



TERMS AND CONDITIONS

1. ACCEPTANCE: Purchaser's order is subject to the terms and conditions included in the Quotation, the Bill of Materials, the Equipment List, the Software License and Support Services Agreement, these Terms and Conditions, and the Sales Order Acknowledgment, which collectively constitute the entire agreement between Broadcast Electronics ("Seller" or "BE") and the Purchaser (the "Contract") with respect to the goods specified in the Bill of Materials or the Equipment List ("Equipment"). If applicable, the Contract will also include a security agreement and UCC-1 financing form. The execution and mailing to Purchaser of the Seller's standard form of Sales Order Acknowledgment shall be deemed to be Seller's acceptance, provided that the acceptance by Seller is conditioned upon agreement by the parties with respect to acceptable financial arrangements. Accordingly, the banking by Seller or other disposition of funds paid by Purchaser to Seller, or the disposition by Seller of any trade-in equipment offered by Purchaser to Seller under the Contract, shall not constitute acceptance of this order by Seller. The Contract and, if applicable, a security agreement and UCC-1 financing form may be amended only by written agreement between the parties.

2. PRICES AND TAXES: All quotes are price protected for 90 days only. (a) All prices are F.O.B. Quincy, Illinois, or shipping point(s). (b) Except as may be expressly stated in the Contract, prices do not include State and local sales, use, occupation, gross income, value-added, privilege, import, excise and similar taxes and duties or charges imposed on Purchaser. If Seller is at any time required to pay or collect any taxes, duties or fees in respect of the Contract or the performance of work under the Contract, Seller will invoice the Purchaser separately for the taxes, duties and fees to the extent they were not included in the price of the Contract. (c) Seller may adjust the price of any of the Equipment covered by the Contract to Seller's current price in effect immediately prior to shipment, except in the case of Equipment manufactured by Seller where the order is accompanied by a down payment of at least 40% of the total price of the Equipment and shipment is made within 90 days after Seller's acceptance of this order.

3. PAYMENT: (a) The full purchase price of the Equipment stated in the Quotation shall be paid in United States currency by the Purchaser within the time agreed upon in the Quotation. (b) Notwithstanding any of the provisions contained in the Contract, if in the judgment of Seller, either before or after manufacture or delivery of the Equipment, the financial condition of Purchaser indicates an inability to pay its obligations, including those under the Contract, as they mature, Seller, upon giving written notice to Purchaser, may require payment of any portion of the outstanding balance due under the Contract up to and including payment in full prior to delivery of the Equipment or within ten (10) days after giving the notice, regardless of the terms of payment stated in the Contract. In the event Purchaser fails to promptly pay, any payment due to Seller pursuant to the Contract, Seller may at its option cancel delivery of the remainder of the order. The cancellation shall not excuse Purchaser from any payments due under the Contract for Equipment previously delivered. Failure by the Purchaser to meet payment deadlines prior to shipment may result in deposits being forfeited to the Seller as compensation for materials and labor spent in collecting raw materials, manufacturing sub-assemblies, re-stocking fees, etc.

4. DELIVERY: (a) "Delivery" of the Equipment to the Purchaser shall be deemed to take place upon the acceptance of the sooner of either: (i) delivery by Seller of the Equipment to the common carrier; or, (ii) possession of the Equipment by the Purchaser. (b) In the event Seller delays or cancels delivery pursuant to subsections 3(b) or 10(a), Seller shall not be liable for the delays or failure to deliver any or all of the Equipment purchased under the Contract. (c) Partial shipments by Seller shall be permitted. (d) Except as permitted in subsection 4(g), Purchaser may not cancel the Contract except upon the written consent of the Seller. (e) If Purchaser delays delivery, payments are to be made as though delivery had been made as specified. The Equipment shall be stored by Seller at Purchaser's expense and Purchaser shall bear the risk of loss on the Equipment at that point. (f) Seller's obligations under the Contract are subject to delays or cancellation incidental to labor difficulties, fires, casualties, calamities and accidents, acts of God, acts of a public enemy, component failures on test, failure or delay by common carrier or other transportation difficulties, inability to obtain equipment, delays caused by supplier vendors (for all reasons listed above), delays created by customer requested custom designs / modifications to standard product offerings, materials or qualified labor sufficient to timely fill its orders, governmental interference or regulations, and other causes beyond Seller's control. In these instances, Seller may prorate shipments of its products to or among its customers in a manner, which in Seller's judgment is reasonable given the circumstances. Seller shall not be deemed to have breached the Contract due to delays or failure to fulfill its obligations under the Contract based on the reasons listed above in this subsection. (g) If shipment of any item is delayed for more than one year beyond the shipping date specified in the Quotation, by reason of any of the circumstances listed in subsection 4(f) above, either party may terminate the Contract as to any of those items on which shipping has been delayed by written notice to the other at which point Seller shall either: (i) issue a credit to Purchaser's account under the Contract in an amount equal to an equitable portion of the total Contract price without interest; or, (ii) if the total Contract price has been paid, Seller shall refund to Purchaser an equitable portion of that amount, without interest. If other equipment has been accepted by Seller as part payment and is not available for return to Purchaser, then Seller shall pay to Purchaser the net proceeds received by Seller from its disposition of the equipment. (h) The Seller will use its best efforts to meet the time for delivery specified in the Quotation, but does not assume a firm obligation for delivery at that time.

