

AKD SAT-COMM

STANDARD TERMS AND CONDITIONS OF A SALE



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Every quotation or price list for goods destined for export outside the UK, issued by AKD Satellite Communications Ltd (“AKD Sat-Comm”) is issued subject to these Terms and Conditions. Unless otherwise agreed in writing by AKD Sat-Comm this document takes precedence over all other documents stating terms and conditions that should apply to any particular quotation or contract.

1. In the case of any dispute with any express terms included in any specific AKD Sat-Comm quotation the quotation shall take precedence over these standard terms.
2. No contract resulting from any quotation or price list issued by AKD Sat-Comm shall be binding until accepted in writing by AKD Sat-Comm.
3. All quotations shall have a validation date of 30 days, from the date of issue of the quotation and shall be subject to prior sale.
4. Prices shall nominally be for the EXW (Ex-Works) delivery from AKD Sat-Comm. The price specifically excludes all taxes and duties levied in the country of the Purchaser. The responsibility for paying these taxes falls on the Purchaser. Insurance risk in the goods will transfer from AKD Sat-Comm to the Purchaser upon delivery being affected.
5. Title to the goods will transfer from AKD Sat-Comm to the Purchaser upon receipt of fully cleared funds of all outstanding sums on the contract. AKD Sat-Comm holds a lien over any free issue equipment against the outstanding debt. In the event that the Purchaser is in default of payment of debts for more than 30 days beyond the contractual date AKD Sat-Comm reserves the right to realize funds from the sale of such assets to settle the debt. The customer will remain liable for any balance remaining due after such a realization. AKD Sat-Comm will account for any excess over and above any relevant cancellation charges (see clause 16) on the contract.



6. Quotations include a technical specification and statement of work. These documents define the performance of the parties to the contract. The acceptance of a quotation accepts the technical specification and statement of works included therein. Any variations to these documents must be signed by both parties before they are contractually binding. This signing will confirm acceptance of any delivery timing and cost variations caused by the variation and quoted by AKD Sat-Comm.
7. It is recognised that the equipment included in AKD Sat-Comm's contracts is of advanced technology and may, therefore, be the subject of export and import licensing arrangements by the Governments of the Purchaser and AKD Sat-Comm. The responsibility for arranging Export Licenses remains with AKD Sat-Comm, that for Import Licenses with the Purchaser. Both Parties undertake to assist the process of obtaining such licenses without any unreasonable delays.
8. Unless otherwise agreed prior to contract, all orders are subject to a 30% deposit payable with order. The contract will not be considered effective until the deposit is received AND the contract acceptance has been issued by AKD Sat-Comm. Where delivery schedules are stated on the original quotation, these shall always apply from the time at which deposit payment is received. Subsequent payments will fall due based on agreed milestones included in the quotation. AKD Sat-Comm shall raise invoices after the achievement of the milestone. Invoices for "payment prior to shipment shall be raised 3 weeks in advance of the planned shipment date to enable customers' to process the payment prior to delivery. Payments shall **NOT** be payable at times or dates related to the invoice origination date, the invoice dispatch date, nor the invoice arrival date, but rather the Milestone date itself. The final balance of the Contract will become due no later than the "in service" date of the System. No final retention shall apply on contracts

Additional Notes:

- a) Payment will be effected in the currency used in AKD Sat-Comm's quotation.
- b) All prices are net and no settlement discount is allowed. Goods will be invoiced at the prices stated in AKD Sat-Comm's quotation or price list.



