1) any local, city, state and federal sales, use, excise and similar taxes, (2) freight and handling charges, (3) any other charges or payments. Accordingly, all such taxes, charges and payment shall be the sole responsibility of Customer. If *Orbit* shall pay any of the foregoing, Customer shall promptly reimburse *Orbit* for the same. While every endeavor will be made to maintain the prices quoted, prices are subject to change without prior notice. In order to reflect any increase in *Orbit's* costs, *Orbit* reserves the right to withdraw or amend any quotation prior to order acknowledgement.

3. Terms of payment

Terms of payment as determined by Customer Credit Application and pre approved by Orbit are Funds Wire Transfer (T/T in advance), Cash On Delivery (COD), net ten (10) days, net thirty days (30) from date of invoice, or a credit card payment or as otherwise specified by *Orbit*. Customer orders are subject to credit approval by *Orbit* through an executed credit application which may in its sole discretion at any time (1) change the terms of Customer's credit, (2) require advance payment or payment in cash, bank wire transfer or by official bank, (3) and/or require payment of any amount due or become due for Customer's order before shipment of any or all of the products. Customer agrees to submit any financial information as may be reasonably requested by *Orbit* for the establishment or continuation of credit terms. If *Orbit* believes that Customer's ability to make payment is impaired, *Orbit* may cancel any order or remaining balance, and Customer will be liable for payment for products already shipped. Checks are accepted subject to collection, and the date of collection should be deemed the date of payment. Any check received from Customer may be applied by *Orbit* against any obligation owing from Customer to *Orbit* regardless of any statement appearing on or referring to such check, without discharging Customer's liability for any additional amounts owing from Customer to *Orbit*, and the acceptance by *Orbit* of such a check shall not constitute a waiver of *Orbit's* right to pursue the collection of any remaining balance. *Orbit* reserves the right to charge interest at the rate of one and one-half percent (1.5%) per month on any amount outstanding after due date. Customer shall be responsible and liable to *Orbit* for all reasonable costs and expenses incurred in connection with the collection of any sums owing by Customer to *Orbit*, including, without limitation, courts costs and attorneys' fees. COD order totaling 5000.00 USD or more must be paid with certified funds (certified check, money order or cashier's check). There is a 25.00 USD service charge - or maximum applicable by law - on all returned check.

4. Delivery and title

Orbit will make reasonable efforts to meet Customer's requested delivery date(s). Customer acknowledges promised delivery dates are estimates only and *Orbit* will not be liable for failure to deliver on such dates. In absence of prior agreement as to shipping, *Orbit* may select a carrier. All shipments by *Orbit* are FOB *Orbit's* facilities, and fulfillment locations worldwide. *Orbit's* responsibility for any loss or damage ends when products are delivered to the carrier, to Customer, or to Customer's agent (including, without limitation, any test-house or value-added services provider), whichever occurs first. However, title shall remain in *Orbit* until payment in full for the products by Customer. Products held by *Orbit* at Customer's request will be held at Customer's risk and expenses. *Orbit* reserves the right to make deliveries in installments. Delivery of any installment of products within thirty (30) days after date requested will constitute a timely delivery. Thereafter, delivery will be timely unless *Orbit* has received written notice of cancellation prior to shipment. Delay in delivery of one installment will not entitle Customer to cancel any other installment. Delivery of a quantity which varies from the quantity specified on Customer purchase order shall not relieve Customer of the obligation to accept delivery and pay for the Products delivered.

5. Acceptance of products and product returns

Inspection and acceptance of products shall be Customer's responsibility. Customer is deemed to have accepted the products unless a written notice of any discrepancy or shipment damage is received by *Orbit* within ten (10) working days after delivery of the products. If products are claimed to be defective, not in compliance with original manufacturer of the products' specifications, or any discrepancies of any kind, a complete written description of the nature of the defect, discrepancies, and test analysis conducted by an independent and approved test laboratory shall be provided in original form by Customer to *Orbit* within thirty (30) days after delivery of the products. Authorization to return products must be obtained from *Orbit*, which authorization may be granted by *Orbit* in its sole discretion. If granted, *Orbit* will issue a Return Material Evaluation (RME) for all or a portion of products, which may be followed by a Return Material Authorization (RMA). No return of products will be accepted without an RME or an RMA number. Returned products shall be received at *Orbit's* facility, or other location as may be designated by *Orbit* within ten (10) working days after issue date of the RME or RMA number. Return shall be subject to a restocking charge of twenty five (25) percent of the original order charge. The parties acknowledge that it would be difficult to ascertain the damages incurred by *Orbit* as a result of such return, and therefore agree that the aforesaid restocking charge shall be deemed to be liquidated damages and compensation for the costs incurred by *Orbit* in connection with said return and in no way shall said restocking charge be deemed to be a penalty. Returned products must be in original shipping cartons and must be complete with all packing materials and in re-sellable conditions. Return freight charges must be paid by Customer and Customer shall be responsible for returned package(s) lost in transit.

