

## TERMS AND CONDITIONS OF SALE Jan -04-2011

(1) These Terms and Conditions of Sale shall apply to all goods sold and services provided by CES Wireless Technologies Corp., a Maryland corporation ("the Company") and to all quotations, purchase orders, invoices or other documentation concerning such goods or services unless specifically agreed by the Company by instrument in writing signed by the President of the Company. Any terms, conditions, or provisions on any quotation, order form, or other document supplied by the Purchaser, shall be totally disregarded and void and of no effect, and in particular the Company shall not be deemed to amend, vary or in any way affect these Terms and Conditions. The Company will only supply goods and services upon the terms and conditions contained herein. By submitting a Purchase Order to the Company you are agreeing to the Terms and Conditions outlined here and any Terms and Conditions on your Purchase Order have no validity, even if the Company accepts your Purchase Order.

(2) The Purchaser shall be deemed to have accepted these Terms and Conditions and accordingly the contract between the Company and the Purchaser shall be deemed complete and binding in any of the following circumstances:

(a) If the Purchaser accepts or requests delivery of the goods or services verbally or in writing, or

(b) If the Purchaser forwards to the Company a purchaser order form, or other document or letter concerning the goods or services (notwithstanding that such purchase order may contain Terms and Conditions at variance with those contained herein, as such Terms and Conditions on the purchase order shall be void and of no effect by virtue of Paragraph 1 hereof), or

(c) If the Purchaser by its actions or otherwise communicates to the Company its acceptance of these Terms and Conditions. Given that the Terms and Conditions herein contained apply generally and exclusively to the supply of the Company's goods and services, it shall not be necessary to include these Terms and Conditions on any of the Company's orders, invoices or other documentation, and such Terms and Conditions shall be deemed included therein.

(3) The terms of trade and price for the Company's goods and services shall be as specified on any invoice or other relevant documentation of the Company and unless otherwise specified the following shall apply:

(a) The price shall be exclusive of all sales and other taxes, stamp duty, delivery costs and insurance. These additional items shall be added by the Company to the price borne by the Purchaser. All goods are shipped F.O.B. the shipping point unless otherwise agreed in writing. Suggested resale prices shown in the price lists are provided as suggestions only and do not necessarily reflect the prices of products being sold in any area. Purchaser should determine prices at which products are sold. Rebates or refund allowances covering stock on hand because of a decrease in suggested resale price will not be given. Unauthorized deductions will not be honored.

(b) The Company reserves the right after placement of an unconditional order to vary the price to take account of any increase in the cost to the Company of any components or raw materials or any exchange rate variation provided such increase shall only be such as is necessary to compensate the Company for the increased cost to it of such items. Any increase in purchase price shall not invalidate any contract between the Company and the Purchaser or enable the Purchaser to avoid the contract. Nothing herein shall be deemed to limit the right of the Company to vary prices from time to time in relation to any new orders. Orders are taken subject to product availability and acceptance by Company. If an item is temporarily unavailable, it will be placed on back order. The Company reserves the right to cancel orders at any time.

(c) The Purchaser shall pay the whole of the purchase price in the manner described in subparagraph (e) below as follows:

(i) for purchasers who have been designated as approved account customers by the Company after acceptance of the completed credit application form, payment must be made within thirty (30) days of the date of the Company's Invoice;

(ii) for all other purchases payment is to be made in cash or equivalent.

(d) If at any time in the opinion of the Company, the financial condition or circumstances of the Purchaser are such that the Company believes it is appropriate to vary the existing terms of trade, production or delivery, the Company may (without being liable for any loss or damage thereby suffered by the Purchaser) amend such terms of trade, production or delivery in such a manner as it considers appropriate by written notice effective immediately.

(e) The Company shall be paid in U.S. dollars in cash, check, bank draft, irrevocable letter of credit, telegraphic transfer, any agreed combination thereof, or in such other manner or currency as is approved by the Company in writing. International orders will be accepted when accompanied by a irrevocable letter of credit confirmed on a U.S. bank or by bank wire transfer. There will be a U.S. \$35.00 charge for receiving wire transfers that must be paid by the purchaser for all orders less than U.S. \$5,000.00.

(f) The Purchaser shall be responsible for all costs of insuring any goods in transit to the Purchaser and any transportation, freight or delivery costs, which costs shall be prepaid and charged on the invoice.

