

Marshall Communications Corporation

General Terms and Conditions of Purchase Orders

Agreement by SUPPLIER to furnish the goods hereby ordered, or the furnishings of such goods by SUPPLIER in whole or in part, shall constitute acceptance by PURCHASER of this order. Acceptance of the Goods or Services covered by this PURCHASE ORDER will not constitute acceptance by PURCHASER of SUPPLIER'S terms and conditions. Any of the following acts by SUPPLIER will constitute acceptance of the PURCHASE ORDER and all of its terms and conditions: signing and returning a copy of this PURCHASE ORDER, delivering any of the Goods or Services ordered, commencing performance or informing the PURCHASER in any manner of commencement of performance, or returning SUPPLIER'S own form of acknowledgment.

Unless specifically stated otherwise, the following clauses shall form the terms and the conditions of the PURCHASE ORDER.

1. DEFINITIONS

- GOODS shall mean the materials, products or services to be purchased or to be supplied as specified in the PURCHASE ORDER and/or any part thereof.
- PURCHASER shall mean Marshall Communications Corporation.
- PURCHASE ORDER shall mean the PURCHASE ORDER, this document and any other document listed herein and shall constitute the entire agreement between the parties.
- SUPPLIER shall mean any person or company having a contract for the supply of GOODS to PURCHASER.
- RECEIVER shall mean any person or company at the final destination of GOODS delivered.

2. DELIVERY TIME

Time is of the essence for the PURCHASE ORDER. The date or timeframe stipulated for delivery of GOODS shall be strictly adhered to.

If "No Early Deliveries" is noted on the PURCHASE ORDER and GOODS are delivered prior to the required date, invoices must reflect the Required Date as the Invoice Date (regardless of delivery date) and will be paid within Terms accordingly.

If "No Partial Deliveries" is noted on the PURCHASE ORDER the entire Purchase Order must be delivered complete. Partial Invoices will be rejected. If GOODS are partially delivered, and not rejected by the RECEIVER, one invoice must be submitted to reflect the Purchase Order in its entirety with the final delivery date of GOODS and will be paid within Terms accordingly.

Without prejudice to SUPPLIER'S obligation to deliver the GOODS on time, SUPPLIER shall give PURCHASER notice in writing immediately if any delay is foreseen. Failure to deliver on the date specified or subsequently agreed shall entitle PURCHASER (without prejudice to any other rights it may have)

- a. to cancel order without any penalty to PURCHASER; or
- b. Refuse to accept any subsequent delivery of the GOODS which the SUPPLIER attempts to make; or
- c. Recover from the SUPPLIER any expenditure reasonably incurred by the PURCHASER in obtaining the GOODS in substitution from another SUPPLIER; or
- d. Claim damages for any additional costs incurred by the PURCHASER which are in any way attributable to the SUPPLIER's failure to deliver the GOODS on the due date.

3. DELIVERY TERM

Delivery term shall be governed and construed in accordance with the provisions of "INCOTERMS" (latest edition) and any amendments thereto.

4. IDENTIFICATION AND INSPECTION

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- a. All invoices, packing lists, packages, shipping notices, instruction manuals, and other written documents affecting this PURCHASE ORDER shall contain the applicable Order Number. Packing lists shall be enclosed in each and every box or package shipped pursuant to this PURCHASE ORDER, indicating the content of such boxes or packages.
- b. SUPPLIER shall be responsible for ensuring that all inspections and testing of the GOODS are properly and adequately performed.
- c. SUPPLIER shall ensure that PURCHASER or any third party appointed by him, has the opportunity to inspect and witness any testing of the GOODS at any time at SUPPLIER's workplace or at any other places where such GOODS may be.
- d. Such inspection or testing including the witnessing thereof shall not relieve SUPPLIER from any of its responsibilities and liabilities under the PURCHASE ORDER.
- e. The GOODS will be subject to final inspection and acceptance or rejection upon arrival at their destination as specified in the PURCHASE ORDER.

5. INVOICES

- a. Individual invoices must be issued for each shipment applying against this PURCHASE ORDER. Freight and other charges must be shown if discount is not allowed on full amount of invoice.
- b. Delay in receiving an invoice, invoicing for supplies shipped ahead of specified schedule, or invoices rendered with errors and omissions will be considered just cause for PURCHASER to withhold payment without losing Term or Discount privileges.
- c. Discount and Term privileges will apply from date of scheduled delivery, the date of receipt of the supplies or services, or the date of invoice, whichever is later.
- d. Invoices, to be accepted, must reference the PURCHASERS Order number.

6. TAXES AND DUTIES

PURCHASER shall not be liable for any federal, state, or local taxes unless separately stated on this PURCHASE ORDER and billed as a separate item. No sales/use tax shall be added when an exception is indicated on the face of this PURCHASE ORDER. PURCHASER agrees to furnish SUPPLIER with an exemption certificate.

7. PAYMENT

Payment will be effected within forty-five (45) days after receipt of an undisputed invoice (together with supporting documents) by the PURCHASER provided always that the PURCHASER has accepted the GOODS, or as otherwise agreed and stipulated in the PURCHASE ORDER.

