

**Confidential & Proprietary**

**CHANNEL ONE LIMITED  
TERMS AND CONDITIONS OF SALE**

1. Terms and Conditions of Sale. Unless otherwise specifically agreed in writing the "Company" (defined below) undertakes services in accordance with these Terms and Conditions of Sale (hereinafter called "Terms and Conditions") and accordingly all offers or tenders of service are made subject to these Terms and Conditions. All resulting contracts, agreements or other arrangements will in all respects be governed by these Terms and Conditions, unless superseded therein, and except only to the extent that the law of the place where such arrangements or contracts are made or carried out shall preclude any of these Terms and Conditions and in such case such local law shall prevail wherever, but only to the extent that it is at variance with these Terms and Conditions. Additional or differing terms and conditions proposed by Purchaser are expressly rejected and shall have no effect unless accepted in writing by the Company.
2. Definitions. (a) "Company" shall mean CHANNEL ONE LIMITED, its subsidiaries, successors or assigns, related companies, agents and/or representatives. (b) "Purchaser" shall mean the person or entity to which the Company is selling, as well as its agents and/or representatives. It is the responsibility of the Purchaser to provide notice and copy(s) of these Terms and Conditions to all such agents or representatives: (c) "Products" shall mean the goods purchased by Purchaser; (d) "Third Parties" shall include, but not be limited to, the following: carriers, forwarders, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise; (e) "Manufacturer" shall mean the entity identified as such in any purchase order agreement.
3. Basis of Purchase. The purchase order to which these Terms and Conditions apply constitutes an offer by the Purchaser to purchase the Products and/or acquire the services subject to these Terms and Conditions. All purchase orders placed by the Purchaser are subject to acceptance by the Company. All purchase orders are non-cancellable non-returnable ("NCNR") and may not be cancelled, returned or rescheduled without the Company's written consent, which may be withheld at the Company's sole discretion. All purchase orders must include delivery dates, quantities and complete descriptions of the Products being purchased. The quantity, quality and description of the Products and the services shall, subject as provided in these Terms and Conditions, be as specified in the purchase order and/or in any applicable specification supplied by the Purchaser to the Company or agreed in writing by the Purchaser. The price of the Products and the services shall be as stated in the purchase order and, unless otherwise so stated, shall be exclusive of transportation and insurance costs, duties and all taxes, including, but not limited to, federal, state and local sales, excise, value added, good and services taxes and any other taxes. The Purchaser agrees to pay these taxes unless the Purchaser has provided the Company with an exemption resale certificate in the appropriate form for the jurisdiction of the Purchaser's place of business and any jurisdiction to which the products are to be directly shipped hereunder, or unless the sale is otherwise exempt from these taxes. The Purchaser agrees to indemnify and hold the Company harmless for any liability for tax in connection with the sale, as well as the collection or withholding thereof, including penalties and interest thereon. When applicable, transportation and taxes shall appear as separate items on the Company's invoice.
4. Delivery. No Product shall be delivered or transferred except upon receipt by the Company of complete written instructions from the Purchaser. All deliveries will be made Ex Works Incoterms 2000 the Company's facility or place of origin. Subject to the Company's right of stoppage in transit, delivery of the Products to the carrier shall constitute delivery to the Purchaser and risk of loss and title shall thereupon pass to the Purchaser. Selection of the carrier and delivery route shall be made by the Company unless specified by the Purchaser. The Purchaser acknowledges that delivery dates provided by the Company are estimates only and the Company shall not be liable for delays in delivery or for failure to perform due to causes beyond the reasonable control of the Company nor shall the carrier be deemed an agent of the Company. In the event of delay caused by such event, the date of the delivery shall be extended for a period of time equal to the time lost as a consequence of the delay in delivery without subjecting the Company to any liability or penalty. If the Products are damaged or destroyed while in the custody of the carrier, the Company shall be deemed to have performed its obligations in full. Delivery of a quantity which varies from the quantity specified shall not relieve the Purchaser of the obligation to accept delivery and pay for the Products delivered. Delay in delivery of one installment shall not entitle the Purchaser to cancel other installments. The Company may refuse or delay any shipment if the Purchaser fails to satisfy or fulfill any contractual obligations to the Company, whether pursuant to these Terms and Conditions or any agreement between the Company and the Purchaser.
5. Quotations Not Binding. Quotations given by the Company to the Purchaser are for informational purposes only and are subject to change without notice; no quotation shall be binding upon the Company unless the Company agrees in writing to undertake the sale or storage of the Products at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between the Company and the Purchaser.
6. Declaring Higher Value to Third Parties. Third Parties to whom the goods are entrusted may limit liability for loss or damage; the Company will request excess valuation coverage only upon specific written instructions from the Purchaser, which must agree to pay any charges therefore. In the absence of written instructions or the refusal of the Third Party to agree to a higher declared value, at Company's discretion, the Products may be tendered to the Third Party, subject to the terms of the Third Party's limitations of liability and/or terms and conditions of service.
7. Insurance. The Company is neither an insurer nor a guarantor and disclaims all liability in such capacity. Purchasers seeking a guarantee against loss or damage should obtain appropriate insurance. If the Products are held in storage, or elsewhere, the same will not be covered by insurance, unless the Company receives specific written instructions from the Purchaser and the Company confirms in writing.
8. Storage and Other Third Party Facilities. (a) The Purchaser acknowledges that the Company may enter into an agreement (the Third Party Storage