- c) In the event that credit facilities have been granted (UK only) non-deposit invoices are payable at the time of fulfillment of the milestone to which they relate or date of invoice in the absence of a milestone. AKD Sat-Comm will confirm that the Purchaser has received the invoice within 7 days of the invoice date.
 - d) In cases where no credit facilities are advanced, the payment method must be secured by confirmed (by HSBC Bank PLC, England) irrevocable teller of credit. All transactional costs relating to the payment will be the responsibility of the Purchaser.
 - e) The terms of payment must be strictly adhered to, time being of the essence.
 - f) AKD Sat-Comm reserves the right to suspend performance of any contract or contracts from the Purchaser and all relevant warranty cover if any account is not paid when due, with no liability accruing - this clause takes precedence over all others in this document.
 - g) Interest on late payment of monies is agreed at 5% over HSBC Base rate effective on the date that the debt became due.
9. Any dates or times quoted for dispatch, delivery or completion are given as accurately as possible but are not the subject of any condition, warranty or representation. Such dates do not involve AKD Sat-Comm in any liability unless it has been agreed in writing prior to AKD Sat-Comm's acceptance of the contract that an amount should be payable as liquidated damages in respect to loss suffered as a result of such failure to dispatch etc. within such time etc. In such circumstances the liability shall be limited to the amount so agreed to be paid, which shall be in full and final settlement of AKD Sat-Comm's liability for any delay.
10. In the event that the Purchaser is responsible for issuing free issue equipment to AKD Sat-Comm for inclusion in the contract he must bear responsibility for any delay in the delivery of this equipment. The contractual delivery dates will be Included in the contract. All such equipment must be subject to an inspection review on arrival. The date of effective delivery is defined as the later of physical delivery to AKD Sat-Comm or the related acceptance certificate from this testing. Any delay in delivery past the contractual delivery date will be added to the contract delivery date for delivery of the system.



11. Purchaser shall check the goods immediately upon receipt and forthwith, in those instances where AKD Sat-Comm bears the risk, inform AKD Sat-Comm and the carriers in writing of any missing goods and of damage suffered by the goods in transit to the place of delivery. In the absence of any notification to the contrary within 10 calendar days of dispatch, AKD Sat-Comm will assume that the goods are accepted by the Purchaser in good condition.
12. AKD Sat-Comm guarantees that the goods comply with their Specification. The AKD Sat-Comm Manufactured goods are provided with a 12-month guarantee from date of shipment, from AKD Sat-Comm, against faulty design, materials and workmanship in the goods. The guarantee assumes that the goods have been used in accordance with AKD Sat-Comm.'s Operation and Maintenance Manuals and within the limits defined in the Specification and used in accordance with the Application Notes. The guarantee defines fully the extent of AKD Sat-Comm's warranty liability and shall be in lieu of any warranty condition or liability express or implied by law or otherwise including warranties of merchantability and fitness for a particular purpose all of which are hereby expressly excluded. The Guarantee becomes void if the Purchaser completes any unauthorised repair or conversion work to the units. Any authorisations must be in writing from the AKD Sat-Comm Customer Support Team. The contract must be fully paid up for the Guarantee to become operable.

On third party manufactured product AKD Sat-Comm will pass onto the Purchaser the full extent of manufacturers' warranty received. This statement represents the full extent of AKD Sat-Comm's warranty on such product.

13. AKD Sat-Comm shall not be liable for indirect or consequential damages (including economic loss associated with loss of contract or third party claims) however arising under any contract,
14. AKD Sat-Comm hereby reserves the right to make changes in specifications, designs and materials, without notice, as AKD Sat-Comm deems desirable, in order to deliver the intent of the contract.
15. Any Purchaser initiated proposals for change to the contract must be made in writing to AKD Sat-Comm. AKD Sat-Comm will quote stating any timing and cost implications of the change. A formal change to the contract must then be made by the Purchaser and this will only become contractually binding when consented to by AKD Sat-Comm in writing.



The Original contract remains in force until any variation is accepted by both parties.

