



GENERAL CONDITIONS

The performance of work or sale of items described herein shall be governed by the terms and conditions of the written contract for such work or sale. If no such contract exists, only the following conditions apply:

1. PRICES AND CHANGES

Buyer shall pay:

- (a.) the prices specified in this contract, or if not specified, TELNAV prices in effect at time of shipment of work completion;
- (b.) for all items (components, parts, equipment, materials or services) not explicitly set forth in the contract and requested by Buyer or made necessary because of incomplete or inaccurate information from Buyer;
- (c.) unless prohibited by law, the amount of any tax TELNAV must pay on its work or because of its ownership, manufacture, transportation, sale or use of the items sold; and
- (d.) transportation charges. If equipment performance or utility is not materially and adversely affected, TELNAV may modify the items sold or their specifications and substitute equipment of another design. Buyer requested contract changes require TELNAV prior written consent. Any such charges will result in an equitable and/or extension of performance time. If the parties do not agree on a price increase and TELNAV elects to continue performance to avoid delays, Buyer will pay TELNAV reasonable estimate of the additional work's value.

2. TERMS OF PAYMENT

Unless progress payments determined reasonably by TELNAV are required (if the prices exceed \$50,000) or TELNAV decides reasonably that Buyer's financial condition makes advance payment necessary before contract completion, payment shall be made 30 days net from shipment or work completion. If Buyer delays contract completion, Buyer shall pay on TELNAV specified reasonable prorata terms. Overdue payments shall carry 18% per annum interest charges or the legal maximum rate, whichever is lower. Buyer shall pay TELNAV collection or litigation expenses, including reasonable attorney fees.

3. DELAYS

When circumstances beyond TELNAV reasonable control occur, the time for contract completion shall be extended to compensate for any resulting delay for a period of time at least equal to the duration of those circumstances. Such circumstances include, but are not limited to, Buyer's acts or omissions, Acts of God, Government actions, labor disputes or shortages, civil disturbances, fires, floods, public health matters, transportation delays, plant accidents, and material or facility procurement delays.



4. TITLE AND RISK OF LOSS

Title and risk of loss shall pass to Buyer at the F.O.B. point specified in the contract. If Buyer causes a delay in contract completion, Buyer shall pay TELNAV usual storage charges and the contract prices 30 days after receipt of TELNAV notice that the items sold are ready for shipment. Risk of loss shall pass to Buyer as of the date TELNAV receives Buyer's postponement request. Notices of shortages or rejections for improper packing (not in accordance with TELNAV usual packing methods) shall be given within 30 days after receipt of the items involved.

5. TESTING, INSTALLATION, SUPERVISION AND INSPECTION

Testing procedures shall be those specified in this contract or TELNAV usual testing procedures. When installation is required, Buyer shall have everything in readiness for installation and shall reimburse TELNAV for expenses caused by Buyer's failure to be ready. Movements of items to and from Buyer's sites shall be at its expense. TELNAV will notify Buyer when testing and/or installation is complete and the items sold shall be deemed to have been accepted when they reach the contract's specifications. Unless notice of any defects is given to TELNAV promptly after completion of testing and/or installation, the items shall be deemed to have met such specifications. At Buyer's request, TELNAV will provide supervision of unpacking, assembly, installation, testing, and adjusting of equipment or inspection thereof at TELNAV charges then prevailing in its personnel's base operations area, including overtime hours (more than 8 in any work day or 40 hour work week) and actual travel and living expenses.

6. WARRANTY

TELNAV warrants (a.) that all work shall be free from defects in workmanship or 90 days from work completion; (b.) that all parts (supplies and materials) shall be free from defects in material and workmanship for 90 days from TELNAV shipment or installation date, whichever is applicable. If a defect occurs within the warranty period, Buyer shall notify TELNAV immediately and TELNAV shall (a.) correct defective work; (b.) at its option, repair or replace - but not install - any defective parts returned to TELNAV designated location, shipping charges prepaid by Buyer on the return to TELNAV and paid by TELNAV on the subsequent return to Buyer; or (c.) repair or replace defective parts without extra charge for parts or labor during TELNAV normal working hours and within a 25 mile radius of those TELNAV Service Depots where oncall technicians are then available. Items furnished by other vendors and not incorporated into the equipment sold by TELNAV shall only have the vendor's warranty, which shall be passed on to Buyer. This warranty does not apply to defects not caused by TELNAV (for example, accidents or abuse, work done improperly or contrary to TELNAV standards) or to equipment on which the serial numbers, manufacture or shipment dates are changed or removed. NO OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, SHALL APPLY.



7. LIMITATION OF LIABILITY

TELNAV shall not have any liability of any kind under this contract unless Buyer gives TELNAV notice of its claim within 30 days after the date Buyer knows or should know of its claim and files suit against TELNAV within 1 year after such date. WHETHER OR NOT CAUSED BY TELNAV NEGLIGENCE, TELNAV SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL CONSEQUENTIAL, OR OTHER DAMAGES, HOWEVER CAUSED (INCLUDING LATE DELIVERY). TELNAV OBLIGATION TO CORRECT, REPAIR, OR REPLACE IN ACCORDANCE WITH SECTION 7. WARRANTY SHALL BE BUYER'S EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY OR FOR NEGLIGENCE. TELNAV ENTIRE LIABILITY TO BUYER SHALL NOT EXCEED THE REPAIR OR REPLACEMENT VALUE, WHICHEVER IS LOWER, OF THE DEFECTIVE ITEM.

8. TERMINATION

If Buyer terminates any part of this contract, unless due to TELNAV default, TELNAV shall be entitled to recover all costs (direct and indirect, including reasonable general and administration expenses), as determined by TELNAV standard accounting practices, incurred in performing and preparing to further perform as of the termination date, plus a reasonable profit on the contract. Buyer shall pay TELNAV collection or litigation expenses, including reasonable attorney fees.

9. APPLICABLE LAW

North Carolina, USA law shall govern this contract's validity and interpretation.

10. ASSIGNMENT

No assignment of this contract by Buyer shall be valid without TELNAV prior written consent.

11. NOTICES

Notices under this contract shall be first class mail, deemed given when received, and, when given to TELNAV, sent to the Manager of the TELNAV Service Depot performing this Work Order.

12. WORK TERMS

TELNAV reserves the right to determine the number of persons necessary to perform service work. Unless otherwise notified by Buyer, TELNAV will exercise its best judgment in performing labor at overtime rates. Certain union regulations require that rigging, cabling, cable hookups and certain other repairs be performed by outside contractors. The minimum charge per service call will be 4 hours, including travel time, plus expenses. Service calls in excess of 6 consecutive hours straight time will be charged as a full day.



13. ENTIRE CONTRACT

These General Conditions and TELNAV written technical proposal constitute the entire contract. This contract represents the entire agreement between the parties and shall be incorporated into any order document from Buyer. No other amendments shall bind TELNAV unless in writing and signed by an authorized TELNAV representative. Terms or conditions in Buyer's order which add to or vary these General Conditions have no force or effect.