



Standard Terms and Conditions & Warranty

Standard Terms and Conditions

Terms

Except as otherwise agreed to in writing by KBC Networks, Inc. ("KBC Networks"), these terms and conditions shall govern all sales promotion, advertising or license of, and quotations covering purchase order for, products of KBC Networks, and any provision of the BUYER's order deemed inconsistent herewith shall be waived. All orders are subject to acceptance and approval in writing by KBC Networks.

Title and Delivery

Unless otherwise expressly provided herein, title passes to BUYER when products are delivered to the carrier. In all cases, risk of loss or damage to any such product in transit shall fall upon BUYER, whose responsibility it shall be to file claims with the carrier, which shall be deemed BUYER's agent. KBC Networks accepts no responsibility and shall not be responsible for such claims with the carrier. Unless KBC Networks receives specific shipping instructions from BUYER, which may subject BUYER to an additional charge, KBC Networks will exercise its own discretion in selecting the method of shipment.

Shipping dates are approximate and are based upon prompt receipt of all necessary documents from BUYER. KBC Networks reserves the right to make deliveries of product by installments, and when KBC Networks cannot deliver the full amount of all orders on the agreed schedule, the right to allocate production lots among its various BUYERS then under contract for similar goods, in a commercially reasonable manner. KBC Networks shall not be liable for delays in delivery, non-delivery, or other defaults by reason of any strike, lockout, accident, fire, flood, delays of carrier, acts of God, acts of BUYER, acts of civil or military authority, inability to obtain necessary fuel, power, labor, materials, or manufacturing facilities, or any other cause, occurrence, or contingency beyond the reasonable control of KBC Networks. Nor shall KBC Networks be liable for any special or consequential damages caused by any delay in delivery or failure to manufacture or deliver.

Price Quotations

Unless otherwise agreed to in writing by KBC Networks, all quotations expire thirty (30) days after the date of the quotation or at the end of the ordering period of any quantity discount agreement against which the quotation is issued, whichever date is earlier. All prices quoted are valid only if BUYER's requested delivery date (including change orders) is within three (3) months of the date on which the original order is placed. Prices stated do not include freight and any federal, state, municipal, or other government tax

now or hereafter imposed upon the production, storage, sale, taxes, the BUYER, or in lieu thereof; the BUYER shall provide a tax exemption certificate acceptable to the taxing authorities.

Use of KBC Networks Name, Logos, Product Images, and Related Materials

Use of the KBC Networks name, tradenames, logos, product images, and related information (in print- and/or electronic-forms) (collectively "KBC Networks Property") is limited to BUYERS who have completed the Customer application process and our customers in good standing. KBC Networks grants BUYER permission to use the KBC Networks Property subject to the following conditions: (1) all advertising of BUYER clearly indicates that it is advertising of BUYER, and is not advertising of KBC Networks; (2) BUYER's advertising does not imply or suggest an association between BUYER and KBC Networks other than that of buyer and seller; (3) BUYER's use of the KBC Networks Property positively represents KBC Networks and KBC Networks' equipment and related services in a professional manner; (4) BUYER's trade name is more predominant on BUYER's advertising than KBC Networks trademarks; (5) the appropriate trademark notice (™ or ®) appears adjacent all KBC Networks federally registered trademarks; (6) the Trademark Statement below appears in or at the end of all advertising wherein any KBC Networks trademarks are used; (7) no modifications of any KBC Networks Property are made; and (8) only product pricing within ten percent (10%) of KBC Networks' MSRP may be used for direct marketing or E-commerce promotion activities. Use for any other purpose is expressly prohibited, and may result in severe civil and criminal liabilities.

The use of KBC Networks Property is authorized ONLY for promotion and sale of KBC Networks products. Use of KBC Networks Property does NOT imply any business association with KBC Networks, other than that of buyer and seller.

KBC Networks reserves the right to review BUYER's advertising and may: (1) specify and require changes to the advertising as a condition of use; or (2) refuse or revoke permission to use KBC Networks Property by BUYER.

When KBC Networks trademarks are used for the purpose of demonstrating an association between another company and KBC Networks, permission is granted for their use provided that: (1) the applicable legend, "Authorized KBC Networks Dealer," "Authorized KBC Networks Distributor," or "Authorized KBC Networks Systems Integrator" appears below BUYER's tradename; and (2) KBC Networks has not specifically denied permission to BUYER.