5. DAMAGE AND RISK OF LOSS: (a) Unless otherwise specified in the Contract, all costs of shipment of Equipment to and from Purchaser shall be the Purchaser's responsibility. Purchaser shall be responsible for any loss or damages to the Equipment upon delivery at Seller's shipping point, notwithstanding the fact that the Seller may have selected the carrier. (b) IT IS AGREED THAT IF THE SELLER BREACHES ANY WARRANTY NOT WAIVED IN THE CONTRACT, THE PURCHASER'S EXCLUSIVE REMEDY FOR THAT BREACH IS REPAIR OR REPLACEMENT OF ANY PART OR EQUIPMENT THAT FAILS TO CONFORM TO THE WARRANTY. (c) Except as provided in subsection 5(b) above, Purchaser agrees that any claims it may have relating to, or arising out of, or resulting from any Equipment purchased under the Contract, shall be made solely against the Equipment manufacturer. Purchaser waives any claims against Seller for Equipment purchased under the Contract but not manufactured by Seller. For this purpose, Seller agrees to assign Purchaser, after appropriate request, any rights Seller may have against the manufacturer relating to these claims. (d) In no event shall the Seller be liable for special, indirect or consequential damages. Seller's liability on any claim for loss, cost, damage, expense or other liability arising out of or connected with the Contract or any obligation resulting from the Contract, or the manufacture, sale, delivery, resale, repair or use of any product covered by the Contract (including but not limited to, loss or liability arising from breach of contract) shall in no case exceed the unit price of the Equipment or the part of the Equipment involved in the claim. Purchaser agrees to indemnify Seller and hold Seller harmless against all third party claims, losses and judgments, for any cause whatsoever, except those asserted by Seller's employees, arising out of or resulting from the installation, operation or use of the Equipment.

6A. BE PRODUCT WARRANTY (LIMITED TWO YEAR): BE hereby warrants all new products manufactured by BE against any defects in material or workmanship at the time of delivery thereof, or that develop under normal use within a period of **two (2) years from the date of shipment**. BE reserves the right to repair equipment under warranty with new or refurbished equipment or parts. BE's sole responsibility with respect to any equipment or parts not conforming to this warranty is to replace or repair such equipment upon the return thereof F.O.B. to BE's factory in Quincy, Illinois, U.S.A. In the event of replacement pursuant to the foregoing warranty, only the unexpired portion of the warranty from the time of the original purchase will remain in effect for any such replacement.

This warranty shall exclude the following products, component parts and/or assemblies: (a) Transmitter power output tubes shall only carry the original manufacturers' or suppliers' standard warranty in effect on their original shipment date. (b) All computers, computer peripherals, cables, hard disk drives, etc., shall only carry the manufacturer's or suppliers' standard warranty in effect on their original shipment date. (c) "Components", defined as separate and individual parts (e.g. transistors, integrated circuits, capacitors, resistors, inductors, fans, etc.), resold by BE from another manufacturer or supplier, shall only carry a 90 day warranty, effective the date of shipment. Any such 'Components' being returned for warranty claim must be (1) returned in their original packaging and (2) must be in new, unused condition. BE is

unable to process or resolve component defects or performance concerns on components that have been soldered, installed, wired or in any way altered from new their new condition. (d) "Resale Equipment", defined as equipment purchased from another manufacturer or supplier, then resold by BE, shall only carry such manufacturer's or supplier's standard warranty in effect as of the original shipment date.. All warranty claims against any and all 'resale equipment' sold by BE must be filed directly with the original equipment manufacturer. BE is unable to process or resolve equipment defects or performance concerns on products or services not manufactured by BE.

This warranty shall not extend to claims resulting from any acts of God, terrorism, war, defects or failures caused by Purchaser or user abuse or misuse, operator error, or unauthorized attempts to repair or alter the equipment in any way. Under no circumstances shall BE be responsible for indirect, incidental or consequential damages, including, but not limited to transportation costs, non-authorized repair or service costs, downtime costs, costs for substituting equipment or loss of anticipated profits or revenue, incurred by Purchaser, whether based in contract, tort or for negligence or breach of statutory duty or otherwise.

