

Segovia ("Seller")

Standard Terms and Conditions of Sale (January 01, 2010)

1. ACCEPTANCE OF PURCHASE

ORDERS - Seller's acceptance of any purchase order issued by Buyer shall be expressly limited to the terms and conditions set forth below and any others expressly set forth or referenced in Seller's acknowledgement form. Any additional or different terms referenced in Buyer's purchase order are hereby objected to by Seller and shall not be deemed a part of any resulting order. These terms and conditions represent the entire agreement between the Buyer and Seller pertaining to the subject matter of this order and shall supersede all prior oral and written agreements, proposals, communications, and documents. Buyer's purchase order shall be deemed accepted only after Seller's written acknowledgement form is executed by an authorized official of Seller and shall not be construed to be accepted by any other action of Seller including, but not limited to, commencement of performance or delivery.

TO THE EXTENT THAT THIS FORM AND ACCOMPANYING DOCUMENTS CONSTITUTE AN OFFER TO SELL, SELLER'S OFFER IS EXPRESSLY LIMITED TO THE TERMS STATED HEREIN. TO THE EXTENT THAT THIS FORM AND ACCOMPANYING DOCUMENTS CONSTITUTE AN ACCEPTANCE OF BUYER'S OFFER, SELLER'S ACCEPTANCE IS EXPRESSLY MADE CONDITIONAL ON BUYER'S ASSENT TO THE ADDITIONAL OR DIFFERENT TERMS HEREOF. IN NO EVENT ARISING FROM OR CONNECTED WITH THIS ORDER, OR THE ARTICLES OR SERVICES PROVIDED HEREUNDER, SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES

2. WARRANTY - (a) Seller warrants that on the date of shipment the goods are of the kind and qualities described herein and are free of non-conformities in workmanship and material. This warranty does not apply to goods delivered by Seller but manufactured by others.

(b) Buyer's exclusive remedy for a nonconformity in any item of the goods shall be the repair or the replacement (at Seller's option) of the item and any affected part of the goods. Seller's obligation to repair or replace shall be in effect for a period of one (1) year from initial operation of the goods but not more than eighteen (18) months from Seller's shipment of the goods, provided

Buyer has sent written notice within that period of time to Seller that the goods do not conform to the above warranty. Repaired and replacement parts shall be warranted for the remainder of the original period of notification set forth above, but in no event less than 12 months from repair or replacement. At its expense, Buyer shall remove and ship to Seller any such nonconforming items and shall reinstall the repaired or replaced parts. Buyer shall grant Seller access to the goods at all reasonable times in order for Seller to determine any nonconformity in the goods. Seller shall have the right of disposal of items replaced by it. If Seller is unable or unwilling to repair or replace, or if repair or replacement does not remedy the nonconformity, Seller and Buyer shall negotiate an equitable adjustment in the contract price, which may include a full refund of the contract price for the nonconforming goods.

(c) SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, EXCEPT THAT OF TITLE. SPECIFICALLY, IT DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

(d) Buyer and successors of Buyer are limited to the remedies specified in this article and shall have no others for a nonconformity in the goods. Buyer agrees that these remedies provide Buyer and its successors with a minimum adequate remedy and are their exclusive remedies, whether Buyer's or its successors' remedies are based on contract, warranty, tort (including negligence), strict liability, indemnity, or any other legal theory, and whether arising out of warranties, representations, instructions, installations, or non-conformities from any cause.

(e) Note: This article 1 does not apply to any software which may be furnished by Seller. In such cases, the attached Software License Addendum applies.

3. PERFORMANCE; DELAYS - Timely performance by Seller is contingent upon Buyer's supplying to Seller, when needed, all required technical information and data, including drawing approvals, and all required commercial documentation. If Seller suffers delay in performance due to any cause beyond its reasonable control, the time of performance shall be extended a period of time equal to the period of the delay and its consequences. Seller will give to Buyer notice within a reasonable time after Seller becomes aware of any such delay.

4. SHIPMENT, TITLE AND RISK OF LOSS - Unless the delivery terms of this contract expressly provide for F.O.B.

destination, shipping/delivery will be F.O.B. Seller's point of shipment with title to the goods and risk of loss or damage passing to Buyer at that point. Buyer will be responsible for shipment during transit and for filing any damage or loss claims directly with the carrier. Seller may make partial shipments. Unless otherwise agreed to by Seller in writing, Seller shall pack and ship all articles in accordance with good commercial practices.

