



**COMSAT, INC.**

**PURCHASE ORDER STANDARD TERMS AND CONDITIONS**

ENTIRE AGREEMENT: Purchaser shall not be bound by this Order until the Seller executes and returns to Purchaser the acknowledgment of this Order. If the Seller shall, for its own convenience, in addition to such acceptance desire to use its own form of acknowledgment, any provisions thereof which modify, conflict with, contradict or add to the provisions of this Order shall be deemed waived and the provisions of this Order upon such acceptance, shall constitute the whole contract between the parties.

1. **DELIVERY:** The Seller agrees to deliver the items described on the face of this Order in the quantity, within the time, and at the price(s) specified therein. Any failure by the Seller to comply with the foregoing shall entitle Purchaser, in addition to any other rights or remedies set forth in this Order, as well as its rights and remedies at law or in equity, to cancel this Order and be relieved of all liability for any undelivered or nonconforming items.

2. **WARRANTY:** The Seller expressly warrants that all materials and work covered by this Order: (a) shall be of good quality and workmanship and free from defects, latent or patent; (b) shall conform to the drawings, designs, specifications, descriptions or samples furnished to or specified by Purchaser and (c) shall be fit for the purpose intended by Purchaser for a period of twelve (12) months after acceptance. No material may be substituted in lieu of those specified and no modification may be made in the drawings, designs, specifications, descriptions, or samples furnished or specified by Purchaser without Purchaser's prior written consent. Purchaser shall be entitled to the remedy set forth in Paragraph 4 hereof in the event the material or work does not conform to the warranty.

3. **ACCEPTANCE/TITLE:** Items purchased hereunder are subject to inspection and acceptance after receipt by Purchaser. Items shall be deemed accepted by Purchaser ten (10) days from delivery. Title and risk of loss or damage to deliverable items shall remain with Seller until Purchaser accepts such items, subject to delivery term (Incoterms® 2010) of this Order.

4. **NONCONFORMING GOODS.** Items not in conformity with the requirements of this Order may, at Seller's option, be returned to the Seller for repair or replacement. Purchaser shall be responsible for all expenses and risk of loss or damage for the return of nonconforming items to Seller and Seller shall be responsible for all expenses and risk or loss or damages for the delivery of the repaired or replaced items to Purchaser. .

5. **PATENTS AND PROPRIETARY RIGHTS.** The Seller warrants that the items ordered herein and the sale or use of them will not infringe on any United States or foreign letters patent, trademark, copyright, trade secrets, or any other form of proprietary right, without limitation and the Seller agrees to defend, protect, and save harmless Purchaser, its successors, assigns, customers and users of such items, against all suits at law or in equity, and from all damages and expenses, including reasonable attorney's fees, resulting from claims and demands for actual or alleged infringements of any patent, trademark, copyright or other proprietary right by reason of the sale or use of the items covered hereby. Purchaser reserves the right to participate in any such patent infringement action brought against Purchaser. Any item delivered hereunder that is the subject of an infringement action shall constitute a nonconforming item, and Purchaser shall be entitled to the remedies therefore in accordance with Paragraph 4, above.

6. **TAXES:** The line item prices herein stated do not include federal, state or local sales and use taxes imposed on the Seller or to be collected by the Seller on items furnished hereunder. If known, sales taxes are listed separately on the purchase order form. The Seller shall set forth all applicable taxes as separate line items on invoices to be paid by Purchaser, unless Purchaser shall furnish the Seller with tax exemption certificates.

7. **PERFORMANCE OF WORK NOT ASSIGNABLE:** The Seller shall not assign, in whole or in part, the work to be done hereunder without the prior written consent of Purchaser, but this provision shall not restrict the Seller in the procurement of component parts or material. If the Seller is not a manufacturer, it agrees to require compliance with all provisions of this Order by its manufacturer as if such manufacturer were the seller hereunder.

8. **COMPLIANCE WITH LAWS:** The Seller warrants that the items delivered under the Order shall be produced in compliance with all applicable Federal, State and local laws, ordinances and regulations, including specifically, but without limitation, the requirements of OSHA, Hazardous Materials Transportation Act, Toxic Substance Control Act, Consumer Products Safety Act, Federal and State regulations regarding employment of the handicapped, Federal and State local rules, laws and regulations on Equal Opportunity Employment, affirmative action and socially and economically disadvantaged small business concerns. The Seller also agrees, if requested by Purchaser, to furnish Purchaser with satisfactory evidence of compliance with any such laws, ordinances or regulations.

