

TABLE OF CONTENTS

<u>CLAUSE</u>	<u>TITLE</u>	<u>PAGE</u>
1.	DEFINITIONS	1
2.	NO WARRANTY	1
3.	OPERATION, USE, AND DISPOSAL OF EQUIPMENT	1
4.	PAYMENT	2
5.	TITLE	2
6.	DELIVERY AND REMOVAL OF PROPERTY	2
7.	DEFAULT	2
8.	ADJUSTMENT FOR VARIATION IN QUANTITY OR WEIGHT	2
9.	WEIGHING	2
10.	RISK OF LOSS	2
11.	LIMITATION OF SELLER'S LIABILITY	2
12.	STATEMENTS AND MODIFICATION	2
13.	ASSIGNMENT	2
14.	RESPONSIBILITY AND INDEMNIFICATION	2
15.	SAFETY, SECURITY AND FIRE DIRECTIVES	2
16.	TAXES	2
17.	GOVERNING LAW	2
18.	SEVERABILITY	3
19.	DISPUTES	3
20.	WAIVER	3
21.	HEADINGS	3
22.	ENTIRE AGREEMENT	3

1. DEFINITIONS

- (a) "Buyer" means the legal entity that contracts with Seller under this Contract.
- (b) "Seller" or "SSL" means Space Systems/Loral, LLC.
- (c) "Equipment" means any equipment, device, component, material , or electronic equipment which Buyer procures hereunder.
- (d) "Contract" means the sales agreement or purchase order entered into between Buyer and Seller including these Terms and Conditions and all exhibits and/or attachments and any amendments thereto.

2. NO WARRANTY

Buyer agrees to purchase certain Equipment from Seller 'as is'. Buyer acknowledges and agrees that Seller is not providing any warranty of any kind for such Equipment (including with respect to the performance thereof), and that Seller shall not be responsible for any defects or failures in the Equipment which may arise or be discovered subsequent to the purchase of the Equipment by Buyer hereunder. Accordingly,

Buyer shall have no recourse whatsoever against Seller with respect to the Equipment or the performance thereof.

3. OPERATION, USE, AND DISPOSAL OF EQUIPMENT

Buyer hereby warrants and represents as follows:

- (a) Buyer understands that the Equipment may be export controlled under the International Traffic in Arms Regulations or the Export Administration Regulations (collectively, "U.S. Export Control laws") and if so, Buyer acknowledges that it has an obligation to ensure that any use, sale, transfer or disposition of such Equipment is in compliance with all applicable U.S. Export Control laws.
- (b) Buyer has inspected the Equipment subject to this Contract or by not inspecting during inspection hours has waived its right to do so.
- (c) If said Equipment is unable to be operated or used for its intended purpose by Buyer at any time after purchase, then Buyer shall be responsible for ensuring that said Equipment is recycled and/or reclaimed as provided under the Federal Resource Conservation and Recovery ACT (RCRA), and under Title 22 of the California



Code of Regulations (CCR), including sections 66273.1 - 66273.90 thereof;

- (d) Buyer, or its agents, servants and employees, will comply with all applicable Federal, State and local laws and regulations pertaining to the proper recycling and/or reclamation of the Equipment upon the end of its useful life or at which time the Equipment can no longer be used in a manner consistent with its original intended purpose.

4. PAYMENT

The Buyer agrees to pay for the Equipment in accordance with the prices quoted in the bid. Payment of the full purchase price for all Equipment procured hereunder must be received by Seller prior to delivery of any of the Equipment and shall be paid to the Seller by company check, by cashier's check, bank draft, or money order.

5. TITLE

Title to all Equipment will pass from Seller and vest in Buyer upon the delivery (in accordance with Clause 6) of the Equipment to Buyer. Furthermore, Buyer shall be deemed the generator of any hazardous or non-hazardous waste generated incident to, or as a result of, Buyer's storage, handling, use, processing, recycling, reclaiming or disposing of the Equipment procured hereunder. As between the parties hereto, Buyer shall be solely responsible for the ultimate disposition of any such waste.

6. DELIVERY AND REMOVAL OF PROPERTY

Delivery of the Equipment shall occur when Seller makes the Equipment available at the Seller-designated location on the delivery date specified by Seller in the Contract. Buyer shall promptly remove such Equipment at Buyer's expense, but in any event, within three (3) calendar days after the delivery date specified by Seller. Buyer shall reimburse Seller for any damage to person or property caused by the removal operations of Buyer. If Buyer is permitted by Seller to remove the Equipment after the expiration of the period prescribed or allowed for removal, without limiting any other rights that the Seller may have, Buyer shall pay to Seller a reasonable storage charge for the period until the actual date of removal. If Buyer is permitted by Seller to remove the Equipment in Seller's reusable containers, such containers are to be returned to Seller within seven (7) calendar days in as good a condition as received. Buyer shall pay to Seller the cost of replacement of said containers in the event Buyer fails to promptly return said containers or for any loss or damage thereto.