16. In the event of cancellation of the contract by the Purchaser for reasons other than breach of contract AKD Sat-Comm shall be contractually entitled to the following compensation:
 - a) full cost for all non-recoverable contract specific items.
 - b) all subsequent costs required to return the AKD Sat-Comm product to inventory in Mildenhall including shipping charges, waste and dismantling costs.
 - c) a 25% uplift on all the foregoing items to compensate for lost profit, future inventory costs and re-testing activity.
 - d) AKD Sat-Comm will retain all deposit monies as part settlement of the foregoing items.
 - e) the Purchaser will pay the compensation within 30 days of the claim being presented by AKD Sat-Comm. Any disputes with the claim must be raised and settled within that 30 day period.
17. Purchaser shall not, without prior written consent of AKD Sat-Comm (which shall not be unreasonably withheld) assign or in any way dispose of any of its rights or obligations hereunder to any other person or company.
18. Any commercial or technical information disclosed by AKD Sat-Comm for the purposes of a quotation or subsequent contractual discussions is to be considered confidential and must not be disclosed to any third parties. AKD Sat-Comm will be entitled to compensation for any losses arising from such disclosure.
19. AKD Sat-Comm shall not be liable for any failure to perform its obligations hereunder which may be due to any circumstances whatsoever beyond its reasonable control (including, without prejudice to the generality of the foregoing, any liability to obtain any necessary import or export licenses or other concepts of any government or other authority). In event of any delay in dispatch, delivery or completion resulting from causes beyond the reasonable control of AKD Sat-Comm, any dates or times of dispatch etc. shall be extended by a period equal to that of the delay.



20. AKD Sat-Comm shall be entitled to recover from Purchaser by way of addition to the contract price(s) such amount(s) which AKD Sat-Comm may become liable to pay in respect of Value Added Tax in relation to goods and services supplied to Purchaser (applicable in the UK only).
21. No confirmation of a confidential nature relating to a contract will be accepted by AKD Sat-Comm other than in pursuance of a formal written arrangement, Nor will AKD Sat-Comm be bound or restricted in any way except by the normal operation of patents or like instruments of privilege upon which the originators of such information must rely absolutely for the protection of the rights.
22. All intellectual property including patent and design rights relating to goods or parts thereof supplied shall remain AKD Sat-Comm's absolute property and AKD Sat-Comm's design, software and drawings shall not be reproduced or disclosed to any third party without AKD Sat-Comm's written consent. Purchaser's shall not without AKD Sat-Comm's previous written consent copy or enable others to copy any goods, documents, software or parts thereof supplied by AKD Sat-Comm.
23. In the event any claim is made against Purchaser, AKD Sat-Comm will indemnify Purchaser against any such claim for the infringement of Letters Patent or Registered Design by the Use or sale of the goods or part thereof supplied by AKD Sat-Comm to Purchaser and against all reasonable costs and damages incurred which Purchaser incurs in any action for such infringement or for which Purchaser becomes liable in any such action *provided always* that the contract has been paid for in full and this indemnity shall not apply to any infringement:
- a] which is due to AKD Sat-Comm having followed a design or instruction furnished or given by Purchaser or to the use of such goods or part thereof in a manner or for a purpose or in a country not specified or disclosed to AKD Sat-Comm at the time of the enquiry or
 - b] which is due to the use of such goods or part thereof together with or in combination with any other article material or apparatus or
 - c] where AKD Sat-Comm procures for Purchaser the right to continue to use the goods or part thereof or AKD Sat-Comm has modified or replaced the goods or part thereof so as to remove the alleged infringement *and provided also* that this indemnity is conditional on



- d] Purchaser giving to AKD Sat-Comm the earliest possible notice in writing of any claim being made or action being threatened or brought against Purchaser and
 - e] on its permitting AKD Sat-Comm at its own expense to conduct any litigation that may ensue and/or all negotiations for a settlement of a claim and
 - f] Purchaser has not made any admission, which is or may be prejudicial to AKD Sat-Comm.
24. The above is given in lieu of any or all liability which AKD Sat-Comm might otherwise have in relation to any infringement or alleged infringement of any patent or other right.
25. Purchaser shall indemnify AKD Sat-Comm regarding the use of designs or constructions furnished by Purchaser to the same extent as AKD Sat-Comm's indemnity in Clause 21 above.
26. The contract shall in all respects be governed and construed in accordance with the laws of England and shall be subject to the exclusive jurisdiction of the English courts. Any unresolved disputes between the Parties shall be finally settled under the Rules of Conciliation and Arbitration on the International Chamber of Commerce. The seat of arbitration shall be London, England.