KBC Networks trademarks may not be used in any way that gives the impression that BUYER is part of KBC Networks, or

is the EXCLUSIVE Agent, Dealer, or Distributor for KBC Networks.

Permission to use KBC Networks Property for any other purpose is not granted, and must be specifically obtained in writing from the KBC Networks Sales and Marketing Department.

KBC Networks reserves the right to deny or revoke permission to use any of the KBC Networks Property for any or no reason at any time.

KBC Networks, Inc., the KBC Networks, Inc. logos, and "MiniLink" are either trademarks or federally registered trademarks of KBC Networks.

Any rights not expressly granted herein are reserved by KBC Networks. The following Trademark Statement must appear on any document that contains a KBC Networks trademark:

"[the appropriate KBC Networks trademark(s)] is (are) trademark(s) of KBC Networks – Aliso Viejo, CA, and may be registered in certain jurisdictions."

Questions regarding the use of KBC Networks Property should be directed to the KBC Networks Sales and Marketing Department.

Changes

By mutual agreement an order may be suspended or changes may be made in quantity, specifications, place of delivery, or methods of shipment and packaging. If any such change causes an increase or decrease in the price of the equipment or in the time required for delivery, KBC Networks shall promptly notify the BUYER and assert its claim within thirty (30) days from the date the change is agreed upon, and an equitable adjustment shall be made. In any event, changes shall not be binding upon, nor be put into effect by, either party unless confirmed in writing by its appropriate representative.

Payment

Unless special terms are agreed to by KBC Networks in writing, all orders shall require 100% prepayment before product is shipped. Prepayment shall be made in U.S. dollars and may be in the form of wire transfer, approved credit card transaction, approved checks and drafts, money order, C.O.D., funds on account or any other transfer of funds satisfactory to KBC Networks. In the case of checks and drafts, shipment will be made only after funds have cleared KBC Networks' bank.

When KBC Networks has extended credit to BUYER, invoices will be issued under date of shipment with terms of net thirty (30) days from date of invoice, subject to such changes as KBC Networks may impose because of financial or credit conditions existing at time of shipment. In the event of an order for several units, each unit will be invoiced when shipped. Interest will be added to and be payable at the rate of 1.5% per month on all invoices not paid when due. Payment shall be made in U.S. dollars and may be in the form of wire transfer, approved credit card

transaction, approved checks and drafts, money order, funds on account or any other transfer of funds satisfactory to KBC Networks. All credit card transactions over \$5,000 U.S. dollars are subject to a credit card handling fee of 3.5% of the invoice value. KBC Networks reserves the right to modify these terms and conditions for export business and special projects.

Shortages, Returns and Advance Replacements

All claims for shortages, defective, or incorrect products must be filed with KBC Networks by BUYER within fifteen (15) days of receipt of the product. A Return Material Authorization (RMA) number must be obtained by BUYER from KBC Networks prior to return of merchandise and must be written on the package returned and referred to in all related correspondence. KBC Networks standard products, as listed in KBC's published price list, may be returned within thirty (30) days of shipment provided the products are in like new condition and in the original packaging. Any product older than thirty (30) days will be repaired and returned in accordance with KBC Networks' warranty. All requests for advance replacements will require a new purchase order. PLEASE NOTE: Custom Orders, including but not limited to ASFOM, EBUS, 10 Bit Video and built to order remote power items (solar/UPS and SPB power boxes) are Non-Returnable.

Warranty

KBC Networks extends the Limited Warranty to the original owner/purchaser of this product in accordance with the Warranty Policy posted on KBC Networks' website at www.kbcnetworks.com.

KBC Networks extends the following Limited Warranty to the original owner/purchaser of this product: if this product, or any part or portion thereof, shall prove upon examination by KBC Networks, to be defective in material or workmanship, KBC Networks will repair or replace such part or portion at KBC Networks' option. The warranty period on the repaired or replaced part or portion of this product shall be limited to the unexpired term of the original warranty. The buyer shall be responsible for all shipping and transportation of the product to KBC Networks for any performance under this warranty.