6. Limited Warranty

Orbit warrants to Customer that products purchased hereunder will conform to the applicable manufacturer's specifications for such products and that any value-added work performed by *Orbit* on such products will conform to applicable Customer's specifications. *Orbit* makes no other warranty, express or implied. In particular, *Orbit* makes no warranty respecting the merchantability of the products or their suitability or fitness for any particular purpose or use or respecting infringement. With respect to products which do not meet applicable manufacturer's specifications and with respect to value-added work by *Orbit* which doesn't meet applicable Customer's specifications, *Orbit's* liability is limited (at *Orbit's* election) to: (1) refund of Customer's purchase price for such products (without interest); (2) repair of such products, or (3) replacement of such products; provided however such products are returned with evidence of purchase within thirty (30) days from date of delivery. No warranty will apply if products have been Subject to misuse, static discharge, neglect, accident or modification, or have been soldered or altered in any way.

7. Limitation of liability

Customer shall not in any event be entitled to, and *Orbit* shall not be liable for indirect, special, accidental, or consequential damages of any nature, including without being limited to, loss of profit, promotional or manufacturing expenses, overhead, business interruption costs, loss of data, removal/reinstallation costs, injury to reputation or loss of Customers. Customer's recovery from *Orbit* for any claim shall not exceed Customer's purchase price for the products, irrespective of the nature of the claim whether in contract, tort, warranty, or otherwise.

8. Cancellation of orders

No orders for standard products may be cancelled or rescheduled without *Orbit's* written consent, which it may give in its sole discretion. Orders for special, custom, value-added, and other non-standard products, including products to be assembled in kit form, and products otherwise identified by seller as "NCNR" or "Non-Cancelable and Non-returnable" shall be non-cancelable and non-returnable.

9. Use in Life support, nuclear and certain other applications

Products sold by *Orbit* are not designed, intended or authorized for use in life support, life sustaining, nuclear, or other applications in which the failure of such products could reasonably be expected to result in personal injury, loss of life or catastrophic property damage. If Customer uses or sells the products for use in any such applications: (1) Customer acknowledges that such use or sale is at Customer's sole risk; (2) Customer agrees that *Orbit* is not liable, in whole or in part, for any claim or damage arising from such use; and (3) Customer agrees to indemnify, defend and hold *Orbit* harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use or sale.

10. Export Control

Any or all of the products may have been imported. Country of origin is provided to *Orbit* by its suppliers only and is, where applicable, located on the products themselves or the supplier's innermost packaging thereof. The sale, resale or other disposition of Products and any related technology or documentation are subject to the export control laws, regulations and orders of the United States and may be subject to the export and/or import control laws and regulations of other countries. Customer is solely responsible for complying with any of such laws, regulations and orders, and acknowledges that it shall not directly or indirectly export any products to any country to which such export or transmission is restricted or prohibited. Customer shall hold *Orbit* harmless from any damages, liabilities, costs and expenses relating to any lawsuit or threatened lawsuit arising of a breach of such export and/or import control laws and regulations.

11. Force majeure

Orbit will not be liable for delays in delivery or for failure to perform its obligations due to causes beyond its reasonable control, including, but not limited to, fire, strikes, floods, severe weather conditions, computer interruptions, terrorism, epidemics, quarantine restrictions, riots, war, product allocations, material shortages, labor disputes, transportation delays, unforeseen circumstances, acts of God, acts or omissions of other parties, acts or omissions of civil or military authorities, or Government priorities. *Orbit* reserves the right to cancel without liability any order, the shipment of which is or may be delayed for more than 30 days by reason of any such cause(s), or to defer, delay or allocate in its sole discretion among Customers or potential Customers the shipment of any product which is in short supply.

12. RoHS compliance and lead-free policy

Orbit does not manufacture any of the components that it sells. *Orbit* identifies and offers products as RoHS Compliant or Lead-Free based on documentation and information provided by the manufacturer, and suppliers of the product. *Orbit* performs no testing of product and certification of any chemical content is the sole responsibility of the component manufacturer. Compliance evidence provided by the manufacturer of the product will be maintained by *Orbit* for 4 years from the date of sales.

13. Statements and Advice

Technical advice offered or given by *Orbit* in connection with the use of products is an accommodation to Customer without charge, and *Orbit* shall have no responsibility or liability for the content or use of that advice.

14. Intellectual Property

If an order includes software or other intellectual property, such software or other intellectual property is provided by *Orbit* to Customer subject to the copyright and user license, the terms and conditions of which are set forth in the license agreement accompanying such software or other intellectual property. Nothing herein shall be construed to grant any rights or license to use any software or other intellectual property in any manner or for any purpose not expressly permitted by such agreement.

15. General

No agreements or obligations hereunder may be assigned or transferred by either party without the prior written consent of the other. Any attempted or purported assignment shall be void. Notwithstanding the foregoing, *Orbit's* obligations under the terms and conditions contained herein may be performed by divisions, subsidiaries or affiliates of *Orbit*. The conditions hereof shall be bonding on the parties hereto and their respective successors and assigns. The waiver of any provision hereof or of any breach or default hereunder shall not be deemed a waiver of any other provision hereof or breach or default hereunder. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction. The terms and conditions contained herein shall be governed by and construed with the laws of the State of California (including the provisions of the California Uniform Commercial Code) and the federal laws of the United States of America, and excluding any law or principle which would apply the law of any other jurisdiction. The United Nation Convention for the International Sale of Goods shall not apply.

Revised February 2011