8. CHANGE

- a. PURCHASER reserves the right at any time to make changes in the PURCHASE ORDER or any part thereof.
- b. No change to or modification of the items, specifications, terms, conditions and prices appearing in the PURCHASE ORDER shall be binding upon PURCHASER unless expressly agreed in writing by PURCHASER. SUPPLIER shall promptly notify PURCHASER in the event that any GOODS subject of the PURCHASE ORDER are affected by changes in drawings, specifications or design, but SUPPLIER shall not without prior written consent of PURCHASER incorporate any such changes in the order.

9. PASSING OF PROPERTY AND RISK

Property and risk in the GOODS shall remain with SUPPLIER until they are delivered at the point specified in the PURCHASE ORDER.

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The passing of property shall not affect the right to reject the GOODS.

10. EXPORT CONTROL COMPLIANCE

The SUPPLIER agrees to comply with all U.S. government regulations found in 22 CFR 120-130, International Traffic in Arms Regulations, (ITAR), and 15 CFR 730-774, Export Administration Regulations (EAR). Failure to comply may be deemed a material failure to perform under this PURCHASE ORDER and shall subject SUPPLIER to termination. SUPPLIER shall indemnify and hold PURCHASER harmless for all claims, demands, damages, costs, fines, penalties, attorneys' fees and other expenses arising or resulting from SUPPLIERS failure to comply with this clause.

11. ACCEPTANCE

In the case of GOODS delivered by SUPPLIER not conforming with the PURCHASE ORDER whether by reason of not being of the quality or in the quantity or measurement stipulated or being unfit for the purpose for which they are required, PURCHASER shall have the right to reject such GOODS within a reasonable time of their delivery and inspection and to purchase elsewhere and to claim for any additional expense incurred without any prejudice to any other right which PURCHASER may have against SUPPLIER. The making of any prior payments by PURCHASER shall not prejudice PURCHASER'S right of rejection.

12. TERMINATION

- a. For Default:
In the event of any breach of any of the terms and conditions of the PURCHASE ORDER including failure to deliver by the due date, then PURCHASER without prejudice to any other rights may terminate the PURCHASE ORDER and may return GOODS previously supplied under the PURCHASE ORDER for full credit by SUPPLIER. In the event of termination due to non-delivery or non-acceptance due to SUPPLIER's breach of the terms and conditions hereof, SUPPLIER shall undertake to reimburse all monies paid by PURCHASER prior to the date of termination including all direct costs and expenses incurred by PURCHASER arising from or in connection with the termination.
- b. For Liquidation or Reconstruction:
PURCHASER may terminate the PURCHASE ORDER with immediate effect:
 - i. if SUPPLIER goes into liquidation, becomes bankrupt or has a winding up order made against it.
 - ii. in the event of the ownership or control of SUPPLIER being materially altered.
- c. For Convenience:
The PURCHASE ORDER may be terminated at any time by PURCHASER giving notice in writing. On receipt of such notice, SUPPLIER will cease production or delivery of the PURCHASE ORDER. In full settlement, PURCHASER shall pay a fair and reasonable price for all GOODS delivered or in a deliverable state at the date when such notice is given together with such other changes occasioned directly by the termination as PURCHASER shall consider reasonable.

13. LIABILITY AND INDEMNITY

SUPPLIER shall be responsible for and shall indemnify PURCHASER from and against all claims, proceedings, demands and causes of action in respect of any damage, loss or injury (including death) to any person or property arising out of SUPPLIER's negligence, acts or omissions, without regard to whether any negligence, act or omissions of PURCHASER contributed to such injury, death or property damage.

14. PROPRIETARY INFORMATION

All written information obtained by SUPPLIER from PURCHASER in accordance with this PURCHASE ORDER and which is identified in the PURCHASE ORDER as Proprietary or Confidential by PURCHASER, shall be

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received in confidence and shall remain the property of the PURCHASER, and shall be used and disclosed by SUPPLIER only to the extent necessary for the performance of the PURCHASE ORDER.

15. LICENSE AND PERMIT

If execution of the PURCHASE ORDER requires any license or other permit issued in the country of shipment and/or origin, the PURCHASE ORDER shall be conditional upon such license or other permit being available at the relevant time. SUPPLIER shall be fully responsible for obtaining the necessary license and permit.

16. WARRANTY

SUPPLIER warrants to PURCHASER and its clients that the GOODS shall comply in every respect with any specifications, drawings and other data forming part of the PURCHASE ORDER and shall be free of defective materials or workmanship and is complete without any omissions. SUPPLIER shall be fully responsible for making good immediately upon being notified by PURCHASER any omission and defects in the GOODS or any portion thereof which may appear or occur during the warranty period, which shall not in any case be less than twelve (12) months from the date of completion of offshore commissioning or eighteen (18) months from the date of shipment, whichever occurs first.

SUPPLIER shall ensure that the warranty is directly extended to the PURCHASER and at the PURCHASER's option, the PURCHASER may exercise any of the warranty herein directly against the manufacturer of the GOODS and its agents.