5. INSPECTION AND ACCEPTANCE

- All articles shall be subject to final inspection and acceptance at Seller's facility. If Buyer does not inspect the articles at Seller's facility, acceptance shall be deemed completed upon delivery of the articles to the carrier. Buyer agrees that any inspection or test on the premises of Seller shall not delay or disrupt Seller's performance. Buyer further agrees that it shall comply with Seller's security and safety policies during any inspection or test on the premises of Seller. Final inspection and acceptance by Buyer shall be conclusive. Failure of Buyer to accept or provide written notice to Seller of rejection of the article within thirty (30) days after delivery shall be deemed to constitute final acceptance by Buyer of the product.

6. CHANGES - No changes, extras or other work (whether deemed to be within or outside of the general scope of this order or modification of any kind or description) shall be authorized unless agreed to by both parties as evidenced by a written amendment to this order signed by duly authorized representatives of Buyer and Seller.

7. TAXES - Any and all taxes, assessments, or duties which may be imposed upon the production, shipment, installation, or sale of the articles or services covered hereby shall be the sole responsibility of and shall be paid by Buyer. Prices shall not include any taxes, impositions, charges, or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

8. TERMS OF PAYMENT - (a) Unless otherwise stated, all payments shall be in United States dollars. If shipment is delayed by Buyer, date of notice of readiness for shipment shall be deemed to be date of shipment for payment purposes. (b) All payments are due 30 calendar days from date of invoice. (c) On late payments, the contract price shall, without prejudice to Seller's right to immediate payment, be increased by 1 and 1/2% per month on the unpaid balance, but not to exceed the maximum permitted by law. (d) If any time in Seller's judgment Buyer is unable or unwilling to meet the terms specified, Seller may require satisfactory assurance or full or partial payment as a condition

to commencing or continuing manufacture or making shipment, and may, if shipment has been made, recover the goods from the carrier, pending receipt of such assurances. For subscription service transactions if payment is not received within 30 days of service activation services will be terminated. Reinstatement of service due to termination will be subject to a 2% reinstatement fee.

9. NONCANCELLATION - Buyer may not cancel or terminate for convenience, or direct suspension of manufacture, except with Seller's written consent and then only upon terms that will compensate Seller for its engineering, fabrication and purchasing charges and any other costs relating to such cancellation, termination or suspension, plus a reasonable amount for profit.

10. LIMITATION OF LIABILITY - NEITHER SELLER, NOR ITS SUPPLIERS SHALL BE LIABLE, WHETHER IN CONTRACT, WARRANTY, FAILURE OF A REMEDY TO ACHIEVE ITS INTENDED OR ESSENTIAL PURPOSES, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY, FOR LOSS OF USE, REVENUE OR PROFIT, OR FOR COSTS OF CAPITAL OR OF SUBSTITUTE USE OR PERFORMANCE, OR FOR INDIRECT, SPECIAL, LIQUIDATED, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE, OR FOR CLAIMS BY BUYER FOR DAMAGES OF BUYER'S CUSTOMERS. SELLER'S MAXIMUM LIABILITY UNDER THIS CONTRACT SHALL BE THE CONTRACT PRICE. BUYER AND SELLER AGREE THAT THE EXCLUSIONS AND LIMITATIONS SET FORTH IN THIS ARTICLE ARE SEPARATE AND INDEPENDENT FROM ANY REMEDIES WHICH BUYER MAY HAVE HEREUNDER AND SHALL BE GIVEN FULL FORCE AND EFFECT WHETHER OR NOT ANY OR ALL SUCH REMEDIES SHALL BE DEEMED TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE.

11. FORCE MAJEURE - Neither party shall be liable for any excess costs or other damages if the failure to perform arises out of causes beyond the control and without the fault or negligence of the party. Such causes may include, but are not restricted to (a) acts of God or of the public enemy, (b) acts of the U. S. Government in either its sovereign or Contractual capacity, (c) fires, (d) floods, (e) epidemics, (f) quarantine restrictions, (g) strikes, (h) freight embargoes and (i) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the party. If

the delay is caused by a delay of a subcontractor or Seller and if such delay arises out of causes beyond the reasonable control of both, and without the fault or negligence of either, Seller shall not be liable for excess costs unless the goods to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedules. Seller shall notify Buyer in writing within ten (10) calendar days after the beginning of any such cause.

