

## GENERAL TERMS AND CONDITIONS

The following are terms and conditions unless otherwise specifically noted in the quote communications.

**SCOPE:** STS / Spectrum will supply the listed equipment with the terms specified in this offer. If an order is entered with scope or terms other than those referenced in this letter. STS / Spectrum reserves the right to modify this offer, including adjusting offered price and delivery to reflect any mutually agreed upon changes. Unless specifically identified additional software items such as drawings manuals field change notices and technical bulletins are not provided as part of this offer. These items may be available at an additional cost.

**LEAD TIME:** The shipment lead time specified above is in weeks on a best effort basis. Prices and lead times shown in this offer are based on standard delivery. Changes to delivery date can be negotiated upon order placement with STS / Spectrum; however, any request for shipment in less time than offered may result in a price increase. The actual shipment date will be acknowledged upon order placement

**WITNESS AND HOLD POINTS:** Activities such as source surveillance or hold points performed by the customer or the customer's representative are not included in the scope of this offer unless specifically identified. Support of these activities is available and STS / Spectrum will provide the applicable STS / Spectrum policy and pricing upon request.

**CUSTOMER APPROVAL:** Review and approval of Spectrum's Commercial Grade Dedication Plans, Seismic Test Plans and other Technical information should be completed in a not to delay delivery basis. It is expected that a review of any technical information will be completed by the utility in 10 days cumulative. This will allow for an initial review and comment phase (approximately 7 days), response by Spectrum and a final review by the utility (approximately 3 days). To assure that any utility review in excess of 10 is accounted for in final delivery scheduling: For every day in excess of the 10 day cumulative the "Initial Promised delivery Date" will be moved 2 working days into the future.

**QUALITY ASSURANCE:** Access to supplier's facilities and / or sub tier supplier's facilities will be allowed for the purpose of quality assurance audit and inspection. Reasonable advance notice will be required and additional fees may be required, which are not included in this offer.

**VALIDITY:** This offer is valid 45 days from the date of the quote, unless otherwise extended, modified or withdrawn in writing by STS / Spectrum. Return of a purchase order or any other reasonable manner of acceptance communicated to STS / Spectrum during such validity period will be sufficient to form an agreement on the terms and conditions of this offer.

**PRICE AND PAYMENT TERMS:** The prices are firm without escalation through shipment. Payments are due and payable on a thirty (30) calendar day basis from the date of the STS / Spectrum Invoice. Freight is FOB origin prepaid and allowed.

**RETURN POLICY:** Any claim for returns must be submitted in writing within 60 calendar days of shipment. If purchaser fails to notify STS/Spectrum with the 60-day period, purchaser shall have irrevocably accepted the product "as is" and STS/Spectrum has no further obligation to purchaser for this product. Returns must be preapproved, and an RMA number must be obtained prior to returning material. If approved, returns are subject to a minimum restocking fee of 25% and may be more, depending on ability to remarket.

**PROPRIETARY INFORMATION:** This offer, and any subsequent communication relative to this offer, is considered to be the proprietary information of STS / Spectrum. Accordingly, do not publish, use, reproduce, transmit or disclose to others outside your organization any information contained in this offer without the prior written consent of STS / Spectrum. We would like to thank you for the opportunity to provide this offer. Should you have any questions or require any additional information concerning this offer, please contact us..

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**WARRANTY:** Seller warrants that the Product sold and delivered hereunder will be free from defects in materials and workmanship for a period twelve months (the "Warranty Period") from the date the Product is shipped by Seller. The Warranties set forth are specifically conditioned upon the handling, use, and maintenance of the Product by Buyer in accordance with all applicable directives and manuals. In the event Buyer submits to Seller a valid warranty claim within the Warranty Period or sixty (60) days thereafter pursuant to this Warranty, and Seller substantiates the warranty claim, Seller shall, at its option, either (i) refund an equitable portion of the purchase price paid or (ii) promptly replace or repair such defective Product at no charge to Buyer at the original shipping point.

**THE WARRANTY SET FORTH IN THIS AGREEMENT IS EXCLUSIVE AND NO OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. THE REMEDIES SET FORTH IN THIS WARRANTY SHALL BE THE SOLE AND EXCLUSIVE REMEDIES OF SELLER. BUYER EXPRESSLY WAIVES, RELEASES AND DISCLAIMS ANY AND ALL CLAIMS AGAINST SELLER FOR LOSS OF PROFITS, LOSS OF USE OR INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, DIRECTLY OR INDIRECTLY ARISING OUT OF OR IN CONNECTION WITH THE SALE, QUALITY, DELIVERY, USE, OPERATION OR PERFORMANCE OF THE PRODUCT. IN NO EVENT SHALL SELLER BE LIABLE TO ANY THIRD PARTY IN TORT, CONTRACT, STRICT LIABILITY OR OTHERWISE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES. BUYER HAS NOT ENTERED INTO THIS AGREEMENT FOR THE PURCHASE OF THE PRODUCT IN RELIANCE UPON ANY REPRESENTATION OF SELLER AND NO STATEMENTS MADE BY SELLER SHALL CREATE AN EXPRESS OR IMPLIED WARRANTY, INCLUDING BUT NOT LIMITED TO A WARRANTY THAT THE PRODUCT WILL BE FIT FOR ANY PARTICULAR PURPOSE FOR WHICH SUCH PRODUCT IS BEING PURCHASED OR IN ANY WAY IMPOSE LIABILITY UPON SELLER OTHER THAT AS SET FORTH IN THE WARRANTY.**

Buyer agrees that the sale and shipment of Product will be deemed to have been made pursuant to the Warranty and that any terms, conditions or provisions proposed by Buyer or included in any other document which are in addition to or at variance with the provisions of this document and Warranty are not binding upon and are deemed to be expressly rejected by Seller.

The aggregate liability of Seller with respect to any claims under this Agreement or regarding the nonconformance or defect in the Product or arising, directly or indirectly, out of its use, storage or handling, shall not exceed the price paid for the Product.