(g) Any delivery date given by the Company is an estimate only. The Company shall not be responsible in any manner whatsoever for any failure to deliver the goods or services by the delivery date, whether due to circumstances beyond its control or otherwise. In the event that the Company has failed to deliver the goods or services by the delivery date and such failure is due to circumstances within the Company's control, the Purchaser may give the Company thirty (30) days written notice of a new required delivery date. If the Company fails for reasons within its control (but not otherwise) to deliver the goods or services by such new delivery date, the Purchaser may cancel the particular order, but the Purchaser shall have no other claim whatsoever against the Company whether for loss or damage or otherwise as a result of the Company's failure to achieve the new delivery date.

(h) Should the Purchaser be a corporation or a partnership, the Company may require the written personal guarantees of the directors, shareholders, or partners.

(i) Defective Product

(i) The Purchaser shall promptly provide written details to the Company on becoming aware of a defect in the goods during any applicable warranty period, and shall use its best efforts to provide the Company with all necessary access, facilities and information to enable the Company to ascertain or verify the nature and cause of the defect.

(ii) If goods or parts are found not to be defective or if any defect is attributable to the Purchaser's design or materials or operation of the goods or parts, the Company may levy a testing charge (together with sales tax or other duties or taxes if appropriate) and where relevant will return the goods to the Purchaser at the Purchaser's expense, and shall be entitled to payment in advance of the whole testing and transport charge before such return.

(iii) In respect of goods not manufactured by the Company the liability of the Company shall be entirely discharged by the assignment to the Purchaser so far as is legally possible of such warranty rights as have been granted by the manufacturer of such goods. Where such an assignment cannot be effected, the Company's liability shall be limited to an amount (if any) equal to the net amount (after deduction of costs) recovered by the Company in respect of the goods from the manufacturer.

(iv) The Company accepts no liability:

- A. for defects caused by Purchaser's design or installation of the goods;
- B. if the goods have been modified or repaired otherwise than as authorized in writing by the Company;
- C. if the goods have not been operated, stored, or maintained as recommended by the Company;
- D. if the defect arises because of the fitting of the goods to unsuitable equipment;
- E. where the Purchaser has failed to observe the terms of payment for the goods or any other obligation imposed by these conditions.

(j) All shipments are F.O.B. shipping point and risk of loss passes to the Purchaser upon acceptance of the merchandise, in good order, by the carrier. Company assumes no risk of loss and/or damage in transit. For the

Purchaser's protection, visible damage as well as shortages should be noted on the freight bill at the time of delivery. If concealed damage is found the Purchaser should notify the carrier immediately. Due to federal regulations, the shipper is responsible for filing claims on all damaged or lost merchandise even though the terms are F.O.B. shipping point. In order that the Purchaser may recover for any loss on shipments, Company must receive written notice of the loss within thirty (30) days. Such notification must include:

(i) Invoice number and date.

(ii) Itemized list of lost and/or damaged merchandise by model number.

(iii) Inspection report from postal service (damaged parcel post shipments only).

(k) All returns must be authorized in writing by Company and shipped freight prepaid. Collect shipments will not be accepted. All returns are subject to a 20% restocking charge. If Purchaser fails to notify CES within ten (10) days after receipt of goods of any defect, shortage, or other failure to conform to the purchase order, the goods shall be considered accepted by the Purchaser as delivered. No refunds or exchanges are authorized after thirty (30) days from shipment. Purchaser will be invoiced for any missing, damaged or shop worn equipment or accessories.

(4) (a) The goods shall remain the property of the Company as the legal and equitable owner and no property in or title to the goods shall pass to the Purchaser until their full price has been duly paid to the Company. Pending legal and beneficial ownership of the goods passing to the Purchaser, the Purchaser shall

(i) keep the goods in good condition;

(ii) keep the goods fully insured in their full replacement value against all risks prudently insured against;

(iii) not encumber the goods in any way; and (iv) hold and keep the goods separately from other property in the possession of the Purchaser and in a manner which enables the goods to be easily identifiable as goods supplied by the Company.

(b) Failure to pay the price for the goods when due shall, without prejudice to any other remedies the Company may have, entitle the Company to repossess the goods or so much thereof as the Company may determine from any premises where they may be. For the purpose of repossessing the goods or any part thereof the Purchaser hereby grants an irrevocable license to the Company, its employees or agents, to enter upon such premises as the Company reasonably suspects the goods may be located, using such reasonable force as is necessary and without being liable for any damage thereby caused and the Purchaser shall pay to the Company the cost of removal and transport of the goods or any part thereof and the Purchaser shall indemnify the Company from and against any liability to any third party in respect of any such damage and from, and against, all actions, proceedings, claims, demands, costs, damages and expenses howsoever arising.

(c) The Purchaser may in the ordinary course of its business sell and deliver the goods in which the title remains with the Company to a third party as the Company's agent in a fiduciary capacity and for the account of the Company. The Purchaser shall upon request assign to the Company the legal title of any right against any third party arising out of such sale. The Purchaser shall be entitled to receive from the Company by way of commission, the excess of the proceeds of sale over the amounts due to the Company from the Purchaser.