SUPPLIER's liability hereunder shall extend to all damages directly caused by the omissions or defects, including incidental damages such as removal, inspection, costs of return or storage. SUPPLIER shall not be liable for any indirect, remote or consequential losses.

17. CONFIDENTIALITY

Any PURCHASE ORDER placed by the PURCHASER including all accompanying designs, drawings, specifications and information which may be treated as confidential and in particular the SUPPLIER shall not make use of the PURCHASER'S NAME or the name of any companies associated with the PURCHASER for publicity purposes without the consent of the PURCHASER.

18. FORCE MAJEURE

Neither party shall be liable for any failure to fulfill any term of the PURCHASE ORDER if fulfillment has been delayed interfered with or prevented by force majeure. Force majeure may only be involved if the event preventing the fulfillment is due to no fault of the obligor, is not for his risk and has occurred since the obligation came into being.

19. INSURANCE

SUPPLIER shall effect and maintain at its own cost, all applicable insurances as required by law and to cover SUPPLIER's responsibilities and liabilities under the PURCHASE ORDER. Nothing contained herein shall serve in any way to limit or waive SUPPLIER's responsibilities or liabilities under the PURCHASE ORDER.

20. APPLICABLE LAW

The PURCHASE ORDER shall be governed, construed and shall take effect in accordance with the laws of the Commonwealth of Virginia.

21. SPECIAL CONDITIONS

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Where special conditions are stated in the PURCHASE ORDER, those conditions shall apply equally with the general terms and conditions shown herein except that where there is any inconsistency between the general and special conditions, the special conditions shall apply.

22. SAFETY

Where a service is being provided on property occupied by PURCHASER, SUPPLIER shall be responsible for the safety of all persons engaged on the work, and all persons who may be affected by activities of SUPPLIER and shall comply with all PURCHASER's safety regulations and procedures.

23. WAIVER

Failure by PURCHASER to enforce the performance of any of the provision of the PURCHASE ORDER shall neither be deemed to be a waiver of its rights hereunder nor shall it affect the validity of the PURCHASE ORDER in any way.

Any waiver by PURCHASER to any breach of the PURCHASE ORDER shall not constitute a precedent nor bind the parties to any subsequent breach by SUPPLIER.

24. ASSIGNMENT

The SUPPLIER shall not assign nor subcontract any part or all of its obligations and responsibilities under this Agreement to any other PARTY or subcontractor without the prior written consent or approval of the PURCHASER. In the event that the PURCHASER agrees that the SUPPLIER assigns any part or all of its obligations and responsibilities under this Agreement to any other PARTY or subcontractor, the SUPPLIER shall remain liable for all SUPPLIER's obligations and responsibilities under this Agreement and shall ensure that the PARTY to which this Agreement is assigned or subcontracted will

- i. possess all valid and requisite licenses, permits and/or approvals required to perform the obligations and responsibilities required of the SUPPLIER under this Agreement; and
- ii. observe all the terms and conditions of this Agreement applicable to the SUPPLIER

The PURCHASER shall be permitted to assign this Agreement to its Affiliates.

25. SEVERABILITY

If any provision of this Agreement (or part of any provision) is found by any court or other authority of the competent jurisdiction to be invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of this Agreement, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

26. PUBLICITY

Neither PARTY shall use the name of the other in connection with any advertising or publicity materials or activities without the prior written consent of the other PARTY. The SUPPLIER may, with the prior written consent of the PURCHASER, include the PURCHASER's name on the SUPPLIER's customer list and may describe briefly, and in general terms, the nature of the work performed by the SUPPLIER for the PURCHASER, provided the wording is agreed with the PURCHASER in advance.

27. AUTHORITY

Each PARTY hereby represents and warrants that it has full right and authority to enter into and perform any and all provisions of this Agreement and that there are no encumbrances or other restrictions that may prevent each such PARTY or its employees from performing any and all provisions of this Agreement.

28. NON-EXCLUSIVITY

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Nothing contained herein is intended or shall be construed as creating any exclusive arrangement with the SUPPLIER. This Agreement shall not restrict the PURCHASER from acquiring similar, equal or like Services and/or Products from other SUPPLIERS, entities or sources.

29. ANTI-BRIBERY

The SUPPLIER shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the Foreign Corrupt Practices Act of 1977 (FCPA). The SUPPLIER shall have and shall maintain in place throughout the term of this Agreement its own policies and procedures, including but not limited to adequate procedures to ensure compliance with the relevant requirements. It is agreed that the SUPPLIER will not engage in any activity or practice which constitutes an offence under the Relevant Requirements including not to offer, pay, consider or benefit, either directly or indirectly an inducement or reward of any kind for any services, or possible services in relation to this Agreement. Breach of this clause shall be deemed a material breach of this Agreement.

30. ENTIRE AGREEMENT

The terms and conditions set out on the PURCHASE ORDER together with any subsequent amendments made in writing by PURCHASER represent the entire terms and conditions of the agreement between the PURCHASER and SUPPLIER (excluding any terms which the SUPPLIER purpose to apply under any purchase order, conforming to order, specification, or other document).