The terms of the foregoing warranty shall be null and void if the equipment has been altered or repaired without specific written authorization from BE, or if not installed according to BE's instruction manuals, including, but not limited to, the absence of proper grounding, surge (TVSS) protection on the AC circuit panel or proper lightning protection/grounding on all output circuits, or if equipment is operated under environmental conditions or circumstances other than those specifically described in BE's product literature or instruction manual which accompany the equipment.

The warranty shall be voided if the product or subassembly is equipped with a tamper seal and that tamper seal is broken. BE shall not be liable for any expense of any nature whatsoever incurred by the original user without prior written consent of BE. The warranty provided herein shall terminate at the end of the period set forth above. This warranty extends only to the original Purchaser and is not transferable. There are no third party beneficiaries of any of the provisions of this warranty. If the equipment is described as "used" equipment, it is sold as is and where is and no warranty applies unless authorized in writing.

EXCEPT AS SET FORTH HEREIN, AS TO TITLE AND AS SPECIFICALLY REQUIRED BY LAW, THERE ARE NO OTHER WARRANTIES, OR ANY AFFIRMATIONS OF FACT OR PROMISES BY BE, WITH REFERENCE TO THE EQUIPMENT, OR TO MERCHANTABILITY, FITNESS FOR A PARTICULAR APPLICATION, SIGNAL COVERAGE, INFRINGEMENT, OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION OF THE EQUIPMENT ON THE FACE HEREOF.

6B. MARTI PRODUCT WARRANTY (LIMITED ONE YEAR): Broadcast Electronics (BE) hereby warrants all new Marti Electronics branded products, including STL systems, manufactured by BE, against any defects in material or workmanship at the time of delivery thereof, or that develop under normal use within a period of **one (1) year from the date of shipment**. All other requirements found in section 6A apply.

7. SERVICE WARNING: The Equipment may be dangerous if improperly handled or serviced. In the event that repair, maintenance or servicing needs to be performed on the Equipment, Purchaser must contact Seller immediately. Seller will not be liable for any damages or injuries occurring in connection with maintenance, servicing or repair work on the Equipment done by persons other than Seller or its duly authorized representatives.

8. FACTORY ACCEPTANCE TEST: Factory Acceptance Testing (FAT) and Witness may be accommodated upon request under the following conditions. BE and Purchaser must agree on the witness date. If Purchaser is unable to be present on the agreed upon date, BE retains the right to ship the products without being witnessed, and provide training on a similar product at a later date. It is agreed by the Purchaser that failure to arrive for Factory Acceptance Testing (FAT) on the agreed upon contract date will release any and all payments required upon completion of the FAT activity, by contract, as if it had been completed.

Seller also reserves the right to conduct witness testing via videoconferencing should the Purchaser not confirm their intent to conduct on-site witness testing within 14 days of contract date. Factory Acceptance Testing and Witness shall consist of verification of quoted performance of products and systems being delivered.

9. CHANGE ORDERS: Any modifications to products and/or systems, not specifically detailed in the Quotation or Contract, will incur additional material, labor and overhead fees and charges.

10. INSTALLATION: Purchaser is responsible for installation of the Equipment including preparation and maintenance of all Equipment, materials or services not provided for in the Contract, which are necessary for the operation of the Equipment.

11. LEGAL PROCEEDINGS: In the event of legal proceedings arising out of or resulting from the Contract, the prevailing parties shall be entitled to recover all costs relating to those legal proceedings including but not limited to reasonable attorney's fees, in addition to any other recoveries.

