



## Parraid, LLC Domestic Standard Terms and Conditions of Sale

1. **Scope.** The sales terms and conditions contained herein shall apply to all quotations and offers made by and purchase orders accepted by Parraid. These terms and conditions may in some instances conflict with some of the terms and conditions affixed to the purchase order or procurement document issued by the Buyer. In such case, the terms and conditions contained herein shall govern, and acceptance of Buyer's order is conditioned upon Buyer's acceptance of the terms and conditions contained herein by acceptance and payment of the goods ordered hereunder, irrespective of whether the Buyer accepts these conditions by a written acknowledgment. Parraid's failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of the provisions herein. Any change in the terms and conditions of sale contained herein must specifically be agreed to in writing, signed by Parraid, before becoming binding on either party. All orders, offers, and contracts must be approved and accepted by Parraid.

2. **Terms of Payment.** Payment is expected 30 days after invoicing with approved credit unless otherwise agreed to in writing and signed by Parraid. Parraid may change its credit terms if Buyer's financial condition changes. In the event that credit is extended, Parraid reserves a purchase money security interest in all products delivered until all of Parraid's claims have been paid. Buyer agrees to execute any financing statements or other documents as Parraid may request in order to perfect or protect the security interest. Upon any default by Buyer hereunder, Parraid shall have all rights and remedies of a secured party under the Uniform Commercial Code, which rights and remedies shall be cumulative and not exclusive. Each shipment shall be considered a separate and independent transaction. If an invoice is not paid within ten (10) days of written notice of delinquency by Parraid, Buyer shall be required to pay interest from issuance of the invoice to the date of payment at the annual percentage rate of 18% (or such lower rate as may be the maximum allowable by law), in addition to Parraid's costs of collection (including reasonable attorney's fees).

3. **Title and Delivery.** All prices quoted include standard domestic transportation costs, and all shipments are F.O.B Destination (per Uniform Commercial Code), unless otherwise agreed to in writing and signed by Parraid. Shipments will be made using those generally accepted methods of transportation that are appropriate for the weight and size of the shipment, the distance, and the Buyer's delivery requirements. Unless instructions from the Buyer specify the method of shipment to be used, Parraid will select the carrier. Claims for shortages must be made within ten (10) days after arrival. Standard product delivery shall be ninety (90) days After Acceptance of Order (AAO) by Parraid, unless otherwise stated in writing by an authorized representative of Parraid. Parraid will make every reasonable effort to meet quoted delivery dates; however, Parraid will not be liable for its failure to meet this date.

4. **Taxes.** All prices are exclusive of any present or future sales, revenue, VAT, duty, tariffs, state and local use tax sales, excise taxes and similar taxes. Such taxes, when applicable, shall be paid by the Buyer unless the Buyer provides a proper tax exemption certificate in the appropriate form for the jurisdiction of Buyer's place of business and any jurisdiction to which equipment is to be directly shipped hereunder.

5. **Acceptance.** Buyer, or its authorized agent receiving shipment on behalf of Buyer, shall inspect all products immediately upon receipt. If Buyer or its agent does not notify Parraid in writing within ten (10) days after receipt by Buyer of any defect, shortage, or other failure to conform to the terms hereof, the products delivered shall be deemed conclusively to have fulfilled the terms of the sales contract and to have been accepted by Buyer as delivered.

6. **Returns.** All customer returns must be authorized via a Parraid Return Material Authorization (RMA) request. No returns will be accepted without a properly issued Parraid RMA number. Returns must be shipped within thirty (30) days after issuance of the RMA. Any customer returned products delivered to Parraid more than sixty (60) days after issuance of the RMA shall be refused and returned to the customer freight collect. Returns for customer convenience must be requested within 30 days of the original receipt of the product(s). The minimum restocking fee for customer convenience returns shall be twenty (20%) percent of the sale price plus shipping charges.

7. **Cancellation.** Buyer cancellation or rescheduling will not be accepted absent specific agreement in writing by Parraid and may be subject to special charges. Buyer shall be liable for any quantity price adjustments resulting from any partial cancellation.

8. **Force Majeure.** Parraid shall not be liable for any damage or penalty for delay in delivery, or for failure to give notice of delay, when such delay is due to the elements, acts of God, acts of the Buyer, acts of civil or military authority, war, riots, labor action, or any other causes beyond the reasonable control of Parraid. The anticipated delivery date shall be deemed extended for a period of time equal to the time lost due to any delay excusable under this provision. Parraid shall also be entitled to an extension of time for commercially reasonable delays.

9. **Controlling Law.** This Agreement and all transactions under it shall be governed by the laws of the State of Maryland. All disputes arising in connection with the order and which cannot be resolved by Parraid and Buyer in a friendly manner shall be submitted to and finally settled by arbitration in which all proceedings shall take place in Maryland.

10. **Confidential Information.** Proprietary or confidential information ("Confidential Information") developed or disclosed by either party under this Agreement shall be clearly labeled and identified as Confidential Information by the disclosing party at the time of disclosure. Confidential Information shall not be disclosed by the receiving party to any other person except to those individuals who need access to such Confidential Information as needed to ensure proper performance of the Services. Neither party shall be liable for disclosure or use of Confidential Information which: (1) was known by the receiving party at the time of disclosure due to circumstances unrelated to this Agreement; (2) is generally available to the public without breach of this Agreement; (3) is disclosed with the prior written approval of the disclosing party; or (4) is required to be released by applicable law or court order. Each party shall return all Confidential Information relating to this Agreement to the disclosing party upon request of the disclosing party or upon termination of this Agreement, whichever occurs first. This Section shall survive termination of this Agreement.