Contract) with a Third Party (the Bailee) for the storage of the Products during the term. The Company shall not store Purchaser product at a Third Party storage facility unless Purchaser has provided written authorization.; (b) The Company warrants that the storage facilities referred to in the Third Party Storage Contract comply with or exceed the manufacturer's recommendations for long-term storage of the Products. The Company shall not be liable for any costs, losses, damages, expenses or other liabilities arising out of the failure to comply with any specifications agreed upon by the Company and the Purchaser to the extent such failure is caused by a breach by the Bailee of the relevant provisions of the Third Party Storage Contract, but the Purchaser may reject such Products and shall not be required to pay for them (and to the extent the Purchaser has previously paid for such Products, the Company shall refund any such payments); (c) The Company shall arrange for storage of the Products at two or more storage facilities so as to mitigate single-site risk; (d) The Company may engage the services of other Third Parties in order to supply the Products in accordance with these Terms and Conditions. The Company will advise the Purchaser as soon as reasonably practicable after it engages such Third Parties and shall, at the request of the Purchaser, provide the Purchaser with details of the service levels to be provided by such Third Parties. The Company shall not be liable for any costs, losses, damages, expenses or other liabilities arising out of the failure of the Products to comply with specifications to the extent that such failure is caused by a breach by any such third party of the provisions of the relevant contract, but the Purchaser may reject such products and shall not be required to pay for them (and, to the extent that the Purchaser has already paid for such Products, the Company shall refund any such payments).

9. Limited Warranty. Subject to section 10 below, entitled "Limited Liability", the Company warrants that it has title to the Products and that the Products generally conform to the description in the purchase order. The Product descriptions consist of a part number ("P/N") and manufacturer ("Mfr"). "P/N" refers to the generic part number or the original manufacturer's part number of the Product when so identified. "Mfr" refers to the original manufacturer of the Product when so identified. THE PRODUCTS SOLD UNDER THIS AGREEMENT ARE SOLD "AS IS" AND "WITH ALL FAULTS". EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, COMPANY MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN AND CONDITION, QUALITY, CAPACITY, SUITABILITY, CONSTRUCTION, PERFORMANCE, OR ANY OTHER MATTER WITH RESPECT TO THE PRODUCTS. The Purchaser acknowledges that the Company is acting solely as a third party distributor of the Products and that the licensor or manufacturer of the Products shall be solely responsible to the Company and third parties for all liability, claims, damages, obligations, and costs and expenses related to the Products distributed by the Company. The Purchaser agrees to look solely to the manufacturer for compliance with the manufacturer's warranty, if any, and for any maintenance, support or repair of the Products. Any warranty delivered to the Company by the manufacturer or other vendor of the Products shall be assigned to the Purchaser to the extent such assignment is permitted by the terms thereof. The Company makes no representation, covenant, or warranty with respect to the extent or enforceability of manufacturer's warranty, if any. No repair or replacement of the Products by the Company or the manufacturer shall extend the warranty period, if any, of the manufacturer. The Company neither assumes, nor authorizes the Purchaser or any other person to assume on behalf of the Company, any other liabilities in connection with the use, sale or resale of the Products.

