

## YITRAN COMMUNICATIONS - TERMS AND CONDITIONS OF SALE

THE FOLLOWING TERMS AND CONDITIONS ("AGREEMENT") APPLY TO ALL QUOTATIONS AND/OR OFFERS OF PRODUCTS, INCLUDING ALL RELATED DOCUMENTATION AND SOFTWARE (JOINTLY REFERRED TO HEREINAFTER AS "PRODUCTS"), OFFERED TO YOU ("BUYER"), BY YITRAN COMMUNICATIONS LTD (HEREINAFTER REFERRED TO AS "YITRAN"). YITRAN'S ACCEPTANCE OF ANY BUYER PURCHASE ORDER ("PO") IS EXPRESSLY CONDITIONED ON BUYER'S ASSENT TO THIS AGREEMENT. NO TERMS OR CONDITIONS SET FORTH IN BUYER'S PO, OR IN ANY FUTURE CORRESPONDENCE BETWEEN BUYER AND YITRAN SHALL ALTER OR SUPPLEMENT THIS AGREEMENT UNLESS BOTH YITRAN AND BUYER HAVE AGREED IN WRITING TO MODIFY THIS AGREEMENT. NEITHER YITRAN'S COMMENCEMENT OF PERFORMANCE NOR DELIVERY SHALL BE DEEMED OR CONSTRUED AS ACCEPTANCE OF BUYER'S ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS.

1. **PAYMENT:** Unless otherwise stated in writing by Yitran, all prices quoted expire 30 days after the date of quotation. In the event that the price of materials (including, but not limited to, gold and silver) that are incorporated into the Products rise prior to the delivery of such Products by Yitran, Yitran may adjust the prices set forth in the PO by written notice to Buyer. Such adjustments shall be made in accordance with a formula designed to pass on the increased cost of such materials. Unless otherwise stated in writing by Yitran, all prices quoted do not include transportation, insurance, federal, state, local, excise, value-added, customs, use, sales, and similar taxes or duties now in force or hereafter enacted. Buyer agrees to pay all taxes, fees or charges of any nature whatsoever imposed by any governmental authority on, or measured by, the transaction between Buyer and Yitran, in addition to the prices quoted or invoiced. In the event that Yitran is required to collect the foregoing, such amounts will appear as separate items on Yitran's invoice and paid by Buyer unless Buyer provides Yitran with a valid tax exemption certificate authorized by the appropriate taxing authority. Buyer agrees, if applicable, to provide Yitran with a valid resale certificate for the Products purchased for resale.
2. **DELIVERY SCHEDULE:** The delivery dates stated in Yitran's quotation and/or offer are approximate only, and Yitran shall not be liable for, nor shall Yitran be in breach of its obligations to Buyer because of any delivery made within a reasonable time of the stated delivery date. Yitran may, by written notice to Buyer, change any delivery date, and such date shall become the agreed upon delivery date unless Buyer delivers to Yitran its objection to such date in writing within five (5) days of receipt of Yitran's notice. In the event that Yitran's ability to supply products becomes constrained, Yitran may, as reasonably necessary, reduce quantities or delay shipments. Yitran may ship a quantity that is five percent (5%) more or less than the ordered quantity and Buyer will accept and pay for the quantity delivered.
3. **RISK OF LOSS:** Unless otherwise stated in writing by Yitran, all shipments to Buyer are FCA Yitran's or Yitran's manufacturer's (as applicable) facility (Free Carrier - Incoterms 2000). Yitran's liability for delivery shall cease upon delivering the products to the common carrier at Yitran's or at Yitran's manufacturer's (as applicable) facility. Title and all risk of loss or damage to the Products shall pass to Buyer upon delivery to the common carrier at Yitran's or at Yitran's manufacturer's (as applicable) facility. In the absence of specific shipping instructions, Yitran will ship by the method it deems most advantageous. Transportation charges will be collected on delivery or, if prepaid, will be subsequently invoiced to Buyer.
