

CHECKSUM

Terms and Conditions

ACCEPTANCE OF THE PRESENT GENERAL TERMS AND CONDITIONS OF SALE

These General Terms and Conditions of Sale shall govern the business relationship between CheckSum, LLC and any buyer (hereinafter referred to as the "Customer") of products and/or services supplied by CheckSum, LLC. These General Terms and Conditions of Sale shall apply to any offer, order or contract (notwithstanding the title of such agreement, sales agreement, purchase agreement, or services agreement), relating to the sale of products, equipment of any kind (hereinafter referred to as the "Products") CheckSum, or other services (hereinafter referred to as the "Services") offered or supplied by CheckSum. These General Terms and Conditions of Sale are not applicable where a specific agreement relative to the supply of support services and activities exists between CheckSum and the Customer. No terms and conditions other than those contained herein shall be binding upon CheckSum unless accepted by it in writing. All terms and conditions contained in any prior oral or written communication, including, without limitation, Customer's order, Customer's general terms of purchase or any other commercial intermediaries, whether or not they would materially alter these terms and conditions, are hereby rejected and shall not be binding on CheckSum. Any provisions contained in any Customer's documents that would be contrary to the present General Terms and Conditions of Sale and/or that would be an obstacle for their application shall be considered as useless and ineffective towards CheckSum. Upon receipt of the Customer's purchase order, the Customer will be deemed to have assented to all terms and conditions contained herein.

ORDER and ACCEPTANCE OF ORDER

A purchase order issued either from the Customer or from a representative, shall only be binding between the Customer and CheckSum. CheckSum will provide the Customer with a sales acknowledgement. This written acceptance by CheckSum shall constitute the commitment by CheckSum to deliver the Products and/or associated Services in accordance with all applicable prices and General Terms and Conditions of Sale. A purchase order by the Customer is the firm and irrevocable commitment to accept the delivery of the Products and/or associated Services, as well as to pay the price set forth in accordance with the General Terms and Conditions of Sale or the particular conditions stated in CheckSum's quotation. Where the Customer has supplied insufficient or incorrect information that affects the fulfillment of any order, then CheckSum shall have the right to suspend performance thereof. CheckSum shall inform the Customer of any problem in connection with an order due to the insufficiency or inaccuracy of information supplied by the Customer, and the Parties shall agree on any consequent changes in specifications, price or delivery periods. Should no agreement be found, CheckSum shall have the right to cancel the order automatically and the Customer shall pay the sale price thereof without prejudice of further damages.

CHECKSUM

PRICES, INVOICING AND PAYMENT

Customer shall pay CheckSum the Purchase Price as set forth in the Sales Order Acknowledgement or in any invoice pertaining to a modification or cancellation. The Purchase Price is exclusive of packaging, shipping and insurance costs and federal, state and local taxes, which shall be borne by the Customer, unless otherwise agreed upon in writing. CheckSum shall invoice the Customer concurrently with each Product shipment. An invoice will include the invoice date, the Order number, and the total price and name (if applicable) and address where payment is to be sent. Customer shall pay all invoices within the specified terms of the invoice. Payment shall be made in U.S. dollars. Payment not received when due shall bear interest at the rate of 1½% monthly from its due date until paid. Should the Customer default on payment, CheckSum reserves the right, in addition to all other remedies available, at its sole discretion and without prior notice: (a) To suspend deliveries and to refuse to honor any and all new orders until complete payment by the Customer of all of its overdue accounts; (b) To have any amount related to the said sale or any other associated services due by the Customer immediately paid by the Customer, whatever the agreed terms of payment and; (c) To sue the Customer for any higher actual damage.

ENGINEERING CHANGES

CheckSum understands that a customer's need may evolve during the manufacturing process. We will do our best to accommodate a customer's change request whenever possible. If the Customer requests that CheckSum incorporate an engineering change into a Product, such request shall include a description of the proposed change sufficient to permit CheckSum to evaluate it. CheckSum's evaluation shall be in writing and shall state the impact of the requested change on the existing delivery schedule and cost. CheckSum shall not be obligated to proceed with a requested change until the parties have agreed on the changes to the Product, Specifications, estimated delivery schedule and pricing, including the price for additional NRE, rework, tooling and obsolete materials and testing, if any.

SHIPMENT AND DELIVERY

All Products and/or associated Services sold to the Customer are delivered EXW "CheckSum facilities", (based on the Incoterm 2010 rule published by the International Chamber of Commerce). The Customer shall therefore be responsible for the transport of the Products or serviced Products, unless otherwise agreed in writing by CheckSum. As a consequence, CheckSum's commitment for delivery is fully executed by the disposal of the Products or the serviced Products for removal by the Customer or its proxy. CheckSum will notify Customers or its designated carrier of readiness to ship the Products.

CHECKSUM

ACCEPTANCE

The Product shall be deemed accepted by the Customer when the Product has passed Manufacturer's inspection and conforms to specifications as delivered to the Customer, namely, placed it in the hands of a common carrier. The Customer shall have (30) days to notify Manufacturer of Customer's revocation of acceptance of Product based on non-conformance to specifications or to the workmanship standard. Customer's revocation must be in writing.