10. Limited Liability. (a) Subject to section 11 below, all claims of the Purchaser against the Company for any cause whatsoever (whether based in contract, negligence, strict liability, other tort or otherwise) shall be deemed waived by the Purchaser unless made in writing and received by the Company within thirty (30) days after the Purchaser's receipt of the Products upon which such claims are made, or if the claims are for non-delivery of such Products, within thirty (30) days after the Products were scheduled to be delivered. Failure of the Company to receive written notice of any claim within the applicable time period shall be deemed an absolute and unconditional waiver by the Purchaser of such claim irrespective of whether the facts giving rise to such claim shall have then been discovered; (b) PURCHASER'S EXCLUSIVE REMEDY AGAINST COMPANY SHALL BE FOR DAMAGES. COMPANY'S LIABILITY FOR ANY AND ALL LOSSES AND DAMAGES ARISING OUT OF ANY CLAIM WHATSOEVER (WHETHER BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY) SHALL NOT EXCEED THE PURCHASE PRICE OF THE PRODUCTS UPON WHICH SUCH CLAIM IS BASED. COMPANY SHALL NOT BE LIABLE TO PURCHASER OR ANY THIRD PARTY FOR ANY OTHER DAMAGES, WHETHER SUCH DAMAGES BE DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, BUSINESS LOSSES, BUSINESS INTERRUPTION, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF PURCHASERS, DAMAGE TO PROPERTY, PERSONAL INJURY, DEATH, OR ANY LIABILITY OF PURCHASER TO ITS PURCHASERS OR THIRD PARTIES ARISING OUT OF, OR RELATING TO, THE SALE TO, AND USE BY, PURCHASER AND THIRD PARTY PURCHASER FROM PURCHASER. PURCHASER ASSUMES FULL RESPONSIBILITY FOR ALL PERSONAL INJURY, DEATH AND PROPERTY DAMAGE CONNECTED WITH THE HANDLING, TRANSPORTATION, POSSESSION, PROCESSING, REPACKAGING, FURTHER MANUFACTURING, OR OTHER USE OR RESALE OF THE PRODUCT, WHETHER THE PRODUCT IS USED ALONE OR IN COMBINATION WITH ANY OTHER MATERIAL; (c) The Products sold by the Company are not authorized to be used in life support equipment or for applications in which the failure or malfunction of the Products would create a situation in which personal injury or death could result. Any such use or sale of the Products sold by the Company is at the sole risk of the Purchaser, and the Purchaser agrees to indemnify and defend the Company against, and hold the Company harmless from, all claims, suits, causes of action, damages, costs and expenses, including, but not limited to, attorneys' fees and costs relating to any lawsuit or threatened lawsuit, arising out of such use or sale.; (d) The Purchaser is solely responsible for the installation and operation of the Products, including, but not limited to, the obtainment of all permits, licenses, or certificates required for the installation or use of the Products.

11. Defects. (a) The Company will, at its option, and if possible, repair or replace defective Product which, under proper use, becomes known to the Purchaser within a period of 3 months after the Products have been delivered, provided that: (i) the Purchaser notifies the Company in writing of the claimed defects immediately on their appearance; and (ii) the Company is satisfied that the defects arise solely from the Company's storage and handling of the Products; and (iii) the Products claimed to be defective are returned to the Company at the expense of the Purchaser; (b) The repaired or replacement Products will be delivered to the Purchaser at the original place of delivery, but otherwise subject to the provisions of any agreement; (c) As an alternative to (a) above, the Company shall be, in its absolute discretion, entitled to return the price to the Purchaser if the Purchaser has already paid the price when the Purchaser notified the Company of the claimed defect; (d) The remedy provided in this section is without prejudice to the other provisions of these Terms and Conditions and any applicable purchase order agreement; (e) The Purchaser will accept and comply with any click wrap end-user license agreement in

the form provided by the manufacturer on delivery of the Products.

12. Due Diligence. All purchase orders are subject to financial due diligence to be completed by the Company prior to final approval of the purchase order agreement. Such financial due diligence may result in the requirement of further financial security to be obtained from the Purchaser in the form of a letter of credit or bill of exchange to support the transaction. The Purchaser agrees to cooperate with all reasonable due diligence requests of the Company, including requests for financial documentation.

13. Continuing Obligations. The Purchaser shall notify the Company in writing of any material change in the financial circumstances of the Purchaser which may adversely affect the Purchaser's ability to perform herein. Based upon a material change in the financial circumstances of the Purchaser which adversely affects the Purchaser's ability to perform, the Company may require, and the Purchaser agrees to provide, further financial security acceptable to the Company.