4. **FORCE MAJEURE:** Yitran shall not be liable for any failure to deliver, or delay in the delivery of, any Products due to any cause beyond its control, including but not limited to acts of God, acts of civil or military authority, fires, epidemics, floods, riots, wars, sabotage, labor disputes, yield problems, governmental actions, causes arising from Yitran's sub-contractors, or inability to obtain materials, components, energy, manufacturing facilities, or transportation. In the event of any such delay, the date of delivery or performance hereunder shall be extended by a reasonable period of time. In the event Yitran's production is curtailed for any reason, Yitran may allocate its production among its customers.
5. **LIMITED WARRANTY:** FOR A PERIOD OF ONE YEAR FROM THE DATE OF PURCHASE FROM YITRAN, YITRAN WARRANTS TO BUYER THAT THE PRODUCTS COMPLY WITH THEIR SPECIFICATIONS APPLICABLE AT THE TIME OF SALE AND ARE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP WHEN SUBJECTED TO NORMAL USE. IF, DURING SUCH ONE YEAR PERIOD, A DEFECT WILL BE IDENTIFIED, THE DEFECTIVE PRODUCTS WILL BE REPAIRED OR REPLACED FREE OF CHARGE AFTER THE DEFECTIVE PRODUCTS ARE RETURNED, SHIPPING PREPAID, TO YITRAN. YITRAN WILL MAKE FINAL DETERMINATION AS TO THE EXISTENCE AND CAUSE OF ANY ALLEGED DEFECT. THE LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE. YITRAN NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON OR ENTITY TO ASSUME FOR YITRAN ANOTHER LIABILITY IN CONNECTION WITH THE MANUFACTURE AND/OR SALE OF PRODUCTS IN FURTHERANCE OF THIS AGREEMENT.
6. **DISCLAIMERS:** OTHER THAN THE EXPRESS WARRANTY STATED ABOVE, YITRAN DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE PRODUCTS, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF NON-INFRINGEMENT, COMPLIANCE TO REGULATIONS, SAFTY, FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY.
7. **LIMITATION OF LIABILITY:** UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL THEORY, WHETHER TORT, CONTRACT, OR OTHERWISE, SHALL YITRAN BE LIABLE TO BUYER OR ANY OTHER PERSON FOR PERSONAL INJURY OR FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY CHARACTER, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OR DAMAGE TO ANY NETWORK, SYSTEMS, DATA, OR FILES, CORRUPTION OF ANY NETWORK, SYSTEMS, DATA OR FILES, LOSS OF GOODWILL, WORK STOPPAGE, COMPUTER FAILURE, MALFUNCTION OR INTERRUPTION, OR ANY OTHER COMMERCIAL DAMAGES OR LOSSES, EVEN IF YITRAN HAS BEEN WARNED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. IN THE EVENT THAT YITRAN IS FOUND LIABLE FOR ANY DAMAGES, YITRAN'S ENTIRE LIABILITY ARISING OUT OF OR RELATED TO THESE TERMS SHALL NOT EXCEED THE PURCHASE PRICE PAID BY BUYER FOR SUCH PRODUCTS. SOME LAWS MAY NOT ALLOW CERTAIN LIMITATIONS OR EXCLUSIONS, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT ALWAYS APPLY.
8. **SUBSTITUTIONS AND MODIFICATIONS:** Yitran will have the right to make substitutions and modifications in the specifications of Products sold by Yitran, provided that such substitutions or modifications will not materially affect overall Product performance.
9. **BANKRUPTCY:** If Buyer (i) becomes bankrupt or insolvent, (ii) makes an assignment for the benefit of its creditors, (iii) commences to be wound up, or (iv) suffers a receiver to be appointed, Yitran will be at liberty by notice in writing to cancel this Agreement without judicial intervention or declaration of default of Buyer and without prejudice to any right or remedy which may have accrued or may accrue thereafter to Yitran.