9. **PUBLICITY:** The Seller shall not, without first obtaining the express written consent of Purchaser, in any manner disclose, advertise or publish the fact that Seller has contracted to furnish Purchaser the items herein ordered.
10. **APPLICABLE LAW:** The rights of the parties hereto shall be subject to and determined by the laws of the Commonwealth of Virginia, and to this end this agreement shall be construed and considered as a contract made and to be performed in the Commonwealth of Virginia.
11. **TERMINATION FOR CONVENIENCE:** Without limiting any other right Purchaser has to cancel or terminate this Order, it is agreed that Purchaser shall have the right to terminate this Order in whole or in part for Purchaser's convenience at any time prior to Purchaser's acceptance of the item or items to be terminated. Such termination for convenience shall be effected by means of a written or electronic notice expressly stating that the termination is for the convenience of Purchaser. Upon such a termination for Purchaser's convenience, Purchaser shall pay the Seller (i) the Order price for those completed supplies or services accepted by Purchaser not previously paid for and (ii) such actual and reasonable costs incurred by the Seller in the performance of the work terminated and in process, but excluding any costs attributable to supplies or services paid for pursuant to (i) above, provided, however, the payments hereunder shall not exceed the total price of this Order.
12. **TIME OF PERFORMANCE:** Time is of the essence in this Order. If Seller fails to make deliveries or to perform the services at the time agreed upon, or to perform the work hereunder in such a manner as will endanger its ability to make timely deliveries or render timely performance or services, Purchaser reserves the right to cancel this Order. Seller may be subject to penalties under this section for late delivery of 0.1 % per day, up to a maximum of 10% of the total value of the Order.
13. **CHANGES:** Purchaser may at any time, by written notice, make changes in the specifications, designs or drawings, samples or other description to which the contract products are to conform, in methods of shipment and packaging or time and place of delivery. If any such change caused an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Order, an equitable adjustment shall be made in the price or delivery schedule, or both, and this Order shall be modified in writing accordingly. Any claim by Seller for any such adjustment must be made in writing within thirty (30) days of the receipt of any such change. Nothing in this clause shall excuse the Seller from proceeding without delay to perform this Order as changed. The authorized Purchasing personnel shall be the only individuals empowered to make any adjustments or modifications to the price or delivery schedule. Purchaser shall not be responsible for any action undertaken by Seller which may result in an increase in the price or extension in the time for delivery of the items hereunder which have not been approved in advance by Purchaser.
14. **NOTICE OF DELAY:** Whenever any actual or potential event, including labor disputes, delays or threatens to delay the timely performance of this Order, Seller shall give immediate notice thereof to Purchaser.
15. **INFORMATION DISCLOSED:** Unless expressly agreed to in writing by Purchaser, information or knowledge disclosed to Purchaser by Seller in the performance of or in connection with this Order shall be deemed to be confidential or proprietary.
16. **REMEDIES:** The rights and remedies provided Purchaser herein shall be cumulative and in addition to any other rights and remedies provided by law or equity. A waiver or breach of any provision hereof shall not constitute a waiver or breach of any other provisions.
17. **EFFECT OF INVALIDITY:** The invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision.
18. **INDEMNIFICATION AND INSURANCE:** Seller shall indemnify and hold Purchaser harmless from and against any suits, liabilities, losses, damages, claims, causes of action or expenses (including reasonable attorney's fees) arising out of or connected with an act or omission of Seller, its agents, employees, or subcontractors, except to the extent that such injury or damages are due solely and directly to Purchaser's negligence. If Seller or its agents, employees, or subcontractors enter upon premises occupied by or under the control of Purchaser or any of its customers or suppliers in the course of the performance of this Order, Seller shall take all necessary precautions to prevent occurrence of any injury (including death) to any person or any damage to any property. Seller shall maintain such public liability, property damage, and Employer's Liability and Compensation insurance as will protect Purchaser from any of said risks and from any claim under any applicable Workmen's Compensation acts. Upon request by Purchaser, Seller shall furnish to Purchaser certificates of such insurances, from an insurer acceptable to Purchaser.
19. **PAYMENT:** Any discounts for prompt payment shall be listed by Seller on the invoice. Each invoice must specify dates of shipment for the item(s) and any applicable transportation charges. If a state or local sales or use tax is included in the invoice, the invoice should also state Seller's license number authorizing the collection of each tax.
20. **LIMITATION OF LIABILITY:** Neither Purchaser or Seller shall be liable for any incidental, special, consequential or indirect damages of any kind including, but not limited to, damages for interruption of business or loss of profits, whether in contract, tort, in law or in equity. Both parties' aggregate liability for any claims shall not exceed the value of this Order.