12. ASSIGNMENT -. This order shall be binding upon and inure to the benefit of the successors and assigns of the entire business of either Buyer or Seller or of that part of the business of either used in the performance of such order, but shall not be otherwise assignable without the prior written consent of the other party.

10. GOVERNING LAW AND ASSIGNMENT - The laws of the State of Virginia shall govern the validity, interpretation and enforcement of this contract. Assignment may be made only with written consent of both parties.

11. ATTORNEY FEES - Buyer shall be liable to Seller for any attorney fees and costs incurred by Seller in enforcing any of its rights hereunder.

12. DISPUTES - Either party may give the other party written notice of any dispute arising out of or relating to this contract and not resolved in the normal course of business. The parties shall attempt in good faith to resolve such dispute promptly by negotiations between executives who have authority to settle the dispute. If the matter has not been resolved within 60 days of the notice, either party may initiate non-binding mediation of the dispute.

13. STATUTE OF LIMITATIONS - To the extent permitted by applicable law, any lawsuit for breach of contract, including breach of warranty, arising out of the transactions covered by this contract, must be commenced not later than twelve (12) months from the date the cause of action accrued.

14. PRICES - In the event of a price increase or decrease, the price of goods on order will be adjusted to reflect such increase or decrease. This does not apply to a shipment held by request of Buyer. Goods already shipped are not subject to price increase or decrease. Orders on a bid or contract basis are not subject to this article. Seller's prices include the costs of standard domestic packing only. Any deviation from this standard packing (domestic or export), including U.S. Government sealed packing, will result in extra charges. To determine such extra charges, consult Seller's sales offices.

15. ADDITIONAL TERMS OF PAYMENT - Invoice payment terms are as shown on the current Segovia quote. Portions of an invoice in dispute should be deducted and the balance remitted with a detailed explanation of the deduction.

16. CHANGES IN LAWS AND REGULATIONS - Seller's prices and timely performance are based on all applicable laws, rules, regulations, orders, codes, standards or requirements of governmental authorities effective on the date of Seller's proposal. Any change to any law, rule, regulation, order, code, standard or requirement which requires any change hereunder shall entitle Seller to an equitable adjustment in the prices and any time of performance.

17. PROPRIETARY INFORMATION -The design, production and operation of the Products, in any form, are proprietary information and trade secrets of Segovia. Buyer agrees that it will keep in confidence and prevent the disclosure to any unauthorized person or persons, any and all proprietary or confidential information related to the Product that is disclosed to Buyer pursuant to this Agreement. Buyer shall not modify, reverse engineer, improve or otherwise change any Product or parts thereof, or any of Segovia's proprietary rights related thereto, and shall not use, incorporate or in any way use any of Segovia's proprietary rights or confidential information (whether disclosed separately or embodied in any of the Products) in Buyer's own products or business activities. Buyer acknowledges that, in the event of Buyer's breach of any of the foregoing provisions, Segovia will not have an adequate remedy in money or damages and that Segovia shall therefore be entitled to seek preliminary or permanent injunctive relief, against such breach from any court of competent jurisdiction. Segovia's right to obtain such injunctive relief shall not be construed as any limit of its right to seek further legal and equitable remedies.

18. COMPLIANCE WITH EXPORT LAWS - Buyer shall not export, directly or indirectly, any hardware, software, technology, information or technical data disclosed under this Contract to any individual or country for which the U.S. Government requires an export license or other U. S. Government approval, without first obtaining such license or approval. Buyer shall indemnify and hold Seller harmless for all claims, demands, damages, costs, fines, penalties, attorneys' fees, and other expenses arising from Buyer's failure to comply with this clause.

19. VALIDITY AND WAIVER - The invalidity in whole or in part of any provision of this order shall not affect the validity of other provisions. The failure of Seller to enforce any applicable provision of these terms and conditions, or to require at any time performance by Buyer of any provision or obligation hereof, shall in no way be construed to be a waiver of such provision, nor in any way affect the validity of this order or any part hereof, or the right of Seller thereafter to enforce each and every provision.