

NEWSPACE SYSTEMS (PTY) LTD. STANDARD TERMS AND CONDITIONS

GENERAL

NewSpace Systems (Pty) Ltd (The Company) submits all quotations and price lists and accepts all orders subject to the following conditions of contract which apply to all contracts for goods supplied or work done by The Company or their employees to the exclusion of all other representations, conditions or warranties, express or implied. The Buyer agrees to execute and return any license agreements that may be required by The Company in order to authorise the use of those licensable items. If the licensable item is to be resold this condition shall be enforced by the Buyer on the end customer. Each order received by The Company will be deemed to form a separate contract to which these conditions apply and any waiver or any act of non-enforcement or variation of these terms or part thereof shall not bind or prejudice The Company in relation to any other contract. The Company reserves the right to re-issue its price list at any time, and to refuse to accept orders at a price other than the price stated on the price list in force at the time of order. In the case that the price is defined in a formal proposal or quotation from The Company, the validity clause included in that proposal or quotation shall apply. The Company reserves the right to vary the specification or withdraw from offer any of its products without prior warning. The Company reserves the right to refuse to accept any contract that is deemed to be contrary to The Company's policies in force at the time. If the Buyer cannot agree to these Standard Terms and Conditions, The Company can conclude a special contract that considers the Buyers conditions. This contract must be concluded in writing before an order is placed with The Company and is only legally binding if it is signed by an authorised representative of The Company. Orally made agreements shall not be valid.

PRICING

All prices shown on The Company's price list or within formal proposals to the Buyer are based upon the acceptance of these conditions. Any variation of these conditions requested by the Buyer could result in changes in the offered pricing or refusal to supply. Unless specifically agreed in

writing all prices are quoted in USD Dollar, exclusive of purchase tax (VAT) and delivery costs. In addition to the invoiced value the Buyer is liable for all import duty as may be applicable in the Buyer's location. The Buyer shall make any import formalities, whether or not for the purposes of duty assessment, clear at the time of order.

DELIVERY

All delivery times offered by The Company are to be treated as best estimates and no penalty can be accepted for noncompliance with them. Delivery shall be made by The Company using a courier service of its choice. The cost of the delivery will be added to the invoice issued. If the Buyer requests multiple shipments, multiple delivery charges will be made. In the case of multiple deliveries separate invoices may be raised. If requested at the time of ordering an alternative delivery service can be used, but only if account details are supplied to The Company so that the delivery can be invoiced directly to the Buyer by the delivery service and all other requested customs documentation is made available to The Company.

SHIPMENT

The Company will attempt to meet shipment schedules. However, any shipment quotation or forecast on an order acknowledgment is only an estimate of the time required to make shipment and The Company will not assume liability, consequential or otherwise, because of any delay or failure to deliver all or any part of any order for any reason, including its active or passive negligence. The Company reserves the right to allocate inventories and current production in any way it deems desirable.

INSURANCE

The Company insures all shipments made from The Company. If any goods received by the Buyer are in an unsatisfactory condition, the following courses of action shall be taken. If the outer packaging is visibly damaged, then the goods should not be accepted from the courier, or they should be signed for only after noting that the packaging has sustained damage. The Company must be informed immediately if the goods are found to be damaged after unpacking. Under no circumstances should the damaged goods be returned, unless

expressly authorised by The Company. If the damage is not reported within 24 hours of receipt, the insurers of The Company shall bear no liability. Any returns made to The Company for any reason, at any time shall be packaged in the original packaging or its direct equivalent and must be adequately insured by the Buyer. The Buyer agrees to adequately insure all equipment sent to The Company.

PAYMENT

Unless otherwise agreed in writing the standard invoicing procedure for orders above USD \$1000 shall be as follows:

- 30% in advance at start of production of order by The Company

- 70% before delivery of goods by The Company

For orders below USD \$1000, the full amount will be invoiced before delivery to the Buyer.

The Company's terms of payment are 30 days after date of invoice in the bank account of The Company. Any charges incurred in making the payment, either currency conversion or otherwise shall be paid by the Buyer. The Company reserves the right to charge interest at a rate of 2% above the South African bank base rate on any overdue accounts.

CANCELLATION OF ORDER BY BUYER

Cancellation of orders can only be done in writing within four (4) weeks after placement of order. In such a case the Buyer shall forfeit the advance payment. Orders cancelled after four (4) weeks will incur the full contract cost.

TECHNICAL SUPPORT

The Company offers technical telephone and email support. Technical support will be given free of charge for 12 months from the date of invoice, for queries regarding the use of the products in the system configuration for which they were sold. Features not documented in the user manual will not be supported. Interfacing with other products other than those that are preapproved by The Company as compatible cannot be supported unless technical information on the interfaced products can be supplied. If The Company software and hardware is demonstrably working and support at the application level is required by the Buyer, this can be provided but assumes the terms and conditions of such support are agreed in advance.

SUBSTITUTIONS AND MODIFICATIONS

The Company will have the right to make substitutions and modifications of the specifications of Products sold by The Company, provided that such substitutions or modifications will not materially affect overall Product performance.