CANCELLATION OF ORDER

Any cancellation, modification or postponement of Customer's order is subject to CheckSum's prior approval. The following conditions shall apply on any cancellation: (i) the price of any finished products as specified in CheckSum's Sales Order acknowledgement shall be paid; (ii) the price of any product being manufactured shall be the raw materials and manufacturing costs already incurred, plus thirty percent (30%) without prejudice as for damages that CheckSum could claim because of such cancellation.

REPAIR AND MAINTENANCE

Submission of any repair or maintenance order to CheckSum shall, upon acceptance by CheckSum, be deemed to be a request for initial inspection and preparation of a quotation by CheckSum. The express acceptance by the Customer of a quotation prepared by CheckSum shall constitute an order to complete the work covered by such quotation. The Customer must return the Product for which it has submitted an order at its own expense and risk. Upon receipt of a Product from the Customer, CheckSum shall conduct an initial inspection. If the initial inspection does not reveal any problem or defect, CheckSum shall return the Product to the Customer at the Customer's expense and invoice the Customer for any test inspection and administrative costs at CheckSum's standard rates then in effect. If the initial inspection shows that repair/overhaul or any other maintenance services is required, CheckSum shall prepare a quotation, which shall indicate the expected duration to complete the service necessary to restore the Products. Repair lead time shall be suspended for the period running between the issuance of a quotation and its acceptance by the Customer. CheckSum may retain possession of any of Customer's Product until service has been paid in full on any outstanding invoice. In the event a Customer does not respond to the quotation, and the Products stay in CheckSum's premises, CheckSum may invoice a daily storage fee. A standard exchange shall be deemed to be the replacement of a Product with a given reference or serial number with another product in serviceable condition (new or used). Standard exchanges are proposed to Customer at specific terms and conditions. Standard exchanges shall be made with Customer's written consent (by letter, fax or e-mail). CheckSum shall take title to the Product sent by Customer and shall transfer title to exchanged Product to the Customer. Transfer of title to each Product shall take place on the date and place of delivery as specified in the accepted quotation. Effective the date on which title is transferred, each party shall bear the risks to the Product to which it took title.

CHECKSUM

PRODUCT WARRANTY

Original equipment manufacturer standard warranty for project fixtures is (90) days from the date of delivery and for test systems one (1) year from the date of delivery. CheckSum warrants its spare products to be free from defects in workmanship and materials for a period of (90) days from the date of delivery to the Customer. CheckSum's obligation under this warranty is limited to replacing or repairing (at CheckSum's sole discretion) Products shown to be defective in either workmanship or materials. CheckSum warrants that all repaired/overhauled Products shall be serviceable and be free from defects in material and workmanship with respect to replaced Parts and Services for six (6) months from delivery to Customer. Completion of an initial inspection will not renew any warranty covering the inspected Product. CheckSum warrants the Product provided in a standard exchange for six (6) months from delivery to Customer or the term of the warranty covering the replaced equipment, whichever is longer. Acceptance of a warranty claim is subject to sending the claim to CheckSum no more than thirty (30) days after the alleged defect is detected. The claim must describe the defect and the circumstances under which it was detected and include information documenting that the defect was detected during the warranty period. This standard warranty shall not cover normal wear and tear. This warranty is applicable only if the Product, following delivery from Customer to CheckSum: (i) has been transported, stored, installed, operated, handled, maintained and repaired in accordance with the then current recommendations of the original equipment manufacturer as stated in its manual, 'Airworthiness Directives', service bulletins or other written instructions; and (ii) has not been subject to accident, misuse, abuse, neglect, negligence, or suffered foreign object damage; and (iii) does not contain parts not specified in the original equipment manufacturer maintenance manuals and does not contain non original equipment manufacturer approved parts; and (iv) has not been used in a damage state; and (v) has legible identification; and (vi) has not been repaired or altered by the Customer or any third party. This warranty does not apply to any malfunction of or damage to Products resulting from accident, misuse, or abuse.

Only personnel of CheckSum or, when directed by CheckSum, authorized CheckSum agents are authorized to perform warranty obligations. No warranty shall be granted if the service is not performed by CheckSum or its authorized agents. To obtain performance under this warranty, and as a condition precedent to any duty of CheckSum, the Customer must notify CheckSum to determine whether to return the product to CheckSum or an authorized agent.

Any travel expenses incurred to repair or replace a product under warranty will be the responsibility of the Customer.

THE PRODUCT WARRANTY STATED ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES AS TO QUALITY, FITNESS FOR PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE, WHETHER IMPLIED BY CUSTOM OR LAW. WITHOUT LIMITING THE FOREGOING DISCLAIMER, BUYER ACKNOWLEDGES AND AGREES THAT MANUFACTURER DOES NOT WARRANT ANY PARTS, COMPONENTS OR OTHER MATERIALS PROVIDED TO MANUFACTURER BY BUYER AND USED IN THE MANUFACTURE OF THE PRODUCTS.

