



TERMS OF SALE

These terms, conditions and provisions of sale ("Terms of Sale"), dated July 2025 are entered into by and between SATEC Inc. ("SATEC Inc."), a "C" Corporation having its principal place of business at 10 Milltown Court, Union, New Jersey 07083, and you, the customer and buyer ("Customer"), under and by which the Customer purchases from SATEC Inc. and SATEC Inc. agreed to sell to the Customer certain Product, Software license and Service as specified and identified within SATEC Inc.'s Quotation. These Terms of Sale are incorporated in their entirety within SATEC Inc.'s Quotation by reference and take precedence over any terms, conditions and provisions that are contained within the Customer's Purchase Order, any other correspondence and any documentation submitted by the Customer to SATEC Inc., which are in addition to, different from, dissimilar to, or conflicting in any way (collectively, "Different and Conflicting Terms") with any of the terms, conditions and provisions stated in the Terms of Sale and Quotation. No Different and Conflicting Terms shall be binding upon SATEC Inc. The Terms of Sale shall apply and be binding upon SATEC Inc. and the Customer regardless of any Different and Conflicting Terms, and the Different and Conflicting Terms are rejected by SATEC Inc. in their entirety.

SATEC Inc.'s commencement of performance or delivery of any Product, Software license or Service shall not be deemed to be or construed to be acceptance of any of the Customer's Different and Conflicting Terms. Customer's Acceptance of SATEC Inc.'s offer for the sale of the Service, Software license and Product is expressly limited to the terms and provisions of SATEC Inc.'s offer, as contained within the Quotation and the Terms of Sale. The sale of Product, license for Software, and Service is conditioned upon Customer's assent to the Terms of Sale in its entirety. Notice of SATEC Inc.'s objection to and rejection of the Customer's Different and Conflicting Terms in their entirety is hereby given to the Customer.

1.0 ADDITIONAL DEFINITIONS

- 1.1 Affiliate means any corporation, firm, partnership or other entity that directly or indirectly controls, or is controlled by or is under common control with SATEC Inc. or the Customer.
- 1.2 Acceptance means the Customer's acceptance of SATEC Inc.'s Quotation and offer for the sale of the Service, Software license and Product, as specified and itemized within the Quotation.
- 1.3 Quotation means collectively SATEC Inc.'s sale quote and SATEC Inc.'s offer for the sale of the Service, Software license and Product specified and identified within the Quotation, which is made and offered by SATEC Inc. solely to the Customer.
- 1.5 Product means, individually or collectively as appropriate, goods and personal property offered for sale by and sold by SATEC Inc.
- 1.6 Purchase Order means an order made and issued by the Customer to SATEC Inc. for the purchase of Product, Software license and Service in response to the Quotation and as Customer's Acceptance of the terms and provisions stated within the Quotation.
- 1.7 End User means a person or entity that the Customer may direct Product and Service purchased by the Customer to be delivered to by SATEC Inc., and which SATEC Inc. may deliver only as an accommodation to the Customer with the understanding that any benefit to the End User is merely incidental and not intended by SATEC Inc. or the Customer, and that the End User is not an intended third-party beneficiary under the Terms of Sale and Agreement.
- 1.8 Limited Warranty Statement means SATEC Inc.'s limited warranty statement for the Product, Software and Service stated within the Terms of Sale.
- 1.9 Software means, individually or collectively as appropriate, programs and other operating information used by a computer that may be licensed by a Customer from SATEC Inc. or may be embedded within the Product, if any.
- 1.10 Service means, individually or collectively as appropriate, any work or acts procured by SATEC Inc., subcontracted by SATEC Inc. with a third party to perform and provide, performed by or to be performed or given by SATEC Inc., which are offered for sale by SATEC



Inc., including but not limited to any of the following: installation, maintenance, repairs, adjustments, assistance, programming, training, startup assistance, troubleshooting, programming, startup service, site programming, set up service, field service, Product integration, Software integration, Product configuration, Software configuration, Product technical support, Software technical support, training with respect to the use and function of the Product; training with respect to the use and function of the Software, Software set-up, Product set-up, Software installation, Product Installation, Product removal, Software removal, in person technical assistance at the Customer's place of business or location of the Product or Software, equipment or software systems set-up or integration work, or any other acts, work or other service that SATEC Inc. may require a separate statement of work to be executed between the parties. SATEC Inc. reserves the right to subcontract the Service to a third-party entity to provide the Service.

2.0 SCOPE, EFFECTIVE DATE AND METHODS OF ACCEPTANCE TO FORM AN AGREEMENT

These Terms of Sale together with the Quotation set forth all the terms and conditions for SATEC Inc.'s Sale and Customer's purchase of the Product, Service and Software license, as itemized within the Quotation. Customer's Acceptance of SATEC Inc.'s offer for the sale of the Service, Software license and Product is expressly limited to the terms and provisions of SATEC Inc.'s offer. The Terms of Sale are effective on the date of the Customer's Acceptance of SATEC Inc.'s offer for the sale of the Product, Software license and Service, as expressed by, designated and itemized within the Quotation. Upon Customer's Acceptance a legal contract (the "Agreement") for the sale and purchase of the Product, Service and Software license, as itemized and specified within the Quotation, is formed between SATEC Inc. and the Customer. Customer's Acceptance may be made and expressed by any of the following methods communicated to and received by SATEC Inc., each an SATEC Inc. approved and authorized method of Acceptance: Customer's written confirmation of acceptance; Customer's definite and seasonable expression of acceptance; the Quotation is signed by the Customer; the Quotation is Electronically accepted by the Customer; the Customer uses an electronic signature to express its acceptance; the Quotation is signed by the Customer with a digital or electronic signature; the Customer makes and issues a Purchase Order to SATEC Inc. in response to SATEC Inc.'s Quotation; or in the absence of any of the forgoing, the Customer otherwise expresses to SATEC Inc. in a writing Customer's Acceptance of the Quotation.