(d) Notwithstanding the provisions of this paragraph (4), the Company shall be entitled to bring an action against the Purchaser for the price of the goods in the event of nonpayment by the Purchaser by the due date as if the title in the goods had already passed to the Purchaser and/or shall have the right by notice in writing to the Purchaser at any time after the agreed delivery date to pass the title in goods to the Purchaser as from the date of such notice.

(5) Should the Company provide any software to the Purchaser, the Purchaser shall only be licensed, subject to compliance with any software license agreement required to be executed by the Purchaser, to use non-exclusively the software. The software and all copyright in any manuals, drawings, operational or technical specifications, disks, tapes and writings shall at all times remain the property of the Company and the Company reserves the right

to use the software and the right to sell, license or otherwise deal with it to other parties. The Purchaser shall not be entitled to modify, improve, or otherwise change the software, except with the Company's prior written consent.

(6) The Purchaser shall ensure compliance with the terms hereof by all its principals, employees, agents and representatives and shall be legally responsible for any breaches hereof by any such principals, employees, agents or representatives and any damages flowing there from.

(7) (a) The Company will not be responsible for any promises, conditions, warranties or representations made by any of its representatives, employees or agents unless the same are expressly set out herein or given by the Company in writing.

(b) The Purchaser acknowledges that the goods provided may be integrated with other components to realize the final usable product. Further, the Purchaser acknowledges that the Company is not liable for the design, development, integration or implementation of the final application and that the inability of the goods to function in a particular application may not be a defect in design, materials or workmanship but lack of suitability for a particular application. The Purchaser will therefore ensure, through purchasing sample product that the goods are suitable for the application and prove the design concept prior to purchasing any quantity of the goods.

(c) The operation of the goods is contingent upon the operation of other sub components such as the radio transceiver equipment, GPS satellite services and/or wireless services. The Company is not responsible for such or any changes implemented by the radio manufacturer or service provider during the lifetime of the goods. Limited data throughput is available when using over conventional two-way radio or radio trunked networks and devices used over these networks must be integrated by a qualified technician or engineer.

(d) Wireless services provided are subject to the carrier's terms and conditions of service. All government fees and taxes will be applied. The Purchaser acknowledges that all fees for wireless services will be invoiced until a written cancellation is received and an acknowledgement of cancellation provided by the Company. By acceptance and payment of the first invoice for wireless services you have agreed to all fees invoiced until a cancellation is received. Any dispute of fees invoiced must be received in writing within 30 days of invoicing. Deactivation and reactivation fees, together with early termination may apply.

(8) (a) The Purchaser acknowledges that the goods and services supplied by the Company are not of a kind ordinarily acquired for personal domestic or household use or consumption. While the Company warrants that the goods will be free from defects in material and workmanship under normal use and service for a period of twelve months (12) for hardware and ninety days (90) days for software the Purchaser further acknowledges that the Company will not be responsible for any direct or indirect loss, expense or cost whatsoever, or damage, or consequential loss or damage suffered by the Purchaser as a result of the goods or services supplied by the Company. The Company's only liability, which shall only be for direct loss attributable to the gross negligence of the Company or its servants, or agents, or the failure of a good manufactured by the Company within the warranty period, shall only be to remedy or repair the goods or re-perform the services at the Company's premises and then to either replace the goods or supply equivalent goods or services. The Company shall have no liability whatsoever for any matters beyond its direct control. While not in derogation of the generality and breadth of the foregoing, the Purchaser specifically acknowledges that the Company shall have no liability in any manner whatsoever for any costs associated with product recall.

(9) (a) The Purchaser acknowledges that the Company will not be liable for any indirect or consequential loss or damage suffered by the Purchaser or any person claiming through the Purchaser howsoever caused. Without limiting the generality of the foregoing, the Company will not be liable for:

(i) Any such loss or damage resulting from any defects in design, materials or workmanship or any malfunction in the goods or from the application or use to which the goods are put by the Purchaser, or

(ii) Any personal injury or loss of life suffered as a result of the use or malfunction of the goods.

(b) The Purchaser will indemnify and keep indemnified the Company against any and all liabilities, claims and costs incurred by or made against the Company in respect of any loss or damage or the type referred to in Clause 9B(a).

