

## General Terms and Conditions of Sale

These terms and conditions of sale ("Agreement") are applicable to any order placed with and accepted by Valcom, Inc. ("Valcom"). By placing this order and/or using Valcom products and services, the "Purchaser" agrees to be bound by and comply with these Terms and Conditions of Sale. Terms and Conditions of Sale are subject to change from time to time.

**1. ACCEPTANCE OF ORDER.** Acceptance of any order is subject to pre-payment or credit approval and acceptance of order by Valcom. Commencement of work or shipment of any part of the material covered by this order constitutes acceptance of all conditions. No claims will be allowed for additional material and/or work except upon written authority from Valcom. No modifications of this order shall be effective unless approved in writing by Purchaser's duly authorized representative and accepted in writing by Valcom.

**2. PRICES.** Orders are billed at the prices (in US dollars) in effect at the time of order unless a written quote is provided. If a quote is provided, prices are valid for the period specified in the quote. If a quote is provided, but no period is specified, quoted prices will be applicable for thirty (30) days. Prices listed are subject to change without notice. All prices quoted are FOB Valcom's facility in Roanoke, Virginia, USA. Shipping charges will be added to invoice unless Purchaser provides a valid shipping account number. Where Purchaser is an end-user, and not a reseller, and places an order in the State of Virginia, taxes will be collected from Purchaser. Where Purchaser is a reseller Purchaser shall provide Valcom with reseller certificate. Purchaser is responsible for any additional taxes, duties, import fees, etc., that may be required by their state or local government, or by the carrier.

**3. PAYMENT.** Full payment is due at the time of purchase unless credit arrangements have been made and approved by Valcom.

**4. OPEN ACCOUNTS.** (a) All orders are subject to credit approval and acceptance by Valcom in its sole discretion; (b) If Purchaser does not pay the invoiced amount on or before the invoice due date, Purchaser will, in addition, pay finance charges of one and one-half percent (1.5%) per month on the late balance until paid in full and Valcom reserves all legal rights, including, but not limited to, the right to:

- (1) withhold shipment of Products until full payment is made; and/or,
- (2) revoke any credit extended to Purchaser; and/or,
- (3) withhold technical support, firmware updates, or repairs on all Products sold to Purchaser. Any such action shall not relieve Purchaser of any of their existing obligations, including the obligation of Purchaser to pay for all Products received from Valcom. Valcom shall retain a security interest in the Products until final payment is received. Purchaser is responsible to Valcom for all reasonable attorneys' fees, court costs, and/or collection agency fees should Purchaser default or be late on any payments.

**5. PACKAGING AND DELIVERY.** Valcom reserves the right to select the manner in which the Product is packaged. Special requirements for packaging will be subject to extra charges, unless otherwise agreed by Valcom in writing. Shipping dates quoted by Valcom are made in good faith, but are not guaranteed. Purchaser will specify carrier/agent, shipping services, and routings.

**6. SHIPMENT AND RISK OF LOSS.** All orders are shipped FOB/EXW, Valcom's facility in USA. Risk of loss of the products shall pass to the Purchaser upon delivery to the common carrier.

**7. INSPECTION AND ACCEPTANCE.** The Products covered hereby shall be deemed inspected and accepted within ten (10) days after receipt thereof unless a written notice of claim is given by Purchaser within the ten (10) day period. It is Purchaser's duty to promptly file claim with shipping carrier for damaged goods. Valcom will assist the Purchaser with filing damaged goods claims with the shipping carrier.

**8. LIMITED WARRANTY.** Valcom warrants all products against defects in workmanship, materials, and construction under normal use and service for a period of ONE YEAR from the date of shipment. Valcom's responsibility under this warranty is limited to the repair or replacement of defective parts that are returned to the factory, freight prepaid. Repaired parts are returned to the purchaser from the factory, freight prepaid. This warranty does not extend to any of our products that in our opinion have been subjected to misuse, neglect, accident, improper installation, or misapplication. The warranty does not extend to products that have been repaired or altered outside our factory without our prior written approval. Furthermore, and more specifically as it

relates to software, if third-party software is installed on computers running Valcom software, or if software applications or system configurations which prevent Valcom access to support the installed Valcom system, then the warranty is void.

Except as provided above, Valcom makes no warranty of any kind, express or implied, except that the goods sold under this agreement shall be of the standard quality of Valcom, and the purchaser assumes all risk and liability resulting from the use of the goods. Valcom neither assumes nor authorizes any person to assume for Valcom any other liability in connection with the sale or use of the goods sold, and there are no oral or written agreements or warranties collateral to or affecting this agreement. Further, Valcom shall not be liable for negligence or any special, incidental, punitive, indirect or consequential damages whether or not resulting from any breach of warranty. Either Valcom or the Purchaser may demand that any dispute between Valcom and Purchaser involving Valcom must be settled by arbitration using the procedures of the American Arbitration Association in Boston, Virginia, provided that the foregoing shall not prevent Valcom from seeking injunctive relief in a court of competent jurisdiction. As a condition of this transaction, Purchaser and Valcom both waive the right to a trial by jury or to participate in a class action. Purchaser and Valcom agree that each may bring claims against the other only in an individual capacity, and not as a plaintiff in a class action, and that the arbitrator may not consolidate more than one entity's claims or otherwise preside over any form of class action. This warranty shall be governed by the laws of the Commonwealth of Virginia, and the exclusive venue for any litigation will be the state or federal courts located in Virginia.

**9. INDEMNIFICATION.** Purchaser indemnifies Valcom against any loss, damages, injury claims, demands, etc., asserted by or claimed by any third party in connection with or related to Purchaser's responsibilities or the products that arise out of the negligent or wrongful acts of the Purchaser or third parties affiliated with Purchaser.