3.0 PRICES

The purchase prices for Product, Software license and Service shall be the price stated and specified in SATEC Inc.'s Quotation, which will also appear in SATEC Inc.'s invoice (the "Invoice") for the Product, Software license and Service, unless a different and higher price for the same Product, Software license or Service is stated within SATEC Inc.'s official and applicable "country of sale price list" ("Country Of Sale Price List"), or in the alternative, within an applicable prior written agreement ("Existing Agreement") executed by SATEC Inc.'s officer(s) and made between SATEC Inc. and the Customer, which specifies the price for the same Product, Software license or Service. (Collectively, the Country of Sale Price List and Existing Agreement, the "Price Statements"). If in comparison to the prices for the Product, Software license and Service stated within SATEC Inc.'s Invoice or Quotation, a different and higher price for the Product, Software license or Service is stated within SATEC Inc.'s Country Of Sale Price List or stated within an Existing Agreement, then the highest price stated and specified within any of the Price Statements shall be the purchase price for the particular Product, Software license and Service purchased by the Customer.

SATEC Inc.'s Quotation, unless Acceptance has been made, shall automatically expire ninety (90) calendar days from the date it was issued by SATEC Inc. and may be cancelled or amended within that same period upon notice to Customer issued by SATEC Inc. provided such cancellation or amendment is made prior to the Customer's Acceptance. Pricing for undelivered Product, Software license and Service may be increased in the event of any increase in SATEC Inc.'s cost, change in market conditions or any other causes which are beyond SATEC Inc.'s reasonable control, but in no case shall the price increase be more than ten percent (10%) of SATEC Inc.'s initial higher price stated in the applicable Price Statements or Quotation.

All Product prices are exclusive and do not include of any freight, handling and shipping insurance charges, taxes, fees and duties or other similar amounts, however designated, including without limitation value added, sales and withholding taxes which are levied or based upon the Product's sale price, charge or upon these Terms of Sale or the Agreement.

All Service and Software license prices are exclusive and do not include of any taxes, fees and duties or other similar amounts, however designated, including without limitation value added, sales and withholding taxes which are levied or based upon the sale prices of the applicable Service and Software license, charges or upon these Terms of Sale or the Agreement.

The Customer shall pay all taxes, including without limitation value added, sales and withholding taxes, which are levied or based upon the prices of and related to Product, Software license and Service sold to the Customer subject to the Agreement and these Terms of Sale (except for taxes based on SATEC Inc.'s revenue income) or if the Customer claim it is tax exempt, then the Customer shall present to SATEC Inc. an exemption certificate acceptable to all relevant taxing authorities. Applicable taxes shall, to the extent practical, be billed as a separate item on the Invoice. Customer shall pay all freight, handling and shipping insurance charges, fees



and duties or other similar amounts related to Product, Software license and Service sold to the Customer subject to the Agreement and these Terms of Sale.

For all "hold for release" orders in which the Customer is not ready to accept delivery and possession at the time of order ("HFR") as soon as the Customer directs the hardware order to be released, the order for field services and software will also be simultaneously released. All pricing will be held for twelve (12) months or as otherwise agreed upon by SATEC, Inc. and the Customer. In the event prices are increased during the twelve (12) month period after the order has been placed, this will be communicated during market announcements, and applies to all products, software, and services.

4.0 ORDERS

Subject to the Terms of Sale, the Customer may purchase Product, Software license and Service by issuing a Purchase Order in response to and as Acceptance of SATEC Inc.'s Quotation, or by other methods of communication indicating Customer's Acceptance, signed by the Customer if requested by SATEC Inc., or (in the case of electronic transmission) sent by Customer's authorized representative, indicating Acceptance of SATEC Inc.'s Quotation and the specific Product, Software license and Service the Customer is agreeing to purchase, and indicating SATEC Inc.'s Product numbers, quantity, unit price, total purchase price, shipping instructions, requested shipping dates, bill-to and ship-to addresses, tax exempt certifications, if applicable, contract reference and identity of the End User, if any, for each Product, Software license and Service. Even if some of the aforementioned information above is missing or incomplete, SATEC Inc.'s acknowledgement of the Customer's Acceptance is not a waiver, modification or limitation of any provision of the Terms of Sale, Quotation or Agreement. All Different and Conflicting Terms are rejected by SATEC Inc. in their entirety and shall not be binding upon SATEC Inc. or made a part of the Agreement between the parties, as Customer's acceptance is expressly limited to the terms and provisions stated within SATEC Inc.'s offer, as expressed by the Quotation. No other terms, provisions or conditions, and no other agreement or understanding in any way modifying the terms, provisions and conditions stated herein shall be binding upon the seller, SATEC Inc., or upon the purchaser, the Customer, unless mutually agreed to in a writing signed by SATEC Inc. and the Customer. Acceptance of the offer of sale stated within the Quotation is expressly limited to the terms, provisions and conditions stated within SATEC Inc.'s sale offer. Purchase Orders may only be issued by a customer in response to SATEC Inc.'s Quotation. Upon SATEC Inc.'s receipt of any Purchase Order, SATEC Inc.'s customer service will review all Purchase Orders for SATEC Inc., and no other person or entity is authorized by SATEC Inc. to accept delivery of or acknowledge the Purchase Orders on SATEC Inc.'s behalf.