CHECKSUM

LIABILITY

CHECKSUM EXPRESSLY DISCLAIMS ANY LIABILITY FOR OTHER THAN DIRECT DAMAGES, IN ANY WAY CONNECTED WITH THE SALE OR USES OF PRODUCTS MANUFACTURED BY AN ORIGINAL EQUIPMENT MANUFACTURER SUPPORTED BY CHECKSUM OR SERVICED BY CHECKSUM OR ITS AUTHORIZED AGENTS. ANY IMPLIED WARRANTIES WHICH MAY BE IMPOSED BY LAW NOTWITHSTANDING THIS DISCLAIMER ARE LIMITED IN DURATION TO THE APPLICABLE PERIOD OF THIS LIMITED WARRANTY. CHECKSUM'S LIABILITY TO CUSTOMER FOR CLAIMS RELATING TO THE PRODUCT OR SERVICE THAT IS THE SUBJECT OF THIS ORDER IS LIMITED TO THE AMOUNT PAID BY CUSTOMER TO CHECKSUM FOR SUCH PRODUCT OR SERVICE.

FORCE MAJEURE

CheckSum will not be liable for any failure to fulfill an obligation under the agreement with the Customer if it is prevented in whole or in part from carrying out such obligations as a result of a cause beyond its reasonable control, including, but not limited to, any strike; act of God, lightning, storm, flood, fire, earthquake or explosion; act of public enemy, war, blockade, revolution, riot, insurrection, civil commotion; any action, inaction, demand, order, restraint, restriction, requirement, prevention, frustration or hindrance by or of any person, government or other competent authority; or embargo, unavailability of essential equipment, or other material or lack of transportation, each being an event of Force Majeure. When CheckSum is prevented from carrying out its obligations as a result of an event of Force Majeure, CheckSum will promptly notify the Customer accordingly.

EXPORT CONTROL

The Customer acknowledges that some of the Products may be subject to export laws and regulations such as laws and regulations issued by the U.S. Department of State International Traffic in Arms Regulations (ITAR), U.S. Department of Commerce Export Administration Regulations (EAR) or any other trade control regulations from any other country. The Customer acknowledges that diversion contrary to such export laws and regulations is prohibited. The Customer warrants that it will not export or otherwise transmit or use any Product or information relating to any Product subject to export laws and regulations except if in full compliance with applicable laws and regulations.

INDEMNIFICATION

The Customer shall defend, fully indemnify and hold harmless CheckSum and its agents and employees against any loss, damage, claim, suit, liability, judgment or expense (including, without limitation, attorneys' fees) arising out of or in connection with any injury, disease or death of persons (including, without limitation, Customer's employees and agents) or damage to or loss of any property or the environment, or violation of any applicable laws or regulations (including, without limitation, Customer's breach of representation regarding export control compliance, above) resulting from or in connection with the sale, transportation, installation, use, or repair of the Products by the Customer or of the information, designs, services or other work supplied to the Customer, whether caused by the concurrent and/or contributory negligence of the Customer, or any of its agents, employees or suppliers. The obligations, indemnities and covenants contained in this article shall survive the termination or expiration of any transaction.

CHECKSUM

GOVERNING LAW AND JURISDICTION

Those General Terms and Conditions of sale and any transaction performed by CheckSum are governed by the laws of the State of Washington.

NON-WAIVER

CheckSum's failure to insist upon the strict performance of these General Terms and Conditions contained herein shall not be deemed a waiver of any of CheckSum's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any Term and Conditions hereunder shall be valid unless in writing and signed by CheckSum.

INTELLECTUAL PROPERTY AND CONFIDENTIALITY

All of the intellectual property rights, as well as the knowledge included in transmitted documents, delivered products and provided services remain CheckSum's exclusive property. Any transfer of intellectual property rights or knowledge must be subject to a specific contract.

Unless otherwise expressly stipulated in writing, no information provided to CheckSum in connection with orders shall be regarded as confidential, unless their confidential nature is obvious. Personal data in relation to the contractual relationship may be stored by CheckSum and may be transferred to companies associated with CheckSum. The information and data of any nature (hereafter the "Information") contained in any document including quotations or support of information supplied by CheckSum shall remain CheckSum's exclusive property along with all intellectual property rights (including but not limited to patent rights, copyrights, trademarks, designs) attached thereto. Therefore, no right, title or interest relating to the Products is transferred to the Customer. The Customer warrants CheckSum that its employees or agents shall not disclose said Information except as may be necessary for the performance of the order or contract nor make any use of the Information other than for the purpose of the order or contract. CheckSum retains and shall retain full ownership of all inventions, designs and processes made prior to or during the course of performance of any Contract resulting there from. Customer shall indemnify and hold CheckSum harmless from liabilities or losses suffered by CheckSum or its subcontractors as a result of any disclosure to third parties in violation of this article or any other improper use of such information.