**10. RETURNS AND REPAIRS.** Per Valcom's standard product warranty, repairs to Valcom equipment are performed at no charge for a full year from the date it leaves Valcom. This assumes that the product(s) has not been tampered with, improperly used, or physically damaged. Valcom's responsibility under this warranty is limited to the repair or replacement of defective parts that are returned to the factory.

**11. INTELLECTUAL PROPERTY.** Any and all inventions, design, source code, discoveries, patent applications, patents, copyrights, trademarks and trade names, commercial symbols, trade secrets, work product and information embodying proprietary data existing and owned by Valcom as of the date of the order shall be and remain the sole and exclusive property of Valcom. All rights and ownership of any software and firmware incorporated in products or otherwise supplied to Purchaser shall remain the sole and exclusive property of Valcom and/or its third-party providers. Purchaser is hereby granted and accepts a personal, non-exclusive, non-transferable, royalty-free license to use the software, as provided and as intended by Valcom, solely for Purchaser's internal business purposes in the country in which the software or Product was furnished. The drawings, text, product depictions, logos, content, product descriptions, and organization of Valcom's website, brochures, and users manuals are proprietary to Valcom and protected by intellectual property laws, including but not limited to United States Copyright law and United States Trademark law. Valcom owns copyrights in these referenced works, as well as, the selection, arrangement, coordination and structure of the arranged content and works. Use of Valcom Products, documentation, and/or web site does not give Purchaser or any third party a right to modify, reproduce, transmit, publish, publicly display, adapt, or create derivative works or in any way exploit any of the materials and content contained within these works.

**12. CUSTOM PRODUCTS, PRODUCT MODIFICATIONS, AND SERVICES.** Purchaser understands that when Purchaser pays Valcom to modify products or to build custom versions of products, the resulting products are built upon a foundation of hardware, firmware, etc., that have taken Valcom many years to develop. Purchaser agrees that Valcom will maintain ownership of product design, firmware, software, documentation (including users manuals) etc., related to the services provided, including all modifications, upgrades and enhancements thereto made to products during the term of the order.

**13. ACCEPTABLE USE.** Valcom products are robust and reliable when used for their intended purposes. Valcom's products may not be used for any application involving illegal activity.

**14. PRODUCT DOCUMENTATION.** Users manuals and other documentation for products are available through Valcom's support team to be reached at phone number 540-563-2000. Product documentation can only be used for the sole purpose of installing, operating, and supporting Valcom products. Purchaser agrees to comply with Valcom copyrights and understands that manuals must remain fully intact. No part or parts of the manual can be copied, extracted, modified, or changed without written permission from Valcom.

**15. FORCE MAJEURE.** Valcom shall not be liable for any delay or failure in performance, or for any damages suffered by Purchaser by reason of such delay, if caused or arising directly or indirectly from any act beyond Valcom's reasonable control including, but not limited to, acts of God, vandalism, sabotage, accidents, fires, floods, strikes, riots, other labor disputes,

mechanical breakdown, shortages or delays in obtaining suitable parts, equipment, material, labor, power or transportation, acts of suppliers, interruption of utility services, acts of terrorism, regulations of any governmental agencies or other matters or conditions beyond the control of either Valcom or Purchaser or acts of any unit or agency of government. Any delays so occasioned shall affect a corresponding extension of Valcom's performance dates which are, in any event, understood to be approximate.

**16. GOVERNING LAW.** These General Terms and Conditions of Sale shall be governed and interpreted in accordance with the laws of the Commonwealth of Virginia, regardless of the laws that might otherwise govern under applicable Virginia principles of conflicts of law, and without regard to the United Nations Convention on Contracts for the International Sale of Goods. Venue for any dispute arising from or related to these General Terms and Conditions of Sale shall be exclusively in the federal or state courts of Roanoke County, Virginia. Prevailing party is entitled to an award of attorney fees in any suit brought based on this agreement.

**17. COMPLIANCE WITH LAWS.** Valcom will use its best efforts to comply with all federal, state and local laws and regulations governing Valcom's Products. Purchaser agrees that it will specifically comply with; (i) the export/re-export laws of the United States, as promulgated by the U.S. Department of Commerce including, if applicable, all requirements of the International Traffic in Arms Regulations and/or the Export Administration Act, as may be amended; (ii) the applicable export/re-export or import controls imposed by foreign countries; and (iii) all applicable laws and regulations imposed by any competent authorities including, without limitation, the U.S. Department of Commerce, and any controls or regulations of the U.S. Foreign Corrupt Practices Act and the anti-boycott regulations of the U.S. Department of State.

**18. WAIVER.** The failure of either party to enforce any provisions herein shall not be construed to constitute a waiver of such provision or of the right of such party to enforce each and every such provision.

**19. SURVIVAL.** If a court finds any of these provisions unenforceable, the remaining provisions remain enforceable.

**20. CANCELLATION.** Purchaser may not cancel order after it is placed unless approved in writing by Valcom.

**21. CONFIDENTIALITY.** This Order is confidential between the Purchaser and Valcom and it is agreed by Valcom that none of the details connected with it shall be published or disclosed to any third party without Purchaser's permission.

**22. ENTIRE AGREEMENT.** These General Terms and Conditions of Sale sets forth the entire understanding and agreement between the parties, and supersedes all previous and contemporaneous agreements, whether verbal or written, expressed or implied, relating to the subject matter herein. These General Terms and Conditions of Sale may not be altered, amended or modified except by written instrument executed by an authorized Officer of Valcom.

**In the event of conflicting terms between Valcom and Purchaser, disputes will be settled using the Terms & Conditions outlined by Uniform Commercial Code and the remedies outlined therein.**