The Customer may request to defer the date for the provision of the Service, Software license and the Product's shipment for up to thirty (30) days from the original shipping date scheduled by SATEC Inc., provided written or electronic notice (issued, in either case, by Customer's authorized representative) is received by SATEC Inc. at least ten (10) days before the originally scheduled shipping date. Rescheduled shipments or Product configuration changes requested by Customer less than ten (10) days before the original scheduled shipping date shall be subject to and require (a) SATEC Inc.'s written consent, and (b) a charge of fifteen percent (25%) of the total price for the affected Product to be paid to SATEC Inc. by the Customer. Notwithstanding the foregoing and in all cases, the provision of the Service, and the Product's shipment date may not be unilaterally rescheduled by the Customer without SATEC Inc.'s prior written approval. SATEC Inc. reserves the right to reschedule shipment in cases of configuration changes requested by Customer within ten (10) days of scheduled shipment.

No cancellation of any "special order" Purchase Order or ordering of custom or special tooling and or dies made or procured by SATEC Inc. shall be allowed.

5.0 SHIPPING AND DELIVERY

Scheduled shipping dates will be assigned by SATEC Inc. as close as practicable to the Customer's requested date based on SATEC Inc.'s then-current production or lead times for the Product. SATEC Inc. will communicate scheduled shipping dates in SATEC Inc.'s Quotation or in SATEC Inc.'s order acknowledgement or other form of communication, if the Customer has requested a different shipping date. Unless given written instruction by the Customer, SATEC Inc. shall select the shipping carrier for the Product's delivery.

Subject to SATEC Inc.'s right of stoppage in transit, delivery of the Product to the shipping carrier shall constitute delivery to the Customer, and title and risk of loss shall thereupon pass to the Customer. Selection of the shipping carrier and delivery route shall be made by SATEC Inc. unless specified by Customer. The customer acknowledges that delivery dates provided by SATEC Inc. are estimates only and SATEC Inc. shall not be liable for delays in delivery or for failure to perform for any reason, including but not limited to those causes beyond SATEC Inc.'s control. The shipping carrier is not SATEC Inc.'s agent, nor shall the shipping carrier be deemed to be SATEC Inc.'s agent. Delivery of a quantity of Product, which varies from the quantity specified, shall not relieve Customer of the obligation to accept delivery and pay for the Product delivered. Delay in delivery of any Product installment, in any amount or number, shall not entitle the Customer to cancel any other Product installments.

The Customer's requested Shipping Option shall be indicated on the Purchase Order. The Customer shall pay the shipping and handling charges for the shipping and delivery of the Product, in addition to the purchase price for the Product, which will be included in Customer's remittance to SATEC Inc. In addition, the Customer shall be responsible for and paying all freight, handling and insurance charges after the Product's delivery. If the Customer provides a customer account number to charge shipping costs, SATEC Inc. reserves the right to include a handling fee in an amount to be determined. All shipments are FOB Origin.



In the event the Customer desires to have an order shipped prior to the customary time frame for delivery, SATEC Inc. reserves the right to add a 25% expediting fee to such orders.

SATEC INC. SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR PENALTY FOR DELAY IN DELIVERY OR FOR FAILURE TO GIVE NOTICE OF ANY DELAY. SATEC INC. SHALL NOT HAVE ANY LIABILITY IN CONNECTION WITH SHIPMENT, NOR SHALL THE CARRIER BE DEEMED TO BE AN AGENT OF SATEC INC.

6.0 PAYMENT

For all sales and purchases, upon and subject to SATEC Inc.'s credit approval, payment terms for the purchase of the Product, Software license and Service are stated in the Invoice. For Product sales, payment terms shall commence upon the Product's shipping date, and shall commence for the Software license from the date the Software license is provided to the Customer. For data services, payment terms will commence when meters begin collecting data. For field services, payment terms will commence upon completion of the specific field service that has been rendered. For energy management (billing) services, payment terms will commence on the date the first set of bills is issued, with the caveat that if a request for billing and reports is made by the Customer for dates prior to this start date, SATEC Inc. reserves the right to assess a charge for such services. Unless otherwise noted, full payment for the purchase of the Product, Software license and Service is due promptly in accordance with the Invoice's stated payment terms. All payments for the purchase of the Product, Software license and Service shall be paid to SATEC Inc. in the currency of the United States of America (USA). Each Product shipment, Software license and each provision of Service may be invoiced by SATEC Inc. separately. Customer agrees to pay each Invoice pursuant to its payment terms stated within the Invoice, without any setoff, deduction or abatement for any reason whatsoever.

If at any time Customer is delinquent in the payment of any Invoice, or is otherwise in breach of these Terms of Sale, SATEC Inc. may, in SATEC Inc.'s sole discretion and in addition to and without prejudice to SATEC Inc.'s other rights and remedies, may: withhold shipment (including partial shipments) of any Product; require Customer to prepay for Product shipments; terminate or cancel any Software license SATEC Inc. sold to the Customer; withhold the provision of Service; withhold the, delivery of Product, Service and Software license until complete payment has been received by SATEC Inc. in non-defeasible funds. Any sum not paid by Customer to SATEC Inc. when due shall bear interest from the due date until paid at the rate of one and a half percent per month (1 ½ % per month), and the Customer shall pay and be liable for SATEC Inc.'s costs of collection, including but not limited to all reasonable attorneys' fees and court costs, in any action to collect past due amounts owing by the Customer to SATEC Inc.. Customer's failure to pay all amounts due under any Invoice in full when due shall constitute a default and SATEC Inc. may exercise all rights and remedies, hereunder and under applicable law.

