



KVH Industries, Inc.

Standard Terms and Conditions

BY ORDERING KVH PRODUCTS ("PRODUCTS") FROM KVH INDUSTRIES, INC. AND ITS SUBSIDIARIES, WITH CORPORATE OFFICES AT 50 ENTERPRISE CENTER, MIDDLETOWN, RI 02842 USA ("KVH"), YOU AGREE TO THESE STANDARD TERMS AND CONDITIONS. Any different, conflicting or additional terms in any purchase order, order acknowledgment, sales agreement, sales contract or other writing from you or in any other writing from KVH shall be void unless expressly agreed in writing and signed by an officer of KVH stating plainly that you and KVH intend it to serve as a substitution, modification or supplement to these Standard Terms and Conditions. These Standard Terms and Conditions shall comprise the exclusive terms, conditions and agreements of the parties respecting sale of Products described herein. The invalidity of the whole or in part of any provisions hereof shall not affect the validity of any other provision.

ORDERS: You agree to forward all duly executed and authorized purchase orders for Products to KVH. No order shall be processed without a purchase order and no order shall be final or binding until accepted and acknowledged in writing by KVH to you. Purchase orders are not cancellable.

SHIPMENT, DELIVERY AND TITLE: Dates of all planned shipments are estimated and not guaranteed. Unless otherwise agreed to in writing by the parties, all Products will be tendered and shipped EXW (or as may be applicable, FCA) (Incoterms 2010) KVH's plant or warehouse with title and risk of loss or damage to each of the Products passing to you at the point of shipment when delivery is made to the possession of the carrier. All orders may be so tendered in several lots. In the absence of specific instructions, KVH will select the carrier and ship freight and handling prepaid and added to the price of the relevant Product. In cases where you request non-standard shipping, you shall be responsible for all additional costs, including without limitation costs associated with premium freight and, if applicable, any resulting overtime required in order to make deliveries in conformance with your required delivery schedule. KVH will not be deemed responsible for any liability in connection with any shipment because of the selection of a carrier or its failure to obtain insurance.

TAXES AND GOVERNMENTAL CHARGES: Prices do not include any taxes or other governmental charges, including, without limitation, value-added, sales, use or privileges taxes, or excise or similar taxes. At KVH's discretion, any such taxes and charges may be added to the price for any Products or may be billed separately. You agree, in any event, to pay all such taxes and charges, on or before their due dates. In the event KVH is required at any time to pay any such tax or charge, you agree to reimburse KVH promptly on demand. If any governmental agency requires you to withhold any portion of the gross payment due to KVH, then such payment shall be increased by the amount of such withholding.

TERMS OF PAYMENT: Unless otherwise stated in KVH's invoice or agreed to in writing by the parties, terms of payment will be net thirty (30) days from date of invoice. All payments for Products are non-refundable. The terms of payment are also subject to review of your credit by KVH. KVH shall have the right, at any time and from time to time, to require a prepaid cash balance equal to any unfulfilled order(s) or a guaranteed irrevocable letter of credit or other assurance of payment satisfactory to KVH as a condition to acceptance of any order or shipment of any Product. All payments by you to KVH shall be in U.S. Dollars fully net, without set-off, deduction for payment processing or counterclaim and, unless otherwise agreed to by KVH, shall be by check to be drawn on your corporate account at a national bank, by electronic funds transfer pursuant to KVH's instructions, or by KVH's draw upon a bank letter of credit satisfactory in form and substance to KVH. The requirement of a letter of credit is standard for shipments outside the U.S. and for special products.

LATE CHARGES: If you fail to pay the price or any other payment due to KVH promptly and when due, KVH may require you to pay, in addition to the price or

payment, interest thereon at a rate equal to the lesser of 1-1/2% per month and the maximum rate of interest allowable under applicable law, from the original due date until full payment has been made by you or on your behalf.

SOFTWARE LICENSE AND SUPPORT: Certain Products include embedded or associated software necessary for their operation ("**Software**"). Subject to these terms, KVH grants the Product owner a non-exclusive, non-transferable license to use the Software solely with respect to the normal and permitted operation of the Product and for no other purpose. The license granted to you under this section for such Software will terminate if you fail to pay any fee applicable to the Product, at which point KVH may disable such Software. You acknowledge and agree that you have no right, and you specifically agree not to: (a) transfer or sublicense its license rights to any other person absent KVH's express written approval, or use the Software with unauthorized or non-KVH equipment or services; (b) make error corrections to or otherwise modify or adapt the Software nor create derivative works based upon the Software, or permit third parties to do the same; or (c) copy, in whole or in part, decompile, decrypt, reverse engineer, disassemble or otherwise reduce the Software to human-readable form.