Conditions and Exceptions:

a) Any accident to this product, any misuse or abuse, alteration, use in modified form, or any attempt to repair this product shall void this warranty. These conditions to the warranty include, but are not limited to, incorrect power connections, physical damage due to mechanical shock, exposure to moisture, and circuit modification;

b) Should this product prove defective following purchase, the buyer, not the manufacturer, distributor, or retailer, assumes the entire cost of all servicing or repair, except as otherwise provided by the terms of this warranty;

- c) For breach of any written or implied warranty on this product, the buyer is limited to the following damages:
- i. The cost of labor to repair or replace defective parts or portions of this product, and
 - ii. The cost of the repaired or replaced parts or portions of this product;

d) No other expressed or implied warranties have been made or will be made on behalf of KBC Networks with respect to the sale, repair, installation, operation, or replacement of this product. KBC Networks disclaims any implied warranty of merchantability of this product or its fitness for any purpose, and the buyer agrees that this product is sold "as is" and that the entire risk of the quality and performance of this product is with the buyer, except as otherwise provided by the terms of this warranty;

e) Some states/jurisdictions do not allow exclusions or limitations of incidental or consequential damages, or limitations on how long an implied warranty lasts, so the above exclusions or limitations may not apply to you;

f) If you do not wish to be bound by any of the provisions in this warranty, please return the product(s) immediately.

This warranty does not apply in Australia.

Contact KBC Networks at info@kbcnetworks.com regarding return authorization for out of warranty repairs and any further product information.

Limitation of Remedies and Liabilities

The remedies provided herein are BUYER's sole and exclusive remedies. In no event shall KBC Networks be liable for direct, indirect, special, incidental, or consequential damages (including loss of profits), whether based on contract, tort, or any other legal theory. The foregoing limitation of liability shall not apply in the event that any KBC Networks product sold hereunder is determined by a court of competent jurisdiction to be defective and to have directly caused bodily injury, death, or property damage, provided that in no event shall KBC Networks' liability for property damage exceed the greater of \$5,000 or the purchase price of the specific product that caused such damage.

Patented and Copyrighted Materials

Unless otherwise agreed to in writing by KBC Networks, copyrighted materials (printed documentation) may not be copied.

Proprietary Information

All proprietary information, specifically designated as such, which is disclosed by either party to the other in connection with purchase order, shall be used solely for purposes of the purchase order and shall be protected by the recipient from disclosure to others with the same degree of care as that accorded to the recipient's own proprietary information. Information will not be subject to this

provision if (1) it is or becomes a matter of public knowledge without the fault of the recipient party; (2) it was a matter of written record in the recipient party's files prior to disclosure of it by the other party; (3) it was or is received by the recipient party from a third party under circumstances permitting its disclosure; or (4) its disclosure is required by a government agency.

Protection

KBC Networks shall defend any litigation resulting from sales of its products/equipment if the litigation is based on a claim that KBC Networks' equipment or any part of it furnished hereunder constitutes in itself any patent infringement. BUYER shall notify KBC Networks upon its obtaining notice of such an impending claim, and shall cooperate fully with KBC Networks in preparing a defense. KBC Networks shall pay all damages and costs awarded therein against BUYER on grounds of patent infringement and shall reimburse BUYER for any expense it incurs on KBC Networks' written request and authorization. If KBC Networks' equipment or any part thereof is held to constitute patent infringement and the use thereof is enjoined, KBC Networks shall, at its own expense, either procure for the BUYER the right to use KBC Networks' equipment, or replace it with equipment that does not constitute patent infringement. KBC Networks shall not have any liability to BUYER under any provision of this document if any patent infringement or claim thereof, is based upon the use of KBC Networks' equipment in combination with equipment or devices not made by KBC Networks, or in a manner for which KBC Networks' equipment was not designed. The foregoing states the entire liability of KBC Networks with respect to patent infringement relating to KBC Networks' equipment, or any part thereof, ordered by BUYER.

Miscellaneous

BUYER's purchase or license of KBC Networks' products represents acceptance of KBC Networks' terms and conditions as stated herein. These Standard Terms and Conditions constitute the entire understanding of the parties and supersede all prior communications between the parties.