Transportation, freight, and handling charges shall be paid by the Customer to SATEC Inc., in addition to the purchase price of the Product, unless otherwise agreed to in writing by SATEC Inc. SATEC Inc. will select the carrier in the absence of specific instructions by the Customer.

If SATEC Inc. believes in good faith that the Customer's ability to make payments may be impaired or if the Customer shall fail to pay any Invoice when due or any remaining balance thereof, SATEC Inc. may terminate or cancel the Software license, suspend delivery of any Product and Service, until such payment is made in full in non-defeasible funds, or SATEC Inc. may cancel any order or any delivery of any remaining balance thereof, and Customer shall remain liable to pay for any Product already shipped and Service already provided.

Any payment received from Customer may be applied by SATEC Inc. against any obligation owing by the Customer to SATEC Inc., regardless of any statement appearing on or referring to such payment, without discharging Customer's liability for any additional amounts owing from Customer to SATEC Inc., and the acceptance by SATEC Inc. of such payment shall not constitute a discharge or waiver of SATEC Inc.'s right to pursue the collection and payment of any remaining balance owing to SATEC Inc..

7.0 ACCEPTANCE / RETURNS

Product will be deemed to have been accepted by the Customer upon the Product's delivery to the Customer or the End User, if any, unless the Product is rejected by the Customer upon its delivery. Within five (5) consecutive business days immediately following the date of the Product's delivery, which the Customer understands, represents and warrants to SATEC Inc. is a reasonable time period for the Customer to perform its inspections and tests of the Product, the Customer shall promptly perform whatever inspections and tests of the Product the Customer deems necessary. If after five (5) business days immediately following the Product's delivery date the Product was either not accepted or was not rejected by the Customer, the Customer will be deemed to have been irrevocably accepted the Product and the Product's delivery for all purposes and thereafter waives any right of rejection or revocation of Customer's Product acceptance Customer may have had. Any discrepancy in shipment quantity must be reported within five (5) days of delivery date of the Product.

Service will be deemed to have been accepted by the Customer upon the provision of the Service.

Upon the licensed Software's onboarding, training and transition to the Customer, Customer shall promptly use the licensed Software and perform whatever inspection or tests of the licensed Software that the Customer deems necessary but in no event later than five (5) business days immediately after the licensed Software's delivery, after which time Customer will be deemed to have irrevocably accepted the licensed Software for all purposes and waives any right of rejection or revocation of Customer's acceptance Customer may have had. With respect to returns not covered under Section 8.0 below, the Customer may request to return Product that has been delivered, and in such instance, SATEC Inc. will issue a "return material authorization ("RMA") number to the Customer. Any Product that constitutes equipment manufactured by SATEC Inc. that the Customer desires to return within ninety (90) days of delivery will incur a 30% restocking fee. Any Product that has



been delivered to the Customer more than ninety (90) days from the date that the Customer requests a return is not eligible to be returned pursuant to this Section. Any Product that is not manufactured by SATEC Inc. or any specialty Product cannot be returned under any circumstance.

8.0 LIMITED WARRANTY

This limited warranty extends to and covers only the Customer, as the purchaser of the Product, Software and Service; the Customer represents and warrants to SATEC Inc. that the Customer is subject to and bound by the limited warranty and disclaimer of warranty contained within Section 8.0:

PRODUCT LIMITED WARRANTY

SATEC Inc. warrants that commencing from the Product's date of delivery and continuing immediately following thereafter for a period of ~~three (3) consecutive years~~, that the Product will be free from defects in material and workmanship, and except for the foregoing, the Product is sold AS IS with all faults. This warranty does not apply to defects resulting from unauthorized modification, misuse, or use of the Product for any use other than electrical power monitoring, which is the intended and normal use of the Product. The Customer's sole and exclusive remedy and the entire liability of SATEC Inc. under this limited warranty will be, at SATEC Inc.'s option, as follows: (i) the Product's repair; or (ii) shipment of a replacement Product within the above stated warranty period. To exercise this limited warranty, the Customer must give notice (See Section 16.8) to SATEC Inc.'s customer-support department and give additional notice to SATEC Inc.'s customer-support department by email or by telephone for SATEC Inc.'s instructions for the Product's return or repair. If the Product is repaired, SATEC Inc. will ship the repaired Product to the Customer. THE FOREGOING WARRANTIES ARE THE SOLE WARRANTIES, EXPRESS OR IMPLIED, GIVEN BY SATEC INC. IN CONNECTION WITH THE PRODUCT, AND SATEC INC. DISCLAIMS ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS AND WARRANTIES AGAINST LATENT DEFECTS. The Customer must notify SATEC Inc. promptly, but in no event more than three (3) years after the Product's date of delivery of any claimed breach of this warranty, or such claim shall be time barred.