14. Proprietary Rights. (a) The Purchaser acknowledges and agrees that the manufacturer (and/or its licensors) will retain all Proprietary Rights (as defined below) in the Products, and any related software, documentation and trade marks (collectively the "Intellectual Property"). "Proprietary Rights" means all right, title and interest to the intellectual property contained in the Intellectual Property including, but not limited to, any and all patent rights, patent applications, rights to apply for patents, copyrights, copyright registrations, trade secrets, trademarks, service marks, trademark and service mark registrations and all related goodwill. The Purchaser acknowledges and agrees that the purchase of any Products does not grant or convey to the Purchaser any right or license in any of the Intellectual Property other than as expressly provided for in these Terms and Conditions or any applicable purchase order agreement; (b) The Purchaser shall not remove, alter, modify or obscure any trade mark, logo or similar mark or any notices (including, without limitation, copyright notices, patent registration numbers and trade mark notices) on or in the Intellectual Property. (c) During the term of any purchase order agreement and after its expiration or termination, the Purchaser shall not, directly or indirectly: (i) dispute or contest, for any reason whatsoever, the Manufacturer's ownership of any Proprietary Rights embodied in, related to or derivable from the Intellectual Property, or the validity or enforceability of any such Proprietary Rights; (ii) oppose or interfere with any application for registration of any Proprietary Rights embodied in, related to or derivable from the Intellectual Property; (iii) interfere with the manufacture, use or sale of the Products or any future version thereof, by the Manufacturer or any of its licensees, successors or assigns; or (iv) counsel, procure or assist anyone else to do any of the foregoing.

15. Confidential Information. (a) The documentation and any other material related to the Products and provided under the terms of any purchase order agreement are or encompass trade secrets or confidential information of the manufacturer or its suppliers ("Confidential Information"). The Purchaser shall not make the Confidential Information available in any form to any person other than the Purchaser's employees whose job performance requires such access. The Purchaser shall take appropriate steps to protect the confidentiality of the Confidential Information to ensure that any person permitted access to the Confidential Information has signed a written non-disclosure agreement with the Purchaser and will not provide the Confidential Information to others. The Purchaser shall not be liable for the disclosure of Confidential Information which: (i) is known to the Purchaser lawfully by its own efforts prior to being received from the Manufacturer; (ii) is or becomes publicly known through no wrongful act of the Purchaser; (iii) is obtained by the Purchaser lawfully from a third party not having an obligation to maintain confidentiality and not being in wrongful possession of the confidential information; (iv) is independently developed by the Purchaser without breach of this Agreement; (v) is disclosed under operation of law; or (vi) is disclosed by the Purchaser with the manufacturer's prior written approval. Upon the termination of any purchase order agreement, the Purchaser shall deliver to the manufacturer, within ten (10) days of such termination, all Confidential Information and any and all similar and related information, summaries or derivative works created therefrom, along with a certificate signed by an officer of the Purchaser confirming that all such items have been returned to the manufacturer; (b) Except as permitted by (d) below the Purchaser shall, and shall procure that its officers and employees and any person connected with it shall, keep confidential and not disclose to any person any Confidential Transaction Information; (c) Except as permitted by (d) below, the Purchaser covenants with the Company that the Purchaser shall not, and shall procure that no officer or employee of the Purchaser and no person connected with the Purchaser shall, make use of or disclose to any person any Confidential Transaction Information. (d) The Purchaser may disclose or permit the disclosure of Confidential Transaction Information: (i) to its officers, employees, or professional advisers for the purposes of any purchase order agreement; (ii) when required by law or by any court, tribunal or agency of competent jurisdiction; (iii) to the extent that the Confidential Transaction Information comes into the public domain other than as a result of a breach of this section; (iv) if the disclosure is expressly permitted by some other provision of any purchase order agreement or if previously approved in writing by the Company such approval not to be unreasonably withheld or delayed; or (v) when required by any securities exchange, regulatory or governmental body having jurisdiction over the Purchaser; (e) If the Purchaser is required to disclose Confidential Transaction Information in a manner permitted by (d)(ii) or (d)(iv) above, the Purchaser shall to the extent such consultation is permitted by the relevant law, rule, order, exchange or body: (i) provide the Company with advance notice of the requirement and a copy of the information to be disclosed; (ii) permit the Company to make representations in relation to it; and (iii) at the expense of and subject to being indemnified to its satisfaction by the Company give the Company a reasonable opportunity to seek an appropriate remedy to prevent such disclosure and co-operate fully (including if necessary joining in legal proceedings) with the Company; (f) The obligations in this Clause shall continue to apply after termination of any purchase order agreement without limit in time.