7. DEFAULT

If Buyer fails to make full payment for the Equipment, to remove the Equipment as required herein, or to comply with other terms and conditions hereof, without derogating from any of Seller's other rights and remedies under this Contract or the law, Seller shall have the right to sell or otherwise dispose of any or all such Equipment and Buyer shall reimburse Seller for all damages, liabilities, losses and expenses incurred by Seller in connection therewith. Seller may apply the bid deposit against any such damages, liabilities, losses and expenses, when the request for bid/invitation requires a bid deposit.

8. ADJUSTMENT FOR VARIATION IN QUANTITY OR WEIGHT

When the Equipment is sold on a "unit price" basis, Seller reserves the right to vary the quantity or weight delivered by 10% from the quantity or weight listed in the invitation and Buyer agrees to accept delivery of any quantity or weight within these limits. The purchase price will be adjusted upward or downward in accordance with the unit price on the basis of the quantity or weight actually delivered. No adjustment for variation will be made where the Equipment is sold on a "price for the lot" basis.

9. WEIGHING

Where weighing is necessary to determine the exact purchase price hereunder, Buyer shall arrange for and pay all expenses of weighing material. All switching charges shall be paid by Buyer. When removal is by truck, weight shall be under the supervision of Seller and at its option on: (a) Seller's scales, (b) certified scales, or (c) other scales acceptable to both parties. When removal is by rail, weighing shall be on railroad track scales, or by other means acceptable to the railroad for freight

purposes. In all cases, Seller approved weighing shall establish the exact purchase price for the Equipment.

10. RISK OF LOSS

All risk of loss, damage, or destruction from any cause whatsoever to the Equipment shall pass to Buyer upon the delivery in accordance with Clause 6.

11. LIMITATION OF SELLER'S LIABILITY

Notwithstanding anything to the contrary in this Contract, Seller's maximum liability (which in any case must be reduced to a judgment to establish such liability) shall not exceed in any event the amount actually received by Seller from the Buyer for the purchase of the Equipment hereunder.

12. STATEMENTS AND MODIFICATION

This Contract may be modified only in writing signed by the authorized representatives of both the Buyer and Seller. Any oral statement or representation by any representative of Seller changing or supplementing this Contract or any condition thereof is unauthorized and of no effect, and shall confer no right upon Buyer.

13. ASSIGNMENT

Buyer may not assign this Contract, including all its rights and obligations hereunder to any third party, including an affiliate of Buyer, without written consent of Seller. Such consent shall not relieve Buyer of its obligations under this Contract. Any assignment not made in accordance with this Clause shall be void.

14. RESPONSIBILITY AND INDEMNIFICATION

(a) Buyer (including its agents, servants and employees) hereby assumes all responsibility for any and all defects in or hazards associated with the Equipment, and Buyer shall assume all liability for damages to property wherever located or, for personal injuries, death or disabilities to Buyer or its agents, servants, and employees or to any other person, arising from or incident to the purchase, use, operation, repair, recycling, reclamation or disposal of the Equipment purchased by Buyer hereunder.

(b) Buyer agrees to indemnify, defend and hold Seller, its respective affiliates, officers, directors, employees, shareholders and agents harmless from and against any and all liabilities, claims, costs, losses, damages, and other expenses that Seller may incur, become responsible for, or pay out as a result of or in connection with bodily injury (including death) to any person, damage to any property, contamination of or adverse effects on the environment, or any violation of applicable laws or regulations, in connection with or arising out of any and all acts or omissions of Buyer, its agents, servants, or employees under or in connection with this Contract, including but not limited to the Buyer's breach of any provision, warranty or representation contained herein.

15. SAFETY, SECURITY AND FIRE DIRECTIVES

Buyer shall be subject to and comply with all directives and other instructions issued by Seller regarding safety, security, and fire prevention while on the premises of Seller.

16. TAXES

Buyer agrees to pay in full the amount of any Federal, State or local taxes, fees, levies and duties that may apply to or become due in connection with the sale/purchase of the Equipment.

17. GOVERNING LAW

This Contract shall be construed in accordance with the laws of the State of California without regard to its conflicts of laws rules. The obligations, warranties and representations of Buyer set forth in this Contract shall survive indefinitely any termination, suspension or completion hereof, and shall be binding on Buyer and its respective heirs, successors and assignees (approved in advance by Seller) in accordance with the laws of the State of California.

18. SEVERABILITY

If any provision of this Contract is found to be invalid, illegal, or unenforceable, the remainder shall be enforced as fully as possible and the invalid, illegal, or unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely approximating the intention of the parties as expressed herein.

19. DISPUTES

Any and all disputes between the parties under or related to this Contract shall be resolved by a court of competent jurisdiction in Santa Clara County, State of California. The parties hereto agree to submit to the personal jurisdiction of such court.

20. WAIVER

Failure of either party at any time to enforce any of the provisions of this Contract shall not per se constitute a waiver by that party of any such provision nor in any way affect the right of such party to enforce such provision at any other or subsequent time.

21. HEADINGS

The headings used in this Contract are for convenience only, and shall not be used in or affect the interpretation of this Contract.

22. ENTIRE AGREEMENT

This Contract constitutes the entire understanding and agreement between the parties and cancels and supersedes all prior negotiations, representations, understandings, and agreements (both oral and written). This Contract may be amended only in writing, signed by both parties.