12. TITLE AND REMEDIES: Regardless of and in addition to any of the provisions contained in the Contract: (a) Until full payment of all obligations of Purchaser under the Contract (whether represented by notes, open account judgment, or otherwise), Seller reserves title to all of the Equipment furnished under the Contract or furnished in the future in connection with the Equipment, whether or not it is attached to the realty, and it shall be considered personal property and subject to the purchase money security interest, if any, granted by Purchaser to Seller. (b) In addition to and in no way limited by the provisions of the Contract, and subject and in addition to the terms of any security agreement between Seller and Purchaser, if Purchaser defaults in paying or performing any of its obligations under the Contract; becomes subject to insolvency, receivership or bankruptcy proceedings; makes an assignment for the benefit of creditors; or any of the Equipment is misused or substantially damaged; or Purchaser, without the prior written consent of Seller, sells, transfers, leases or mortgages the Equipment, or moves it to another site; any lien is placed on the Equipment; other persons have or acquire an interest in the Equipment; or it is seized or attached by the process of law, then Purchaser shall be deemed to be in default under the Contract. In the event of a default by Purchaser under the Contract, Seller may, at its option, with or without notice, treat all amounts Purchaser owes under the Contract, regardless of maturity date, as immediately due and payable (subject to those credits that are required by law in order to enforce this Contract); refuse subsequent deliveries, if any, under the Contract; and repossess the Equipment previously delivered to Purchaser as part of the Contract. In the event Seller chooses to repossess Equipment delivered to Purchaser under the Contract, Seller may also: (i) Upon notice, as required by law, keep the Equipment as its own, free from any claim on the part of Purchaser, retaining all payments made on the Equipment by Purchaser as compensation for the use or decrease in value of the Equipment; or, (ii) Within four (4) months of the repossession and upon giving Purchaser not less than fifteen (15) days advance written notice (or the period required by law) of Seller's intention to sell, sell the Equipment for the account of Purchaser either at public sale (at which Seller may bid) or at private sale. At that point, the net proceeds of sale, after paying Seller's costs and expenses in repossessing, transporting, reconditioning, storing and selling the equipment, shall be applied on the unpaid balance of the obligations of Purchaser under the Contract and the surplus, if any, shall be returned to Purchaser. Provided, however, that in the event a deficiency remains, Purchaser shall continue to be liable to Seller for the deficiency. In exercising any of the remedies listed above in this section, Seller shall give other and additional notices as are required by law. (c) In any proceedings or action relating to a default by Purchaser, Seller shall be reimbursed (if permitted by law) for attorney's fees and costs incurred by it with respect to the proceeding or action. (d) No remedy provided for in the Contract shall be applicable where not permitted by law. (e) When requested by Seller, Purchaser shall duly acknowledge the Contract, and execute, acknowledge, and deliver to Seller, in Seller's usual form, a supplement to the Contract, chattel mortgage, supplemental security agreement, financing statement, or other additional appropriate instrument which Seller may require to constitute the Equipment as the unencumbered security for the obligations of Purchaser under the Contract, or to enable Seller to comply with all applicable filing or recording laws.

13. INSURANCE: Purchaser shall maintain, with a company approved by Seller, an insurance policy on the Equipment against fire and extended coverage perils in an amount equal to the full value of the Equipment, with any loss on the Equipment first payable to Seller. Purchaser shall maintain this insurance until full payment under the Contract shall have been made to Seller. Seller may, in the event that Purchaser defaults in its obligations under the Contract, obtain or maintain this insurance and any costs to



Seller incurred by maintaining this insurance shall be reimbursed by Purchaser. Purchaser shall, as soon as reasonably practical, provide Seller with a copy of the insurance policy, certificate of insurance or other satisfactory proof of its compliance with the terms of the Contract as deemed necessary by the Seller.

14. GENERAL PROVISIONS: (a) Unless otherwise stated, references to sections, subsections, or schedules are to sections subsections, or schedules of these Terms and Conditions. (b) With the Contract, Purchaser authorizes Seller, or its assignees, where permitted by applicable state law, to sign and file financing statements in order to perfect the security interest of Seller under the Contract. (c) The Contract expresses the entire agreement of the parties, and any change to the Agreement must be made in writing. No term, representation or warranty, expressed or implied, not set forth in the Contract shall bind Seller. (d) The waiver by Seller of any breach or any term, condition or covenant in the Contract shall not be deemed a waiver of any other breach or any other term, condition, or covenant. (e) Section headings in the Contract are for convenience and shall not be deemed to be among the terms, conditions or covenants of the Contract. (f) Seller, before or after acceptance of the Contract, is authorized to insert in this Contract, the serial or other identification numbers of the Equipment, and the maturity dates of the promissory notes provided for in the Contract. (g) Model nomenclature and the mechanical and electrical design of Equipment is subject to change without notice. (h) Any or all of Seller's rights or obligations under the Contract may be assigned by Seller without notice to Purchaser and may be exercised by an assignee of the Seller. Purchaser shall not assert against any transferee either of this Contract or of promissory notes any defense other than actual payment setoff equity, or counterclaim which Purchaser may have or claim against Seller. (i) Purchaser acknowledges that Seller uses varying trade styles and names in those jurisdictions in which it does business. (j) Each provision of this Contract is severable and, in the event that any one or more of the provisions may be declared invalid, the remainder shall remain in full force and effect. (k) The acceptance of any payments after the specified due dates shall not constitute a waiver of Purchaser's obligation to make future payments on the specified dates. Seller may apply any amounts paid by Purchaser pursuant to this Contract to any indebtedness Purchaser owes to Seller on account of the indebtedness or otherwise. (l) The Contract shall be governed by the laws of the State of Illinois, USA without regard to its conflicts of laws and provisions. The parties consent to jurisdiction in Circuit Court of Adams County, Illinois, USA with respect to any legal proceeding arising under or related to the Contract.

