

XROADS NETWORKS SALES AGREEMENT TERMS & CONDITIONS

1. DEFINITIONS

"The Company" Means XRoads Networks, Inc.
"Customer" Means the purchaser of the Product.
"Commencement Date" Means the date from which the product is shipped to the customer.
"Initial Period" Means a period of 30-days from the Commencement Date.
"Product" Means the Product to be supplied under this Purchase Order to the customer as specified in the customer's purchase Order.
"Purchase Order" Means a customer's purchase order referencing the product provided under this sales agreement and accepted by The Company.
"Covered Products" Means Products that are covered by our 30-day phone based installation support services (see our website for a listing of covered products at www.xroadsnetworks.com).
"Additional Charges" Calculated by the company on a time basis at the prevailing rates for providing additional Products.
"Named Individuals" Means the nominated customer employee(s) who the Company will contact to provide the Products
"Hours" Means the hours between 9.00am and 5.00pm PST Monday to Friday inclusive. Excluding all bank public holidays, unless otherwise specified.
"Product Fee" Means the aggregate sum of the charges for the Products.

2. CHARGES AND PAYMENT

In consideration of the provision of the Products, the Customer shall pay the Product Fee in accordance with the terms stated in the Invoice. Payment shall become due on the date stated on the Invoice. No payment shall be considered made until received by the Company.
Invoices shall be submitted to the Customer at the address stated in the invoice.
All charges payable hereunder are exclusive of Value Added Tax, which shall be invoiced to and paid by the Customer at the rate and in the manner for the time being prescribed by law.
If the Customer shall fail to make any payment within the time specified herein and in the invoice, then, without prejudice to any other right of the Company, interest shall accrue based on (1 1/2%) per month rate on a daily basis on the amount outstanding from the due date until payment is received at the then current rate per calendar month.

3. ACCEPTANCE

The Purchase Order provided by the customer shall constitute an offer by the Customer to purchase the Products which may be accepted by the Company within seven days of receipt. The Customer has 3 days to cancel the Purchase order once it has been accepted by The Company. The Company shall be under no obligation whatsoever to accept such offer. The Company shall not be bound until the Purchase Order has been accepted by the Company. Any representations made by The Company's representatives or employees are binding only when confirmed in writing by a director or branch manager of The Company at the time the Purchase Order is signed by The Company.

NOTE: Upon receipt of the Product this sales agreement shall be considered accepted and binding with or without further notice by either party.

4. PRODUCT SUPPORT

The Company undertakes to provide the customer with the Products specified in the Purchase Order. The Company will provide up to 90-minutes of phone support and unlimited email support for Covered Products or Covered Product releases currently supported by the Covered Product originator for a period of 30-days from the initial Commencement Date. The Company may also offer additional annual support contracts to extend the support period.
The support may include technical advice in relation to the Covered Product, product documentation, updates and updated documentation, etc. Such technical advice will be available during the Hours. The customer shall nominate Named Individuals (including the principal contact) to whom The Company may be required to provide advice. These employees may require approval by The Company.

5. ADDITIONAL SERVICES

The Company shall be entitled to fees at its then current rates in the following circumstances:
The Customer shall provide all such information as the Company shall consider necessary to enable the Company to carry out its obligations under the Purchase Order. If and to the extent that the Company shall be delayed in the performance of such obligations by the failure of the Customer to provide such information and/or access as aforementioned, then the Company shall be entitled to recover from the Customer any additional costs that the Company may incur by reason of such delay;
where the Company's sole opinion, if more than a reasonable level of support is required by the Customer as a result of untrained personnel operating the Product otherwise howsoever and/or;
where support required by the Customer is beyond the initial 30-days as provided under the sales agreement and/or;
if the Customer requests support not covered by this sales agreement.

6. EXCLUSIONS

The obligations of the Company to provide Products shall not extend to and the Company shall be entitled to make additional charges for:
Providing support where in the reasonable opinion of the Company it is impractical to perform due to alterations in the locations of the Product specified attached or connected to any other device or equipment not approved in writing by the Company prior to such connection
Or providing support where in the opinion of the Company the Customer has not complied with technical or environmental installation conditions as specified by the Product manufacturer or the Company or;
Providing support required as a direct or indirect result of damage caused by accident, disaster (which shall include but not be limited to fire, flood, water, wind and lightning), transportation, neglect, nuisance, electrical current or voltage fluctuations or;
Providing support required as a result of radiation affecting the hardware or software attached or;
Providing support in respect of Products which can no longer be maintained in good working order or;
Diagnosis and/or rectification of problems not associated with the Products.

7. LIABILITIES

The Company shall be liable in respect of any negligent act or omission or breach of statutory duty on the part of the Company, its employees, agents or sub-contractors:
The Company shall not be liable for any indirect or consequential loss or damage including (without limitation to the foregoing) economic loss, loss of profits, business operating time or use, and howsoever arising, which will include but not be limited to loss of data.
IN NO EVENT SHALL THE COMPANY LIABILITY EXCEED THE PRICE PAID FOR THE PRODUCT FROM DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM THE USE OF THE PRODUCT, ITS ACCOMPANYING SOFTWARE, OR ITS DOCUMENTATION.
The Company makes no warranty or representation, expressed, implied, or statutory, with respect to its products or the contents or use of this documentation and all accompanying software, and specifically disclaims its quality, performance, merchantability, or fitness for any particular purpose. The

Company reserves the right to revise or update its products, software, or documentation without obligation to notify any individual or entity.