(c) THE COMPANY HEREBY PUTS THE PURCHASER ON NOTICE THAT IN THE EVENT THAT THE GOODS ARE, OR ARE INTENDED TO BE, USED OR APPLIED IN CIRCUMSTANCES WHERE ANY MALFUNCTION IN THE GOODS, OR ANY COMPONENT THEREOF, COULD RESULT IN PERSONAL INJURY, LOSS OF LIFE OR DAMAGE TO PROPERTY, THE ONUS WILL BE ON THE PURCHASER TO ENSURE THAT ADEQUATE PRECAUTIONS OR BACKUP SYSTEMS ARE INSTALLED TO MINIMIZE THE POTENTIAL FOR SUCH INJURY, LOSS OR DAMAGE.

(10) THESE TERMS AND CONDITIONS OF SALE CONSTITUTE THE SOLE TERMS AND CONDITIONS GOVERNING THE RELATIONSHIP BETWEEN THE PARTIES TO THE TOTAL EXCLUSION OF ALL OTHERS EXCEPT FOR ANY TERMS AND CONDITIONS AGREED TO BY THE PARTIES IN WRITING. TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY AND ALL IMPLIED TERMS, CONDITIONS OR WARRANTIES HEREIN, OR IN THE BUSINESS RELATIONSHIP BETWEEN THE PURCHASER AND THE COMPANY, SHALL BE EXPRESSLY NEGATED AND EXCLUDED INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(11) In the event of any provision of this agreement or part thereof being in its present form void or unenforceable, such provisions shall be read down but only as far as is required by law to render it enforceable. In the event of any such provision or part thereof being incapable of being so read down, such provision shall be severed from this agreement as if it had never been included, and the balance of these Terms and Conditions shall remain in full force and effect and shall not be tainted by the severance of the offending provision or part thereof.

(12) Should the Purchaser default in the payment of any part of the price by the due date, without prejudice to any other rights the Company may have:

(a) Interest at the maximum rate allowed by law shall accrue automatically upon the amount outstanding and shall be paid by the Purchaser to the Company.

(b) Any other amounts outstanding between the Purchaser and the Company shall become immediately due and payable and shall be paid by the Purchaser to the Company.

(c) The Company may (without being liable for any loss or damage thereby sustained by the Purchaser) suspend production and/or delivery of any and all goods and services to the Purchaser until receipt in full of all moneys outstanding.

(d) The Company may retake possession of any goods supplied by the Company to the Purchaser, which have remained the property of the Company by virtue of Paragraph 4 hereof.

(e) The Purchaser shall pay to the Company all reasonable costs and expenses of the default including reasonable attorney's fees (with or without suit being brought or not) and other expenses incurred by the Company in connection with enforcing Company's rights hereunder.

(13) Time shall be the essence of the contract in respect of which Terms and Conditions form a part.

(14) These Terms and Conditions and all matters concerning the business relationship between the Purchaser and the Company shall be governed by the laws of the State of Florida, U.S.A. and venue of any proceeding brought hereunder shall lie in Orange County, Florida, U.S.A.

(15) Any notices concerning these Terms and Conditions or the business relationship between the Purchaser and the Company shall be deemed to be properly served two days after being dispatched if sent by ordinary mail to the address of the party as specified in the documentation and correspondence between the parties or such other address as shall be notified in writing or instantaneously in the case of facsimile or telex transmissions.

(16) In these Terms and Conditions and in the contractual relationship between the parties, the singular shall mean the plural and vice versa, and the masculine gender shall include the feminine and neuter genders.

(17) These Terms and Conditions and the contract between the parties are personal to the Purchaser and accordingly the Purchaser shall not assign Purchaser's rights or obligations pursuant to these Terms and Conditions without the written consent of the Company, which may be withheld at the sole discretion of the Company.

(18) In the event of the Company extending credit to the Purchaser, the Purchaser agrees to execute the Company's standard credit application form, and hereby authorizes the Company to make such inquiries and/or searches as the Company shall deem appropriate to investigate the Purchaser's financial and business standing and reputation.

(19) (a) Neither party shall be liable for breach of contract other than payment, if and to the extent that fulfillment of a Term or Condition hereof has been prevented, hindered or delayed by force majeure as defined in condition 19(b) below, and in such event that time for fulfillment of such a term shall be extended for such period as is reasonable in all the circumstances.

(b) The expression "force majeure" shall mean any event or circumstance beyond the immediate control of either party, including without prejudice to the generality of the foregoing, strikes, lock-outs, trade disputes, accident to plant or machinery, shortage of any material, riots, civil commotion, war - national or international, emergency, destruction or damage due to natural forces, fire, flood, explosion, and compliance with orders or requests of any national or local authority.

I/We hereby agree to the above terms and conditions of sales for all items purchased from CES Wireless Technologies by either submitting a Purchase Order, or accepting goods, or accepting Invoice, or payment of an invoice.