

## TERMS AND CONDITIONS OF SALE 04/2012

### 1. THE TERMS CONTROL THE AGREEMENT:

The Buyer's purchase order confirms acceptance of the Rohde & Schwarz USA, Inc. (R&S) offer to deliver products and/or services ("Products") according to these terms, and such additional or different terms as stated in the R&S quotation. Any terms or conditions of the Buyer's order, or contained in any other communication from the Buyer, which are inconsistent with or in addition to the terms and conditions contained herein shall not be binding on either party unless expressly accepted in writing by R&S. R&S's failure to object to any provisions contained in verbal or written communications from the Buyer shall not be the acceptance thereof or a waiver of these terms and conditions.

### 2. DELIVERY, TITLE AND RISK OF LOSS:

Delivery shall be FOB Buyer's designated ship to location in the United States ("Destination"), unless otherwise stated in the quotation. Orders for Products must specify delivery within 180 days from purchase order date unless otherwise stated in the quotation. Title and risk of loss will pass to Buyer in accordance with the stated Shipment Terms in the quotation. Acceptance by Buyer is presumed unless Buyer notifies R&S in writing within 10 days after delivery that the Products are non-conforming ("Acceptance"). R&S will make a reasonable effort to meet the Buyer's requirements as to time of delivery and volume of Products. Partial deliveries are permitted. If R&S is unable to meet the Buyer's delivery requirements, including the firm delivery date, alternative arrangements may be agreed. In the absence of such agreement, the Buyer's sole remedy is the right to cancel its order.

### 3. PAYMENT AND SECURITY INTEREST:

R&S payment terms, conditional on approved credit, are net 30 days from date of invoice unless otherwise stated in writing by R&S. An order for a System, that includes Products configured to Buyer requirements, with a price of more than \$100,000 must be accompanied by a non-interest bearing down payment equal to 30% of the purchase price plus applicable taxes. R&S has the right to modify the payment terms after an order has been accepted if, in R&S's opinion, the payment record or financial condition of the Buyer so warrants, or if R&S otherwise has grounds to feel insecure about receiving payment. Any dispute about the quality or condition, performance or functioning of Products supplied, or otherwise in connection with the terms and conditions set out herein, shall not entitle the Buyer to refuse to pay for the Products. Late payments shall be subject to an interest charge of 1.5% per month on the unpaid balance. R&S reserves a security interest in the Products, and any products or proceeds thereof until payment in full has been received by R&S. R&S may perfect its security interest by any necessary filings in public registers, and Buyer shall cooperate therewith as required by law until payment in full, for the Products sold and any other amounts owed by Buyer to R&S, has been received.

### 4. PRICES AND TAXES:

Prices are quoted FOB Destination, unless otherwise stated in the quotation. Any sales or use tax shall be borne by the Buyer and unless collected by R&S, shall be paid by the Buyer directly to the relevant government authorities. Unless otherwise stated on the quotation, all R&S quotations are valid for thirty (30) days from issuance.

### 5. RESCHEDULING, CANCELLATION & RESTOCKING:

A request to reschedule or cancel an order must be made in writing to R&S and received no later than 45 days before the scheduled ship date. R&S may refuse or accept the request, with or without charging the rescheduling/cancellation fee of 5% of the order value for the affected Product. A request to reschedule a shipment cannot exceed 180 days from the original purchase order date.

A request to return a Product must be made in writing to R&S and received no later than 30 days after receipt of Product. R&S may refuse or accept the request, with or without charging the restocking fee of 15% of the net order value for the Product being returned. The original packaging must be unopened, and Buyer must follow R&S return instructions. The return of spare parts are subject to a \$100 restocking charge per order. Freight pre-paid or service completed by R&S is not refundable.

### 6. EXCUSABLE DELAYS:

R&S shall not be liable for nondelivery or delay if directly or indirectly caused by fires, floods, accidents, riots, war, governmental interference or embargoes, strikes or shortage of labor, or other difficulties (whether or not similar in nature to any of those specified) beyond its reasonable control, or if performance would cause R&S to incur unreasonable expense. Delivery shall be suspended so long as any such causes delay performance. R&S agrees to make, and the Buyer agrees to accept, deliveries whenever such causes no longer exists. If such cause continues for more than 180 Days the order may be cancelled.