8. LIMITED WARRANTY

The Company warrants every Product to be free from defects in material and workmanship under normal use for the warranty period that applies to the particular Product you have purchased. The Product line includes a limited warranty which provides for a one time replacement of the hardware if a failure occurs under normal operating conditions within that warranty period. Power supply issues are specifically warranted for 90-days from the date of purchase. The Company guarantees that every product will be free from physical defects in material and workmanship when used within the limits set forth in the specifications section of the User Guide(s). If the product proves defective during the warranty period, call XRoads Networks Technical Support in order to obtain a Return Authorization Number. When returning a product, mark the Return Authorization Number clearly on the outside of the package and include a copy of your original proof of purchase. RETURN REQUESTS CANNOT BE PROCESSED WITHOUT PROOF OF PURCHASE. All customers located outside of the United States of America and Canada shall be held responsible for shipping and handling charges.

9. TERMINATION OF ADDITIONAL SERVICES

The Company shall be entitled to terminate the sales agreement with the Customer forthwith by notice without prejudice to any of its other rights in the following circumstances: If the Customer (whether under this or any other sales agreement between the Customer and the Company) is overdue with any payment or commits any breach of contract which is incapable of remedy or which if the same be capable of remedy it fails to remedy within 14 days of the Company's notice to do so or: Notwithstanding any termination or suspension in accordance with this agreement the Customer shall pay to the Company all fees which fell due for payment prior to termination or suspension in full without refund including sums for Products already provided to the date of such termination or suspension shall in addition indemnify the Company against any resulting loss, damage or expense incurred by the Company.

10. CONFIDENTIALITY

Each of the parties undertakes to the other to keep confidential all information (written or oral) concerning the business and affairs of the other that it shall have obtained or received as a result of the discussions leading up to or entering into of this sales agreement save that which is:

- Insignificant or obvious
- Already in its possession other than as a result of a breach of this clause; or
- In the public domain other than as a result of a breach of this clause

Each of the parties undertakes to the other to take all such steps as shall from time to time be necessary to ensure compliance with the provisions of this agreement by its employees, agents or sub-contractors.

11. LICENCING AND INTELLECTUAL PROPERTY RIGHTS

All updates and Beta releases and the Copyright and other intellectual property of whatsoever nature therein, are and shall remain the property of the Company or the originator of the Product (as the case may be).
Portions of the Product are sold under GPL or GNU General Public License. We can provide a Documentation CD upon request for the Customer. The Customer shall ensure that the Product is properly licensed to use the hardware and that the Customer has the right to enter into this sales agreement, the Customer shall indemnify the Company against all damages and costs as a consequence of legal proceedings based on the unauthorised use or alleged use thereof by the Company hereunder. Any attempts to access the EdgeOS firmware accept for those provided within the normal operation of the appliance are prohibited, this includes the unauthorized opening of the hardware appliances. Any attempt to transfer the license or access the internal hardware is considered a violation of this sales agreement and is subject to fines and/or penalties.
Any software fixes generated by the Company for any product covered by this sales agreement shall become the property of the Company.

12. ALTERATIONS

The Customer agrees that it shall make no attempt to access and/or alter software elements of the Product covered by the Purchase Order without prior written approval of the Company. Any unauthorized attempts to do so will entitle the Company to terminate the sales agreement forthwith and to take legal action against the Customer for attempting to release intellectual property.

13. PRODUCT RETURNS

Upon the return of a product which falls under this sales agreement a minimum 5% restocking fee may be charged to Customer depending on the condition of the Product as determined in the sole judgment of the Company. This restocking may be either credited towards the refund amount, or billed separately at the Company's sole option. Products returned for refund must be received within thirty (30) days of the Purchase Order date and must be in the same condition as that in which they were delivered to Customer. Products issued under an RMA must be returned within 15 days of the issue date of the RMA number by the Company.

14. NOTICES

Any notice request, instruction or other document to be given shall be delivered or sent by first class post, email, or by facsimile to the address of the other party set out in the XRoads invoice (or such other address as may have been notified) and any such notice or other document shall be deemed to have been served (if delivered) at the time of delivery upon the expiration of 48 hours after posting.

15. INVALIDITY AND SEVERABILITY

If any provision of this sales agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this sales agreement and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision, which achieves to the greatest extent possible the economic legal and commercial objectives of the invalid or unenforceable provision.

16. SUCCESSORS

This sales agreement shall be binding upon and ensure for the benefit of the successors in title of the parties.

17. PARTNER SUPPORT

The Company may obtain the support services of its partners to carry out all or any part of its obligations under this agreement should the Company so wish.

18. LAW

This Agreement is governed by California law without regard to conflict of law provisions. Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled by arbitration, and administered by the American Arbitration Association under its Commercial Arbitration Rules. Any such arbitration will be governed by California law and will be held in Irvine, California. The arbitrator will be an expert in the field of Internet routing systems. The arbitrator's award shall be final and binding and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. There shall be no class action arbitration pursuant to this agreement.

Version 4.0
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**THIS
AGREEMENT
INCLUDES OUR
30-DAY RETURN
POLICY.**

**PLEASE
READ THIS
STANDARD
SALES
AGREEMENT
CAREFULLY
AND
IF YOU FIND
ANY OF THE
INCLUDED
PROVISIONS
UNACCEPTABLE
RETURN
THIS PRODUCT
IMMEDIATELY.**

**IF YOU HAVE
ANY QUESTIONS
REGARDING
THIS
AGREEMENT
PLEASE
CONTACT
XROADS
NETWORKS AT
888-997-6237.**