WARRANTY

As part of a purchase contract The Company offers warranty against parts and defective workmanship of hardware and software. The standard warranty period is 12 months, or up to the point of launch, whichever is sooner. The basis of this warranty is that the fault shall be discussed with The Company's technical support staff before any return is made. If it is agreed that a return for repair is necessary then the faulty item and any other component of the system as requested by those staff shall be returned carriage paid to The Company. Insurance terms as defined in the **INSURANCE** section will apply. The Company will not accept returned goods unless this has been expressly authorised. After warranty repair goods will be returned to the Buyer carriage paid by The Company using their preferred method. Faults incurred by abuse of the product (as defined by The Company) are not covered by the warranty. Attempted repair or alteration of the goods as supplied by The Company, by another party immediately invalidates the warranty offered. Under no circumstances will The Company be liable for any incidental or consequential damage or expense of any kind, including, but not limited to, personal injuries and loss of profits arising in connection with any contract or with the use, abuse, unsafe use or inability to use The Company's goods. The Company's maximum liability shall not exceed, and the Buyer's remedy is limited to, either i) repair or replacement of the defective part or product or at The Company's option ii) return of the product and refund of the purchase price, and such remedy shall be the customer's entire and exclusive remedy. Returns of faulty equipment after the warranty period has expired shall be accompanied with a purchase order to cover re-test and fault assessment charges. The Company may at its discretion make a quotation for repair of the equipment or declare that the equipment is beyond repair. The customer's liability will not exceed 10% of the original purchase price unless a further purchase order for the repair is agreed and issued against a quotation.

PASSING OF RISK AND TITLE

The passing of risk for any supply made by The Company shall occur at the time of delivery. The title however shall not pass to the Buyer until The Company has received payment in full.

INTELLECTUAL PROPERTY

The Buyer agrees to preserve the IPR of The Company at all times, and that no contract for supply of goods involves loss of IPR by The Company unless expressly offered as part of the contract by The Company. The sale of the Products

hereunder to the Buyer shall in no way be deemed to confer upon Buyer any right, interest or license in any patents or patent applications or design copyrights The Company may have covering the Products. The Company retains for itself all proprietary rights in and to all designs, engineering details, and other data and materials pertaining to any Products supplied by The Company and to all discoveries, inventions, patents and other proprietary rights arising out of the work done by The Company in connection with the Products or with any and all Products developed by The Company as a result thereof, including the sole right to manufacture any and all such Products. Buyer warrants that it will not divulge, disclose, or in any way distribute or make use of such information, and that it will not manufacture or engage to have manufactured such Products.

GOVERNING LAW

South African law shall govern this agreement and performance of both parties. Any disputes under any contract entered into by The Company shall be settled in a court of The Company's choice operating under South African law, and the Buyer agrees to attend any such proceedings. No action can be brought arising out of any contract more than 12 months after the completion of the contract.

INDEMNITY AND LIMIT OF LIABILITY

The Buyer shall indemnify The Company against all claims made against The Company by a third party in respect of the goods supplied by The Company. Regarding Limit of Liability; The Company shall not be liable for any loss, damages or penalty resulting from delay in delivery of the Products when such delay is due to causes beyond the reasonable control of The Company, including without limitation, supplier delay, force majeure, act of God, labour unrest, fire, explosion or earthquake. In any such event, the delivery date will be deemed extended for a period equal to the delay. FURTHERMORE, THE COMPANY'S LIABILITY FOR BREACH OF, OR ARISING OUT OF THIS AGREEMENT AND/OR SALE WILL BE LIMITED TO REPAIR OR REPLACEMENT OF ANY DEFECTIVE PRODUCTS OR A REFUND OF THE PURCHASE PRICE OF THE PRODUCTS, AT THE COMPANY'S SOLE OPTION, AS SET FORTH IN THE WARRANTY SECTION ABOVE. IN NO EVENT WILL THE COMPANY BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTED PRODUCTS BY BUYER, NOR WILL THE COMPANY BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES INCLUDING WITHOUT LIMITATION LOSS OF PROFIT WHETHER OR NOT THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS HOWEVER CAUSED, WHETHER FOR BREACH OF CONTRACT, BREACH OF

WARRANTY, NEGLIGENCE OR OTHERWISE. THIS EXCLUSION INCLUDES ANY LIABILITY THAT MAY ARISE OUT OF THIRD PARTY CLAIMS AGAINST BUYER. THE ESSENTIAL PURPOSE OF THIS PROVISION IS TO LIMIT THE POTENTIAL LIABILITY OF THE COMPANY ARISING OUT OF THIS AGREEMENT AND/OR SALE.

INDEMNIFICATION

Buyer shall defend, The Company and hold The Company, its subsidiaries and affiliates, their officers, directors, employees, and agents harmless from and against any claims, actions or demands, liabilities and settlements, including, without limitation, reasonable attorney and accounting fees, resulting from, or alleged to result from Buyer's use of the Product

BANKRUPTCY OR INSOLVENCY OF BUYER

If the financial conditions of the Buyer at any time is such as to give The Company, in its judgment, reasonable grounds for insecurity concerning Buyer's ability to perform its obligations under this agreement. The Company may (a) by notice in writing to Buyer, 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 The Company, (b) require full or partial payment in advance and suspend any further deliveries for continuance of the work to be performed by The Company until such payment has been received or (c) make shipments C.O.D.

SEVERABILITY

If any part of these terms and conditions is found to be illegal, void or unenforceable for any reason, then such clause or section shall be severable from the remaining clauses and sections of these terms and conditions that shall remain in force.