PRODUCT LIMITED WARRANTY RESTRICTIONS

THE LIMITED WARRANTY CONTAINED WITHIN SECTION 8.0 WILL NOT BE GIVEN OR APPLY, AND NO EXPRESS OR IMPLIED WARRANTY, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND WARRANTIES AGAINST LATENT DEFECTS SHALL BE DEEMED APPLICABLE, GIVEN OR PROVIDED BY SATEC INC. WITH RESPECT TO OR CONCERNING THE PRODUCT, **IF**: (a) the Product has been altered, except by SATEC Inc. or SATEC Inc.'s authorized representative; (b) the Product has not been installed, operated, repaired, or maintained in accordance with instructions supplied by SATEC Inc.; (c) the Product has been subjected to abnormal physical or electrical stress, abnormal environmental conditions, misuse, negligence, or accident; (d) the Product is used in ultrahazardous activities; or (e) the Customer failed to pay SATEC Inc. the Product's purchase price pursuant to Section 3.0 and Section 6.0 of these Terms of Sale.

SERVICE LIMITED WARRANTY

SATEC Inc. warrants that Service provided hereunder shall be performed in a workmanlike manner consistent with industry standards. The Customer must notify SATEC Inc. promptly by written notice (see Section 16.8), but in no event more than one (1) year after completion of the Service of any claimed breach of this warranty, or such claim shall be time barred. The Customer's sole and exclusive remedy for breach of any of these foregoing service warranty shall be, at SATEC Inc.'s option, re-performance of the Service, or termination of the applicable Service and the return of the Service fees/amounts paid to SATEC Inc. by Customer for such non-conforming Service. The provision of Service subject to Terms of Sale shall not extend the warranties provided with any Product purchased or Software licensed by Customer. THE FOREGOING SERVICE WARRANTIES ARE THE SOLE WARRANTIES, EXPRESS OR IMPLIED, GIVEN BY SATEC INC. IN CONNECTION WITH THE SERVICE, AND SATEC INC. DISCLAIMS ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY OTHER EXPRESSED OR IMPLIED WARRANTIES CONCERNING THE SERVICE.

SERVICE LIMITED WARRANTY RESTRICTIONS

THE LIMITED WARRANTY CONTAINED WITHIN SECTION 8.0 WILL NOT BE GIVEN OR APPLY, AND NO WARRANTY SHALL BE DEEMED APPLICABLE, GIVEN OR PROVIDED BY SATEC INC. WITH RESPECT TO OR CONCERNING THE SERVICE, **IF** THE CUSTOMER FAILED TO PAY SATEC INC. THE SERVICE'S PURCHASE PRICE PURSUANT TO SECTION 3.0 AND SECTION 6.0 OF THESE TERMS OF SALE.

SOFTWARE LIMITED WARRANTY

SATEC Inc. warrants that for a period of one (1) year immediately after and from the date of Software's delivery from SATEC Inc.: (i) the media, if any, on which the Software is furnished will be free of defects in materials and workmanship under normal use; and

DAMAGES; INDIRECT, SPECIAL, DIRECT OR CONSEQUENTIAL DAMAGES; PUNITIVE OR EXEMPLARY DAMAGES PROVIDED FOR BY ANY SUCH APPLICABLE LAW.

9.0 CONFIDENTIAL INFORMATION

"Confidential Information" is any information that may be disclosed by SATEC Inc. to the Customer, (a "Receiving Party") regarding SATEC Inc.'s Product, Software and Service, technical, financial, marketing data, and information relating to future product and service development. Confidential Information may be given by SATEC Inc. to a Customer only as SATEC Inc.'s accommodation within SATEC Inc.'s sole discretion. As a condition precedent for receiving any Confidential Information, the Customer represents and warrants to SATEC Inc. that the Customer is and will always be in full compliance with the terms contained within Section 9.0.



The Receiving Party may use the Confidential Information solely for the purpose of furtherance of the business relationship between the parties, as provided in these Terms of Sale and shall not disclose the Confidential Information to any third party, other than to employees of the Receiving Party who have a need to have access to and knowledge of the Confidential Information, solely for the purpose authorized above. The Receiving Party shall take appropriate measures by instruction and agreement prior to disclosure to such employees to assure against unauthorized use or disclosure. Information (other than that on SATEC Inc.'s website) disclosed by SATEC Inc. (the "Disclosing Party") in written or other tangible form will be considered Confidential Information only if such information is conspicuously designated as "Confidential", "Proprietary" or bears a similar legend. Information disclosed orally shall be considered Confidential Information only if: (i) identified as confidential, proprietary or the like at the time of disclosure, or (ii) confirmed as confidential, proprietary or the like in writing within thirty (30) days of disclosure. Confidential Information disclosed to the Receiving Party by any Affiliate or agent of the Disclosing Party is subject to these Terms of Sale.

The Receiving Party shall have no obligation with respect to information that (i) was rightfully in possession of the Receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party; (ii) is, or subsequently becomes, legally and publicly available without breach of these Terms of Sale; (iii) is rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality; (iv) is developed by or for the Receiving Party without use of the Confidential Information and such independent development can be shown by documentary evidence; or (v) is disclosed by the Receiving Party pursuant to and in accordance with a valid order issued by a court or government agency, provided that the Receiving Party provides (a) prior written notice to the Disclosing Party of such order and (b) the Disclosing Party prior opportunity to oppose or restrict such disclosure. Upon written demand by the Disclosing Party, the Receiving Party shall: (i) cease using the Confidential Information, (ii) return the Confidential Information and all copies, notes or extracts thereof to the Disclosing Party within seven (7) days of receipt of demand, and (iii) upon request of the Disclosing Party, certify in writing that the Receiving Party has complied with the obligations set forth in this paragraph.

