

L-3 Communications Advanced Products & Design

TERMS AND CONDITIONS OF DOMESTIC SALES

ACCEPTANCE OF PURCHASE ORDER

L-3 Communications Advanced Products & Design (L-3 AP&D) acceptance of Buyer purchase order is based upon the following terms and conditions:

ANY TERMS, CONDITIONS AND/OR PROVISIONS OF BUYER'S ORDER THAT ARE INCONSISTENT WITH OR IN ADDITION TO THESE TERMS SHALL NOT BE APPLICABLE TO THIS TRANSACTION AND NO CONTRACT SHALL BE FORMED THAT CONTAINS DIFFERENT OR ADDITIONAL TERMS OFFERED BY THE BUYER AS PART OF BUYER'S ORDER. IF BUYER OBJECTS TO ANY TERMS STATED HEREIN, SUCH OBJECTION MUST BE IN WRITING AND MUST REACH L-3 AP&D BEFORE PERFORMANCE HAS BEGUN BUT IN NO CASE LATER THAN TEN (10) DAYS FROM RECEIPT OF ORDER.

TITLE, DELIVERY AND INSPECTION

Goods shall be delivered F.O.B. L-3 AP&D's facility. Title and liability for loss or damage shall pass to Buyer upon tender of goods to common carrier for shipment. Buyer shall bear all costs for transportation, insurance, taxes or duties. Shipping dates are approximate only, and in particular, are not valid if any required Buyer furnished materials are delivered late. L-3 AP&D shall not be liable for costs (consequential or otherwise) for L-3 AP&D's failure to meet delivery dates. Delays experienced by L-3 AP&D in obtaining a validated export license shall be deemed excusable and beyond the reasonable control of L-3 AP&D. Buyer shall have a reasonable time, not to exceed ten (10) days, to inspect these goods and to notify L-3 AP&D of discrepancies. Failure to give notice under these terms shall be deemed acceptance of these goods. Buyer's P.O. shall be non-cancelable and nonrefundable.

EXPORT

This purchase order is subject to all U.S. Export Regulations including the International Traffic in Arms Regulations administered by the U.S. Department of State's Directorate of Defense Trade Controls and the Export Administration Regulations administered by the Department of Commerce's Bureau of Industry and Security. L-3 AP&D's performance on any resulting sale or contract is contingent on strict compliance with these regulations as applicable and may require prior written approval from the U.S. Government (USG) before L-3 AP&D can execute the terms and conditions of the purchase order. L-3 AP&D shall not be liable for delays resulting from the actions or inaction of any USG agency.

The Buyer agrees to comply with the terms and conditions of all U.S. Export and Re-export Regulations, and U.S. Government written approvals related to this purchase order.

TERMS AND METHOD OF PAYMENT

Where such credit is extended to Buyer, terms of payment shall be net thirty (30) days from date of invoice. Credit may be withdrawn or subsequent shipments held by L-3 AP&D at any time for late payment. Buyer shall pay interest at the rate of 1.5% per month from date of invoice for late payment.

WARRANTY

Hardware manufactured by L-3 AP&D is warranted to be free from defects in material and workmanship for a period of twelve (12) months from the date of shipment from L-3 AP&D's facility. Software and cable products are warranted to be free from defects in material and workmanship for a period of three (3) months from the date of shipment from L-3 AP&D's facility ("Warranty Period"). L-3 AP&D's sole and exclusive liability and Buyer's exclusive remedy under this warranty shall be, at L-3 AP&D's sole option, to repair or replace goods during the warranty period at no cost to Buyer. This warranty is null and void if the goods: (1) have been exposed to shock, (2) show signs of obvious abuse or mishandling, (3) were used in an application for which they were not intended, or (4) were modified or repaired without prior written authorization from L-3 AP&D. Buyer shall not return goods to L-3 AP&D under this warranty provision without L-3 AP&D's prior authorization. For Return and Repair procedures please refer to www.l-3com.com/apd.

THE FOREGOING WARRANTY IS IN LIEU OF ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY INCLUDING BUT NOT LIMITED

TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OF ANY OTHER WARRANTY OBLIGATION ON THE PART OF L-3 AP&D.

EXTENDED WARRANTY FOR BOARD LEVEL AND IMAGING PRODUCTS:

A one-year extended warranty can be purchased prior to the expiration of the Warranty Period.

LIMITATION OF LIABILITY

L-3 AP&D'S AGGREGATE LIABILITY ARISING FROM OR RELATING TO THIS CONTRACT, SHALL BE LIMITED TO THE CONTRACT PRICE OF THE PARTICULAR ITEM OF GOODS SOLD TO BUYER HEREUNDER. L-3 AP&D SHALL NOT IN ANY CASE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES TO BUYER OR ANY CUSTOMER OR ANY THIRD PARTY, EVEN IF L-3 AP&D HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. L-3 AP&D IS NOT RESPONSIBLE FOR LOSS OF GOODWILL, LOSS OF PROFITS OR REVENUE, OR LOSS OF USE OR INTERRUPTION OF BUSINESS.

APPLICABLE LAW

The validity, performance and construction of this contract shall be governed by the laws of the State of California.

U.S. 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 appears on Buyer's procurement instrument, those clauses of the applicable U.S. Government procurement regulations which are required by Federal Statute to be included in U.S. Government contracts and subcontracts, shall be in addition to the terms and conditions hereof.

SEVERABILITY

If any term, provision, covenant or condition of this contract is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remainder of this contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

NONWAIVER OF DEFAULT

Each shipment hereunder shall be considered a separate transaction. In the event of any default by Buyer, L-3 AP&D may decline to make further shipments. If L-3 AP&D elects to continue to make shipments, L-3 AP&D's actions shall not constitute a waiver of any default by Buyer or in any way affect L-3 AP&D's legal remedies for any such default.

ASSIGNMENT

This contract shall not be assigned by Buyer without the prior written consent of L-3 AP&D. If consent is given, this contract shall be binding upon and inure to the benefit of the assigns.

ORDER OF PRECEDENCE

Any inconsistency in this Order shall be resolved by giving precedence in the following order: (1) these Acceptance of Purchase Order Terms and Conditions, (2) representations and other instructions, (3) the specifications, and (4) other documents, exhibits and attachments.

ENTIRE AGREEMENT

THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES RELATING TO THE SALE OF GOODS DESCRIBED HEREIN AND SUPERSEDES ALL PREVIOUS COMMUNICATIONS, REPRESENTATIONS OR AGREEMENTS, EITHER ORAL OR WRITTEN. THIS AGREEMENT MAY BE CHANGED ONLY BY A MODIFICATION, IN WRITING, SIGNED BY THE BUYER AND A DULY AUTHORIZED L-3 AP&D REPRESENTATIVE. NO COURSE OF DEALING OR TRADE PRACTICE SHALL ACT TO MODIFY OR INTERPRET ANY TERMS EXPRESSED IN THIS AGREEMENT.