

Attachment A

AEROFLEX PLAINVIEW, INC. TERMS AND CONDITIONS FOR PRODUCT SALES

Seller's offer is predicated on acceptance of its standard terms and conditions as follows:

1. **ACCEPTANCE OF ORDER** – Buyer's order shall be binding on Seller upon acknowledgment of order by Seller. Purchase orders issued with a DPAS rating of DX, shall be accepted only with the understanding that deliveries toward such orders from time to time may be shipped, and shall be accepted by Buyer, prior to and notwithstanding the prescribed Delivery Schedule.
2. **PAYMENT** – All payments are due Net thirty (30) days. Late payments may be subject to a penalty. International sales may require payment by confirmed irrevocable letter of credit drawn on a U.S. bank upon acceptance of Seller.
3. **TAXES/DUTIES/CUSTOM** – Prices quoted are exclusive of any duties, sales and/or use taxes, or other special charges which, if acceptable, are to be paid by Buyer. When Seller is required to pay such taxes or duties, Seller shall be reimbursed by Buyer. Buyer shall provide Seller with tax exemption certificate or evidence of tax payment upon request. Buyer shall be responsible for customs clearance at port of entry.
4. **TESTING** – Testing of Product shall be performed in accordance with Seller's standard test procedures. Optional tests will be performed, if purchased by Buyer.
5. **SHIPMENT/PACKAGING** – Shipments are to be made FOB shipping point. Goods shall be shipped in standard commercial packaging and any special or export packaging required or requested will be at Buyer's expense.
6. **CANCELLATION** – Cancellation of order may be subject to cancellation charges and /or reimbursement to Seller for expenses committed prior to date of accepted cancellation by Seller, and shall include, but not be limited to, all direct and indirect expenses.
7. **WARRANTY** - Seller warrants that the goods delivered shall be free from defect in material and workmanship and shall conform to any express contractual specifications for a period of one (1) year from shipment, unless otherwise provided to the contrary. Seller during this period will replace or repair defective goods at its plant, at its discretion, free of charge to Buyer; however, Buyer is responsible for the shipment and shipping costs of such goods to the Seller for warranty repair.
8. **LIMITATION OF LIABILITY** - IN NO EVENT SHALL SELLER BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, INCURRED OR SUFFERED BY THE BUYER OR OTHERS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. IN NO EVENT SHALL SELLER'S LIABILITY FOR ANY PRODUCT ORDERED HEREUNDER EXCEED THE PURCHASE PRICE OF THE PRODUCT.

9. **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS** – This contract is subject to all applicable laws and regulations. Each party is responsible for complying with, and does assure that it will comply with the United States Department of State International Traffic in Arms Regulations, 22 CFR Parts 120-130, the United States Dept. of Commerce Export Administration Regulations, 15 CFR Parts 730-774, and any other United States Government regulations applicable to the export.
10. **INTELLECTUAL PROPERTY RIGHTS** – Notwithstanding any other provision contained in this contract, the parties agree that Buyer shall not acquire rights in Aeroflex intellectual property, except deliverable technical data and/or deliverable software when both (i) the development costs of such intellectual property are fully borne by the Buyer, and (ii) Line Item prices for such intellectual property are specifically stated in the contract.
11. This constitutes the entire agreement between the parties and supersedes all previous understandings, commitments or representations concerning its subject matter. It may not be changed and none of its provisions may be waived, except by mutual written agreement signed by an authorized representative of the Seller and the Buyer.

Aeroflex Plainview, Inc.
35 South Service Road
Plainview, New York 11803

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