### 7. INDEMNITY:

At its expense, R&S will settle or defend and pay all damages and costs finally awarded in any action brought against Buyer to the extent that it is based on a claim that the Product infringes any patent, copyright, or other intellectual property right of a third party in the country of delivery, provided Buyer promptly gives R&S the notice, authority and assistance necessary to defend or settle the claim and the infringement does not arise out of compliance with the Buyer's specifications, or a combination with or an addition to products not supplied by R&S, or from a modification after delivery. If any Product is in R&S's opinion likely to cause a claim of infringement, R&S at its option and expense may procure for Buyer the right to continue using the Product, or modify it to make it noninfringing, or replace it with a

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substantially equivalent noninfringing Product, or recall it and grant Buyer a credit for the depreciated value of the Product after it is returned to R&S. Upon such recall, R&S shall have no further obligation or liability relating to the infringing Product other than the obligation to defend or settle the infringement claim as set forth above.

8. SOFTWARE:

The Buyer will not acquire title to any software incorporated in, accompanying, or delivered for use with the Products. R&S grants a perpetual nonexclusive license to use such software on one unit of Product. R&S may terminate the license if licensee (Buyer) discloses the software to others who are using the Product without R&S's written consent. Back-up copies of the software may be made for archiving purposes or for purposes expressly authorized by R&S, and licensee may sublicense the software in the event of transfer of said one unit of Product. All copies must bear the copyright notes as the original. Disassembly, recompilation and reverse engineering of any software is strictly prohibited.

The above provisions shall also apply to any modifications or supplements made to the software or associated documentation. The Buyer undertakes, in the event of a resale of Product and/or software, to impose the above obligations on its customer.

R&S reserves any other rights to the software and the documentation.

9. WARRANTY:

R&S warrants each Product manufactured by Rohde & Schwarz to be free from defects in material and workmanship under normal use and service. Software is warranted to operate in accordance with its programmed instructions on appropriate Products. It is not warranted to be error free. The warranty period shall be one year from the date of Acceptance. R&S's obligation under this warranty is limited to repairing or replacing a Product that is returned to an authorized Service Center within the applicable warranty period and that upon examination, R&S determines to be defective. Products that have been repaired or replaced may include remanufactured materials which are equivalent to new in performance and functionality. If R&S determines the failure has been caused by misuse, neglect, accident or abnormal condition of operation, repairs will be made and Buyer shall be billed for the reasonable costs of repair. R&S shall not be responsible for any malfunctioning or defect of the Products in the event that the Buyer shall have made modifications thereto unauthorized by R&S.

Additional terms applicable for Repair and Calibration Services are available upon request.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHERS, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE.

10. LIMITATION OF REMEDIES AND LIABILITY:

THE REMEDIES OF THE BUYER WITH RESPECT TO THE PRODUCTS SOLD, ANY WARRANTY, ANY INDEMNITY OR ANYTHING TO BE DONE BY R&S IN CONNECTION HERewith, SHALL BE EXCLUSIVELY AS SET FORTH HEREIN, AND THE LIABILITY OF R&S SHALL NOT, EXCEPT AS OTHERWISE PROVIDED IN SECTION 7, EXCEED THE PRICE OF THE PRODUCTS WITH RESPECT TO WHICH SUCH LIABILITY ARISES. IN NO EVENT SHALL R&S BE LIABLE FOR ANY LOSS OF PROFIT OR USE, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER IN CONTRACT, WARRANTY, INDEMNITY, TORT OR OTHERWISE.

11. EXPORT RESTRICTIONS:

Products may be subject to export restrictions and end user certification. Buyer shall not export, re-export, or transfer, directly or indirectly, any Product or technical data received hereunder, to any country or user to which such actions are restricted by United States or local country law or regulation without first obtaining any required governmental license, authorization, certification or approval. Buyer shall be responsible for United States export duties, fees, licenses and such, in addition to any import duties imposed by the country of destination.

12. GENERAL:

This agreement is not assignable without approval of R&S, which approval shall not be unreasonably withheld. If any of the terms or provisions of this agreement shall be declared in violation of law, the remaining terms and provisions shall remain in full force and effect. The laws of the State of Maryland shall govern this agreement. Any dispute relating to this order shall be submitted to the courts in that State, and the Buyer accepts the exclusive jurisdiction of such courts for any action by or against R&S.

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