SATEC Inc. shall retain all rights, title and interest to its Confidential Information. No license to any intellectual property (or application for intellectual property protection) is either granted or implied by the conveying of Confidential Information. The Customer shall not reverse-engineer, decompile, or disassemble any Product or any Software, and the Receiving Party shall not remove, overprint or deface any notice of copyright or confidentiality, trademark, logo, legend, or other notices of ownership from any originals or copies of Confidential Information it obtains from the Disclosing Party or from any copies the Disclosing Party is authorized to make.

The Receiving Party shall not disclose, advertise, or publish either the existence, the subject matter, any discussions relating to, or any of the terms and conditions, of these Terms of Sale (or any summary of any of the foregoing), the Product, the Software and Service, to any third party without SATEC Inc.'s prior written consent. Any press release, publication, advertisement or public disclosure regarding the Product, the Software, and Service, and these Terms of Sale may not be made without SATEC Inc.'s prior review and prior written approval.

10.0 PATENT AND COPYRIGHT INFRINGEMENT INDEMNIFICATION

Claims. If the Customer is aware of any alleged claim that the Product sold to the Customer or Software infringes a third party's patent or copyright ("Infringement Claim"):

- (i) The Customer shall promptly notify SATEC Inc. in writing of the Infringement Claim, and all known particulars regarding the Infringement Claim, including but not limited to the identity of the Infringement Claim claimant; and
- (ii) SATEC Inc. may decide to defend against the Infringement Claim or any part of the Infringement Claim, and SATEC Inc.'s election to defend or not defend such Infringement Claim or any part of the Infringement Claim, shall be within SATEC Inc.'s sole discretion. However, If SATEC Inc. elects to defend against the Infringement Claim or any part of the Infringement Claim, then the Customer shall cooperate fully with SATEC Inc. with respect to and in such defense, and grants SATEC Inc. full and exclusive control of such defense and settlement of the Infringement Claim or any part of the Infringement Claim made, and any subsequent appeal.

Additional Remedies. If an Infringement Claim is made or appears likely, Customer agrees to permit SATEC Inc. to procure for Customer the right to continue using the Product, Software, or to replace or modify the subject Software and the Product with one that is at least functionally equivalent. If SATEC Inc. determines that none of those alternatives is reasonably available, then at SATEC Inc.'s election Customer will discontinue using the applicable Software and Product and shall accept SATEC Inc.'s refund for the cost paid by the Customer for the purchase of the Software's License, if any, and the Customer will return the subject Product to SATEC Inc. and SATEC Inc. will refund and the Customer will accept the Customer's remaining net book value of the returned Product calculated according to generally accepted accounting principles.

Exclusions. SATEC Inc. has no obligation for any Infringement Claim based on:

- (i) Compliance with any designs, specifications, or instructions provided by Customer or a third party on Customer's behalf.



- (ii) Modification of a Product or Software by Customer or a third party.
- (iii) The amount or duration of use which Customer makes of the Product, revenue earned by Customer from services it provides that use the Product, or services offered by Customer to external or internal customers; or
- (iv) Combination, operation or use of a Product or Software with non-SATEC Inc. product(s), software or business processes.

Sole and Exclusive Remedy, and Indemnity. This Section 10.0 (Patent and Copyright Infringement Indemnification) states SATEC Inc.'s entire obligation for and the Customer's exclusive remedy regarding each Infringement Claim and claims for intellectual property infringement.

For all intellectual property claims that are not related to, do not arise out of or are not based upon any claimed Product manufacturing, claimed Product design, any claimed violation of third party's patent by the Product, the Software's writing, or any claimed violation of a third party's copyright by the Software, than the Customer shall indemnify, defend and hold SATEC Inc. harmless from all such intellectual property claims.

12. TECHNICAL ASSISTANCE OR ADVICE

SATEC Inc. may provide technical assistance or advice over the telephone ("Telephone Technical Assistance") to the Customer and the End User during SATEC Inc.'s normal business hours about the use of any Product and Software as an accommodation to the Customer, and not as a right to the End User or the Customer.

Telephone Technical Assistance may be given free of charge as an accommodation to the Customer and the End User, and not as any right to any party under the Agreement and is given or made AS IS and with all faults, without any representation and warranty, including but not limited to any express or implied warranty or representation of any kind or nature. SATEC Inc. shall have no obligation to provide any technical assistance or advice to Customer and the End User and if any such assistance or advice is provided, such fact will not obligate SATEC Inc. to provide any further or additional assistance or advice. SATEC Inc. shall not be held liable by Customer or the End User for the Telephone Technical Assistance's content or for the use of such Telephone Technical Assistance or advice nor shall any statements made by any of SATEC Inc.'s representatives or agents in connection with the Product, Software and Service constitute any representation or warranty, express or implied. Customer and the End User waives all any claim(s) based upon or related to any Telephone Technical Assistance. SATEC Inc. may charge, and the Customer shall pay for any technical assistance that is provided by SATEC Inc. at the Customer's place of business or at the location of the Product and Software purchased by the Customer.

13. NO THIRD-PARTY BENEFICIARY

The Customer represents and warrants to SATEC Inc. that the Customer is not acting as an agent for any principal, including any disclosed.

or any non-disclosed principal, for the purchase of any Product, Software License or Service, and there are no third party beneficiaries to, for or under the Agreement and Terms of Sale for the purchase of any Product, Software license or Service, and any benefit received by any person or entity other than SATEC Inc. and the Customer, including any End User, if any, is merely incidental and not intended by the Customer and SATEC Inc.. The terms and provisions of the Agreement are intended solely for the benefit of the Customer and SATEC Inc., their respective successors and permitted assigns, and it is not the intention of the parties, SATEC Inc. and the Customer, to confer upon any other person or entity, including any End User, any rights or third-party beneficiary rights, of any nature whatsoever, or against any of the parties hereto, or to confer any benefit or interest arising out of the Agreement, or to confer any right, power, or privilege in respect of any such other person or entity.