KVH may develop upgrades and new versions of the Software, which KVH may provide to you on an over-the-air basis or in other form for incorporation in the Products. You acknowledge that if Product is powered down, it will not be able to receive any software updates over-the-air.

Products containing CommBox Software are subject to KVH's CommBox Software Maintenance and Support Subscription Conditions.

INTELLECTUAL PROPERTY: You acknowledge KVH's absolute worldwide property, ownership and goodwill in any and all intellectual property, patent registrations and patent applications developed or held by or on behalf of KVH relating to the Products and Software and all other intellectual property held by or on behalf of KVH and associated with the Products and Software. Such Software is protected by copyright and other intellectual property laws and treaties. KVH or its suppliers own the title, copyright, and other intellectual property rights in such Software, and such Software is licensed, not sold. Some of the Products include programming content stored in digital form. Except to the extent the same is determined to be part of the public domain, all content maintained in and/or distributed through the Products is subject to copyright, database protection, and other rights under applicable laws. Unauthorized use of such content is a violation of copyright, trademark and potentially other laws. You shall not copy, distribute, transmit or publish such content in any form, including printed, electronic, digitized, audio or otherwise, or modify all or any portion of such content without the prior written consent of KVH and the copyright owner.

GRANT OF SECURITY INTEREST: You hereby grant KVH a security interest in all Products sold to you hereunder to secure due and punctual payment and performance of all of your obligations hereunder. You agree to execute all financing statements and other documents, and take all other actions, that KVH may reasonably request to perfect, protect, continue or maintain such security interests.

LIMITED WARRANTY: Each Product manufactured and sold by KVH is covered by the applicable limited warranty provided with the Product, backed by KVH directly and through its national dealer support network, if applicable. If any Product covered under warranty is returned by you in accordance with KVH's return policy, including without limitation its return authorization provisions, within the applicable warranty period, and upon examination KVH determines to its satisfaction that such Product was defective due to materials or workmanship within the specified warranty period, KVH will, at its option, repair or replace the Product or the defective part thereof in accordance with



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KVH's repair and replacement procedures. If KVH chooses to replace a defective Product or part, the defective Product or part that is being replaced must be returned to KVH or one of its authorized service centers within sixty (60) days of replacement or you agree to pay KVH the original purchase price of such Products or parts. If KVH, in its sole discretion, determines it is not reasonable to repair or replace the defective Product, KVH may in its sole discretion refund the original purchase price of the Product to you. In no event will KVH be responsible for damage to any Product resulting from accident, neglect, use of the Product other than in accordance with the applicable user documentation provided with the Product, or resulting from installation, repairs or alterations made by any person or firm not duly authorized by KVH in writing, or for problems attributable to other products or services not provided by KVH. You agree to convey with each Product distributed to end users the applicable limited warranty included by KVH with such Product, and, if KVH determines that the appropriate remedy for a defective product is refund of your purchase price, you shall refund to the end user (or arrange for the refund to the end user of) the full purchase price paid by the end user for such defective Product.

EXTENDED WARRANTY: The KVH Extended Warranty is available for KVH mini-VSAT Broadband TracPhone V/V-IP Products and KVH mini-VSAT Broadband TracPhone Product Integrated Solutions (the "**Eligible Products**"). "**KVH mini-VSAT Broadband TracPhone Product Integrated Solutions**" shall mean the KVH mini-VSAT Broadband TracPhone V/V-IP Product installed with any of the following: KVH TracPhone FleetBroadband antenna system, KVH TracPhone Fleet One antenna system, TracVision marine satellite television antenna system, IP-MobileCast media servers or third party equipment sold by KVH. The KVH Extended Warranty must be purchased individually for each Eligible Product, which is defined for purposes of these Standard Terms and Conditions as an item with an individual KVH Sales Part Number. The Extended Warranty can be purchased for terms of either one, two, or three years, in each case, in twelve (12) month increments (i) initiating at the expiration of the then current warranty period and in the event that the warranty period has expired (a "**Warranty Gap**"), at the date such Eligible Product satisfactorily passes the KVH preventative maintenance check (the "**PMC**") and (ii) continuing for the length of the period purchased by you (the "**Extended Warranty Period**") provided that the maximum aggregate warranty period for the Eligible Product shall in no event extend beyond five (5) years from the warranty start date. The Extended Warranty Period can be purchased for an Eligible Product any time before the expiration of the then current warranty period or in the event of a Warranty Gap, at the date upon which the Eligible Product satisfactorily passes the PMC. The purchase price for the Extended Warranty is paid in advance and is non-refundable. The Extended Warranty does not provide coverage for defects, faults or damage arising or incurred during the Warranty Gap. In order to purchase the Extended Warranty Period for a previously purchased Eligible Product, you must demonstrate the original purchase of the Eligible Product either by having registered the Eligible Product with KVH within thirty (30) days of the original purchase, or by providing copies of the dated sales receipts for the Eligible Product. This registration process is completed automatically by KVH for leased or rented Eligible Products. All other terms and conditions of the Extended Warranty Period are the same as the terms and conditions of the applicable limited warranty initially provided with the Eligible Product.