10. **PROHIBITED USE:** THE PRODUCTS ARE NOT DESIGNED FOR, AND THE BUYER MAY NOT, WITHOUT THE SPECIFIC WRITTEN CONSENT OF YITRAN, USE OR INCORPORATE THE PRODUCTS WITHIN EQUIPMENT INTENDED FOR SURGICAL IMPLANT INTO THE BODY, OR OTHER APPLICATIONS INTENDED TO SUPPORT OR SUSTAIN LIFE, FOR USE IN FLIGHT CONTROL OR ENGINE CONTROL EQUIPMENT WITHIN AN AIRCRAFT, OR FOR ANY OTHER APPLICATION IN WHICH THE FAILURE OF THE PRODUCTS COULD CREATE A SITUATION IN WHICH PERSONAL INJURY OR DEATH MAY OCCUR. BUYER MAY NOT, NOR MAY IT PERMIT ANY THIRD PARTY TO REVERSE ENGINEER, REVERSE ASSEMBLE, DECOMPILE, OR COPY THE PRODUCTS. BUYER MAY NOT, NOR MAY IT PERMIT ANY THIRD PARTY TO RESELL OR DISTRIBUTE THE PRODUCTS ON A STAND-ALONE BASIS.
11. **SECURITY INTEREST:** YITRAN reserves a security interest in any Products sold to the extent of the invoiced amount. If Buyer defaults under any obligation hereunder or under the relevant quotation and/or offer, it agrees to make the Products available so that YITRAN can repossess them without a breach of the peace. A copy of the invoice may be filed with appropriate authorities at any time as a financing statement. On request of YITRAN, Buyer will execute any instruments YITRAN shall desire to perfect its security interest
12. **SOFTWARE LICENSE:** Any software delivered shall be subject to the terms attached thereto.
13. **INTELLECTUAL PROPERTY RIGHTS:** Yitran retains for itself all right, title and interest in and to intellectual property rights of the Products, including all rights in, to, or arising out of: (i) any U.S., Israeli, international, or foreign patent or any application thereof and any and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; (ii) inventions (whether patentable or not in any country), improvements, trade secrets, proprietary information, know-how, technology and technical data; (iii) copyrights, copyright registrations and applications thereof in the U.S., Israel, or any foreign country, and all other rights corresponding thereto throughout the world; and (iv) any other proprietary rights anywhere in the world therein and thereto. The Products are offered for sale subject in every case to the condition that such sale does not convey any license, expressly or by implication, estoppel or otherwise, under any patent claim.
14. **WAIVER.** The failure by Yitran to enforce at any time any of the provisions of this Agreement, to exercise any election or option provided herein, or to require at any time the performance by Buyer of any of the provisions herein will not in any way be construed as a waiver of such provisions.
15. **APPLICABLE LAW.** This agreement will be governed by the laws of the State of California without regard to that State's choice of laws.
16. **JURISDICTION AND VENUE.** This Agreement shall be governed by the laws of the State of California, without reference to its conflict of laws rules. The California state courts of Santa Clara County, California (or, if there is exclusive federal jurisdiction, the United States District Court for the Northern District of California) will have exclusive jurisdiction and venue over any dispute arising out of this agreement and sale, and Buyer hereby consents to the jurisdiction of such courts. Buyer shall bring action relating to any dispute Buyer may have hereunder within one (1) year of the accrual of such dispute.
17. **ENTIRE AGREEMENT.** The terms and conditions set forth herein constitute the entire agreement between Yitran and Buyer and supersede any other agreements, including any PO. This Agreement may not be modified, supplemented, or interpreted by any trade usage or prior course of dealing not made a part of the agreement by its express terms. Buyer hereby acknowledges that it has not entered into this Agreement in reliance upon any warranty or representation by any person or entity except for the warranties or representations specifically set forth herein. No modification of this Agreement shall be effective unless in a writing signed by both Buyer and Yitran.
18. **SEVERABILITY.** In the event that any provision of these terms shall be held to be unenforceable, these terms will continue in full force and effect without said provision and will be interpreted to reflect the original intent.