14. COMPLIANCE WITH LAWS AND PUBLISHED POLICIES

SATEC Inc. expects and requires that all parties with whom SATEC Inc. does business with to always act in a professional and ethical

manner in carrying out their contractual obligations to SATEC Inc. To that end, Customer shall:

- (i) Comply with all country, federal, state and local laws, ordinances, codes, regulations, rules, policies and procedures, including, but not limited to, anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act (collectively, "Applicable Laws");
- (ii) Take no action which may render SATEC Inc. liable for a violation of Applicable Laws.
- (iii) Not permit the taking of any actions by a supplier or third party which may render SATEC Inc. liable for a violation of Applicable Laws.
- (iv) Read and agrees to act consistently with SATEC Inc.'s Ethics Policy, which is located on SATEC Inc.'s web site, www.SATEC.Inc.-global.com. If a hard paper copy of SATEC Inc.'s Ethics Policy is needed by any party, SATEC Inc. will provide a copy upon written request.
- (v) Use its best efforts to regularly inform SATEC Inc. of any requirements under any Applicable Laws that directly or indirectly affect these Terms of Sale; the sale, use and distribution of Product, Software and Service; or SATEC Inc.'s trade name, trademarks or other commercial, industrial or intellectual



- property interests, including, but not limited to, certification or type approval of the Product from the proper authorities in the Territory; and
- (vi) Comply with all applicable SATEC Inc. published policies, as amended from time to time. Customers shall promptly notify SATEC Inc. of any failure to comply with any of the foregoing policies that comes to the Customer's attention.

15. LIMITATION AND EXCLUSION OF LIABILITY

15.1 NOTHING IN THESE TERMS OF SALE EXCLUDES THE LIABILITY OF:

(A) EITHER PARTY TO THE OTHER FOR:

- (I) BODILY INJURY OR DEATH RESULTING DIRECTLY FROM THE NEGLIGENCE OF THE OTHER PARTY.
- (II) A BREACH OF SECTION 9.0 (CONFIDENTIAL INFORMATION); OR
- (III) ANY LIABILITY THAT CANNOT BE LIMITED OR EXCLUDED UNDER APPLICABLE LAW.

(B) CUSTOMER TO SATEC INC. ARISING OUT OF:

- (I) ANY AMOUNTS DUE OR OWING TO SATEC INC. UNDER THE AGREEMENT AND THESE TERMS OF SALE.

15.2 SUBJECT TO SECTION 15.1 ABOVE AND SECTION 16.3 BELOW, EACH PARTY'S TOTAL AGGREGATE LIABILITY IS FOR ANY CLAIM, EXCEPT FOR THOSE CLAIMS BASED UPON A BREACH OF SECTION 9.0 (CONFIDENTIAL INFORMATION), IS LIMITED AND SHALL NOT EXCEED CUSTOMER'S PURCHASE PRICE FOR THE PRODUCT, SOFTWARE LICENSE AND SERVICE THAT GAVE RISE TO OR IS RELATED TO SUCH CLAIM.

15.3 SUBJECT TO SECTION 15.1 ABOVE, AND NOTWITHSTANDING ANYTHING ELSE IN THESE TERMS OF SALE TO THE CONTRARY, NEITHER PARTY WILL BE LIABLE FOR ANY:

- (i) SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES.
- (ii) LOSS OF ANY OF THE FOLLOWING: PROFITS, REVENUE,
- (iii) BUSINESS, ANTICIPATED SAVINGS, USE OF ANY PRODUCT OR SERVICE, OPPORTUNITY, GOODWILL OR REPUTATION

15.4 REFERENCES IN SECTION 15 TO (A) A "PARTY" INCLUDES SATEC INC., THE CUSTOMER, AND THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUPPLIERS, SUCCESSORS IN INTEREST AND PERMITTED ASSIGNEES

(B)

"LIABILITY" INCLUDES LIABILITY ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), UNDER ANY INDEMNITY, STRICT LIABILITY OR OTHERWISE, IN EACH CASE EVEN IF A PARTY HAS BEEN INFORMED OF THE POSSIBILITY OF THAT LIABILITY. IN SECTION 15.3, REFERENCES TO "LOSS" REFERS TO ANY AND ALL KINDS OF LOSS OR DAMAGE INCLUDING, WITHOUT LIMITATION, ANY DAMAGES, FINES, COSTS, CHARGES, FEES OR OTHER LIABILITY.

16. GENERAL

16.1 Choice of Law and Jurisdiction. The validity, interpretation, performance of these Terms of Sale, Quotation and Acceptance thereof, and any resulting Agreement, the sale and purchase of Product, Service and Software license shall be controlled by and construed under the laws of the State of New Jersey, United States of America, as if performed wholly within New Jersey and without giving effect to New Jersey's principles of conflicts of law. SATEC INC. AND THE CUSTOMER HEREBY AGREE THAT IN THE EVENT A DISPUTE SHALL ARISE BETWEEN SATEC INC. AND THE CUSTOMER, IT IS HEREBY AGREED THAT THE DISPUTE SHALL BE REFERRED FIRST TO MEDIATION, AND IF MEDIATION IS UNSUCCESSFUL, TO BINDING ARBITRATION IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION. THE ARBITRATOR'S DECISION SHALL BE FINAL AND BINDING AND JUDGMENT MAY BE ENTERED THEREON. Notwithstanding the foregoing, either party may seek interim injunctive relief in any court of appropriate jurisdiction with respect to any alleged breach of such party's intellectual property or proprietary rights, including but not limited to its rights and interest to Confidential Information hereunder.