16. Indemnification. The Purchaser will indemnify, defend and hold the Manufacturer and the Company, including their respective partners, officers, directors, agents, employees, subsidiaries, affiliates, parents, successors and assigns, harmless from any claim, demand, cause of action, debt or liability (including reasonable legal fees, expenses and court costs) arising from: (a) any third party claim related to or that arises in connection with the Purchaser's use and/or sale of the Products, including without limitation, any claims relating to the infringement of third party intellectual property rights, except to the extent any such claim is based solely upon the Products in their unmodified form as provided by the Manufacturer; (b) the Purchaser's modifications of and/or additions to any Intellectual Property; (c) the Purchaser's breach of this Agreement, (d) omissions, misrepresentations, or negligence by the Purchaser or its representatives, and (e) sale of Products by the Purchaser to a third party to the extent such claim is based on: (i) the Purchaser's modifications of and/or additions to any Products, misuse or abuse of the Products, negligence or breach of any provision in any purchase order agreement; (ii) the Purchaser's failure to abide by all applicable laws, rules, regulations and orders that affect the Products; (iii) the Purchaser's omission, misrepresentation, or negligence, or (iv) the Purchaser's or its end-users' actions causing harm to any person or property.

19. Technical Assistance, Advice and Data. Any technical assistance or advice offered by the Company in regard to the use of any Product or provided in connection with the Purchaser's purchases is given free of charge and only as an accommodation to the Purchaser. The Company shall have no obligation to provide any technical assistance or advice to the Purchaser and if any such assistance or advice is provided, such fact will not obligate the Company to provide any further or additional assistance or advice. The Company shall not be held liable for the content or the Purchaser's

use of such technical assistance or advice nor shall any statement made by any of the Company's representatives in connection with the Products constitute a representation or warranty, express or implied. The Purchaser shall not use, duplicate, or disclose any technical data delivered or disclosed by the Company to the Purchaser for any purpose other than for installation, operation or maintenance of the Products purchased by Purchaser from the Company.

20. Force Majeure. The Company shall not be liable for its inability to secure sufficient quantities of any Product or failure to deliver due to causes beyond the Company's reasonable control, including, but not limited to, acts of God, natural or artificial disasters, riots, wars, strikes, delays by carrier, shortages of Product, acts or omissions of other parties, including loss or destruction in transit or otherwise, acts or omissions of civil or military authorities, government priorities, changes in law, material shortages, fire, floods, epidemics, quarantine restrictions, acts of terrorism, delays in transportation or inability to obtain labor, materials or Products through its regular sources, expropriation or confiscation of facilities, blockades, insurrections, arrest and restraint of people and rulers, civil disturbances, boycotts, landslides, lightning, explosions, windstorms, earthquakes, tornados, hurricanes, breakage or accident of machinery or equipment, failure of information technology, which shall be construed as an event of force majeure excusing the Company from performance and barring remedies for non-performance. In the event of a force majeure condition, the Company's time for performance shall be extended for a period of time equal to the time lost as a consequence of the force majeure condition without subjecting the Company to any liability or penalty. The Company may, at its option, cancel the remaining performance, without any liability or penalty, by giving notice of such cancellation to the Purchaser.

21. Order of Precedence. In the event of conflict between these Terms and Conditions and any purchase order agreement, the order of precedence shall be: (a) the provisions of any purchase order agreement; and (b) these Terms and Conditions.

22. General Lien and Right to Sell Purchaser's Property. (a) The Company shall have a general and continuing lien on any and all property of the Purchaser coming into the Company's actual or constructive possession or control for monies owed to the Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both; (b) The Company shall provide written notice to the Purchaser of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges; the Purchaser shall notify all parties having an interest in its shipment(s) of the Company's rights and/or the exercise of such lien; (c) Unless, within thirty days of receiving notice of lien, the Purchaser posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of the Company, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, the Company shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to the Purchaser.

23. No Modification or Amendment Unless Written. These Terms and Conditions may only be modified, altered or amended in writing signed by both the Purchaser and the Company; any attempt to unilaterally modify, alter or amend same shall be null and void.

24. Law and Jurisdiction. The validity, construction, interpretation and performance of this Agreement shall be governed by the laws of England and Wales and shall be subject to the non-exclusive jurisdiction of the English courts to which the Purchaser and the Company submit. The parties expressly exclude the applicability of the United Nations Convention on Contracts for the International Sale of Goods.

25. Component Resale. The Purchaser may not sell the Products in component form. The Purchaser may only sell the component as part of a finished system.

26. Headings. The headings in these Terms and Conditions are for convenience only and shall not affect their interpretation.