THIRD PARTY WARRANTIES: With respect to Products sold to you by KVH but not manufactured by KVH, and unless otherwise indicated in the KVH Limited Warranty included by KVH with such Products, KVH MAKES NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, but will make available to you, to the extent permitted by law and applicable contracts, the warranties of the manufacturer of the relevant product upon your timely written request.

NO IMPLIED WARRANTIES: THE WARRANTIES GIVEN IN THESE TERMS ARE THE ONLY WARRANTIES GIVEN BY KVH WITH RESPECT TO THE PRODUCTS AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. YOUR EXCLUSIVE REMEDIES, AND KVH'S SOLE LIABILITY, FOR ANY NONCONFORMITY OR DEFECT IN ANY PRODUCT SHALL BE THOSE EXPRESSED HEREIN.

LIMITATION OF LIABILITY: UNDER NO CIRCUMSTANCES SHALL KVH'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR KVH'S PERFORMANCE OR ASSERTED FAILURE TO PERFORM HEREUNDER, IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE PURCHASE PRICE OF THE PRODUCT TO WHICH SUCH LIABILITY RELATES. IN NO EVENT SHALL KVH BE LIABLE FOR SPECIAL, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL OR OTHER INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE, PROFITS, BUSINESS OR GOODWILL, WHETHER OR NOT KVH HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. This limitation of liability represents an allocation of risks between KVH and you, which allocation is reflected in the purchase price for the Products.

RETURNS: All sales are final. However, under certain conditions, or to correct a defect in the sales process, KVH, at its sole discretion, may issue authorization for the return of a KVH product. No Product will be accepted for return and no credit will be allowed on any returned Product unless (i) KVH has granted and distributed to you prior written permission by means of a Return Material Authorization ("**RMA**") Tag, (ii) all such returned goods are affixed with applicable KVH RMA Tags, and (iii) all Products are returned in a pristine and re-sellable condition. All returns shall be further subject to KVH's return policy, which may include provisions for authorization procedures, packaging, shipment and restocking charges, if applicable.

EXPORT; COMPLIANCE WITH LAWS: You agree to comply with all applicable laws, including, without limitation, the export control laws in effect in the U.S., Canada and Europe and applicable regulations which may be issued from time to time concerning the exporting, importing and re-exporting of Products. You acknowledge that shipments of Products are subject to the export laws of the U.S., including without limitation U.S. Department of State and Department of Commerce regulations and that a license from the Department of State or the Department of Commerce may be required prior to export of Products. You agree to comply with all applicable licensing requirements. You also agree to comply with the U.S. Foreign Corrupt Practices Act, and shall indemnify KVH for any failure to comply or violation of such Act by you. You shall, at your sole cost and expense, obtain and maintain in effect all permits, licenses and other consents necessary to the conduct of your activities hereunder. Additionally, for U.S. export licensing purposes, you shall provide to KVH any and all documentation required to complete any and all applicable U.S.A. State Department or Commerce Department license applications.

PUBLICITY: You hereby authorize KVH to issue a mutually approved press release describing each order hereunder, and agree to serve as a reference account for KVH prospects. Additionally, you hereby grant KVH the right to use your name and logo in a listing of KVH customers and in any marketing, advertising, promotional or public relations material. You shall be entitled to object to the use of your name and logo in this manner at any time by notifying KVH in writing at the following address: KVH Industries, Inc., 50 Enterprise Center, Middletown, Rhode Island 02842, U.S.A., Attention: KVH Marketing Dept. OR via e-mail to publicity@kvh.com.

NON-EXCLUSIVE: Nothing contained within this agreement shall be construed to establish an exclusive relationship between you and KVH within any territory or within any Product type.



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GOVERNING LAW: You and KVH agree that the terms of purchase and sale of Products set forth herein shall be construed and interpreted pursuant to, and governed by, the substantive laws of the State of Rhode Island, U.S.A. without regard to its conflicts of law principles and without regards to the United Nations Convention on Contracts for the International Sale of Goods. Disputes between you and KVH pertaining to such purchases and sales shall be settled by binding and final arbitration in Rhode Island, U.S.A. pursuant to the Commercial Rules of Arbitration of the American Arbitration Association (“AAA”) before a single arbitrator appointed by the AAA.

KVH Industries, Inc.
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