16.2 Force Majeure. Except for the obligation to pay monies due and owing for the purchase of Product, Service and Software license, neither party shall be liable for any delay or failure in performance due to events outside the defaulting party's reasonable control, including, without limitation, acts of God, earthquakes, labor disputes, industry-wide shortages of supplies, actions of governmental entities, riots, war, terrorism, fire, epidemics, or delays of common carriers or other circumstances beyond its reasonable control. The obligations and rights of the defaulting party shall be extended for the full time of that such event prevented and delayed such party's performance.

16.3 No Waiver. No course of dealing or failure of either party to strictly enforce any term, provision, right or condition of these Terms of Sale shall be construed as a waiver of that term, provision, right or condition. The waiver by either party of any right provided under these Terms of Sale shall not constitute a subsequent or continuing waiver of such right or of any other right under these Terms of Sale.

16.4 Assignment. Neither these Terms of Sale nor any rights or obligations under these Terms of Sale and Agreement shall be assigned by the Customer without SATEC Inc.'s prior written consent, which will be withheld by SATEC Inc. within SATEC Inc.'s sole discretion. Any attempted assignment without SATEC Inc.'s prior written consent shall be null, void and of no effect. SATEC Inc. may assign these Terms of Sale and Agreement, and any rights or obligations under the Terms of Sale and Agreement without the Customer's approval to any Affiliate. Notwithstanding any assignment by Customer, Customer shall remain liable to SATEC Inc. for the payment of all amounts due under these Terms of Sale and the Agreement. The provisions of the Terms of Sale shall be binding upon and inure to the benefit of SATEC Inc. and the Customer, and their respective agents, employees, successors and permitted assigns, including any trustee or other court appointed fiduciary.

16.5 Severability. In the event that part of or one or more terms of these Terms of Sale become or are declared to be illegal or otherwise unenforceable by any court of competent jurisdiction, each such part or term shall be null and void and shall be deemed deleted from these Terms of Sale and Agreement, and all remaining terms of these Terms of Sale and the Agreement shall remain in full force and effect.

16.6 No Agency. These Terms of Sale do not create any agency, partnership, joint venture or franchise relationship. Neither Party shall have any power to bind the other party to any obligation nor shall the Agreement and Terms of Sale create any relationship of agency, partnership or joint venture between the Customer and SATEC Inc. No employee of either party shall be or become, or shall be deemed to be or become, an employee of the other party by virtue of the existence or implementation of these Terms of Sale. Each party hereto is an independent contractor and nothing in the Terms of Sale shall be construed as authorization for either party to act as agent for the other. Neither party shall assume or create any obligation of any nature whatsoever on behalf of the other party or bind the other party in any respect whatsoever.

16.7 Entire Agreement. These Terms of Sale together with the Agreement constitute the entire agreement between the parties concerning the subject matter of these Terms of Sale and Agreement and replace any prior oral or written communications between the parties, all of which are excluded. There are no conditions, understandings, agreements, representations or warranties, expressed or implied, that are not specified herein. These Terms of Sale and Agreement may be modified only by a written document executed by the Customer and SATEC Inc.

16.8 Notices. All notices required or permitted under these Terms of Sale will be in writing and will be deemed given one (1) day after deposit with a commercial express courier specifying next day delivery (or two (2) days for international courier packages specifying 2-day delivery), with written verification of receipt. All communications will be sent to the addresses set forth on the first page of these Terms of Sale, (and notices to SATEC Inc. shall be further addressed to Attn: Customer Service; Contract Notice) or such other address as may be designated by a party by giving written notice to the other party pursuant to this paragraph, or, in the absence of such an address from Customer, to the address to which the last Invoice under these Terms of Sale was sent before notice is served.

16.9 Survival. The Limited Warranty Statement and the following sections shall survive the expiration or termination of these Terms of Sale: Sections 2.0 (Scope), 6.0 (Payment); 7.0 (Acceptance>Returns); 8.0 (Limited Warranty); 9.0 (Confidential Information); 10.0 (Patent and Copyright Infringement Indemnification); 11.0 (Export, Re-Export, Transfer and Use Controls); 12.0 (Technical Assistance or Advice); 13.0 (No Third Party Beneficiaries); 14.0 (Compliance with Laws and Published Policies); 15.0 (Limitation and Exclusion of Liability); 16.0 (General); and 17.0 (Services).

16.10 Headings. Headings of sections have been added solely for convenience of reference and shall not be deemed part of these Terms of Sale.

17.0 SERVICES

SATEC Inc. reserves the right to subcontract Service(s) to a third-party entity to provide the Service(s) to the Customer and End User. Customer acknowledges that SATEC Inc., through its ExpertPower energy management software, stores Customer data for three (3) years from the date that ExpertPower receives such data. After the three (3) year period, data is archived. Any data that the Customer wishes to obtain after expiration of the three (3) year storage period will result in the Customer being assessed an additional fee that will vary based upon the nature of the request. It must be noted that the three (3) year period runs from the date that each data item is entered into storage using the ExpertPower software. As such, there may be multiple dates by which Customer data is archived after the expiration of each three (3) year period.