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11. **General Warranty and Product Support.** Parraid warrants that the products covered hereby shall be free of defects in workmanship and materials, and shall conform to Parraid's published specifications, or other specifications accepted in writing by Parraid, for a period of three years for hardware items and one year for software items from the date of Parraid's shipment (unless otherwise specified by Parraid). The foregoing warranty/product support does not apply to any products which have been subject to misuse, including static discharge, neglect, accident, or modification, or which have been altered and are not capable of being tested by Parraid under normal test conditions. Extended warranty and product support periods must be expressly agreed to in writing by Parraid. The warranty/product support period begins either on the date of delivery or, where the purchase price includes installation by Parraid, on the date of installation.

12. **Limitation of Liability.** Parraid's sole obligation to Buyer hereunder for products failing to meet the aforesaid warranty shall be, at Parraid's discretion, to replace the nonconforming product or issue Buyer credit for the purchase price of the nonconforming product; provided that within the warranty period: (1) Parraid has received written notice of any nonconformity; (2) Buyer has returned the nonconforming product to Parraid prepaid; and (3) Parraid has determined that the product is nonconforming and such nonconformity is not a result of improper installation, modification, or other misuse by Buyer. Parraid shall have a reasonable time to make repair, replace product, or credit Buyer's account. Any replacement product shall carry only the unexpired term of warranty which was applicable to the replaced product. Parraid may modify the specifications or components provided the modifications do not adversely affect the form, fit, or function of the products. Parraid is not responsible for any loss of data which may occur with normal use of the Goods. BUYER ACKNOWLEDGES AND AGREES THAT THE PURCHASE PRICE HAS BEEN NEGOTIATED IN CONSIDERATION OF THE AGREEMENT TO LIMIT CERTAIN LIABILITIES. ACCORDINGLY, IN NO EVENT IS PARRAID LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, HOWEVER CAUSED. IN NO EVENT WILL PARRAID BE LIABLE FOR ANY DAMAGES OR OTHER LIABILITY TO THIRD PERSONS ARISING OUT OF THIS AGREEMENT. IN NO EVENT WILL PARRAID BE LIABLE FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, OR SPECIAL DAMAGES OR LOST REVENUE OR PROFITS, WHETHER OR NOT IT HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES, ARISING OUT OF THIS AGREEMENT. Further, in no event shall Parraid be liable for damages of any kind in excess of amounts paid by Buyer for the Goods.

13. **Exclusion of Warranties.** The foregoing warranty and remedies are exclusive and are made expressly in lieu of all other warranties expressed or implied, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability and fitness for use. Parraid neither assumes nor authorizes any other person to assume for it any other liability in connection with the sale, installation, or use of its products, and Parraid makes no warranty whatsoever for products not manufactured by Parraid. Parraid shall not be liable for damages due to delays in deliveries or use and shall in no event be liable for incidental or consequential damages of any kind. PARRAID DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES FOR THE PRODUCTS AND/OR SERVICES DELIVERED UNDER THIS CONTRACT, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Parraid makes no representation or warranty, either express or otherwise, as to the exportability of its products outside the United States. It is the express obligation of the Buyer to ascertain the legality of exporting Parraid's products, and Buyer shall be solely responsible for acquiring any export licenses or consents.

14. **Solvency.** Buyer certifies that on the date of its order and recertifies that on the date of shipment and at acceptance of shipment, it is solvent and has not filed for protection from creditors under the US bankruptcy laws. Seller may terminate this order for default, in whole or in part if: (1) The Buyer shall become insolvent or make a general assignment for the benefit of creditors; or (2) Files a petition under any bankruptcy act or statute.

15. **General.** The headings used in this agreement are used for administrative purposes only and do not constitute substantive matters to be considered in construing the terms of this agreement. The failure to exercise any of its rights hereunder shall not constitute or be deemed a waiver of forfeiture of such rights. Buyer may not assign or transfer any of the rights, duties or obligations herein without the prior written consent of Parraid and any purported attempt to do shall be null and void. Parraid may assign or transfer any of the rights, duties or obligations herein without the prior written consent of Buyer, and Buyer hereby agrees to any such assignment. Any changes to the terms and conditions must be specifically agreed to in writing by a duly authorized representative of each party before becoming binding on either party.

16. **Intellectual Property.** The sale of products covered by this Order does not convey any license, expressly or by implication, estoppel or otherwise, under any patent, copyright, mask work rights, trade secret, trademark or other intellectual property or moral rights law of any state or national government covering any computer software, equipment, assembly, system, circuit, combination, method or process in which such products may be used, notwithstanding the fact that such products may have been designed for use in, or may in any way be useful in such patented equipment assembly, system, circuit, combination, method or process or may have been purchased and sold for such use. Parraid expressly reserves all its rights under such patents, copyrights, mask work rights, trade secrets, trademarks or other intellectual property or moral rights law of any state or national government. Parraid shall retain all ownership rights to all Innovations, whether or not jointly conceived, and all Intellectual Property rights arising therefrom, including, but not limited to, those Innovations that (i) derive from Parraid's proprietary information, materials and/or Intellectual Property rights, and/or (ii) relate to the business of Parraid. Parraid shall have the right to incorporate such items in work for other customers and in its business generally. Unless specifically granted, Parraid does not convey any license, expressly or by implication, estoppel or otherwise, under any patent, copyright, mask work rights, trade secret, trademark or other intellectual property rights.

17. **Orders Under US Government Contracts.** Unless otherwise agreed to in writing by Parraid, all computer software and documentation will be delivered with Restricted Rights in accordance with FAR 52.227-19, Commercial Computer Software-Restricted Rights.