

VIRENT, INC. PURCHASE ORDER TERMS AND CONDITIONS

This "Purchase Order" (also referred to herein as the "Agreement") by Virent, Inc. (hereinafter referred to as "VIRENT") becomes a binding contract, subject to the terms and conditions hereof, upon confirmation of this Purchase Order or the delivery of any goods or the commencement of performance of any services pursuant to this Purchase Order by SELLER. Acceptance is limited to the terms and conditions of this Purchase Order, and no purported revisions of, additions to, or deletions from this Purchase Order shall be effective, whether in SELLER's proposal, invoice, acknowledgment or otherwise, and no local, general or trade custom or usage, shall be deemed to effect any variation herein unless expressly agreed to in writing by VIRENT. If the parties intend that SELLER furnish personal services to VIRENT at VIRENT's facilities or work sites under this contract, the terms and conditions set forth in both the General Conditions and Service Conditions shall also apply to those services.

GENERAL CONDITIONS

1. **INVOICING.** SELLER agrees to submit an invoice with each shipment showing the Purchase Order number. All invoices should be issued to Virent, Inc., c/o Accounts Payable. The period of any cash discount period available to VIRENT will date from the date of the invoice. When freight is prepaid for account SELLER must show freight charges separately and sales tax, if any, must be computed before adding freight charges, and a copy of the freight bill must be submitted with the invoice. No allowance will be made for boxes, reels, drums or other returnable containers unless so stated in order and invoiced separately.
2. **DELIVERIES.** Time is of the essence for this Purchase Order. Unless otherwise specified, all deliveries shall be in strict accordance with the terms set forth herein. If delivery dates cannot be met, SELLER shall promptly inform VIRENT in writing of any anticipated or actual delay, the reasons for the delay and the actions being taken to overcome or to minimize the delay. If VIRENT does not approve alternate delivery dates, VIRENT shall have the right to cancel this Purchase Order without further liability, purchase elsewhere, and hold SELLER accountable for all direct damages resulting from SELLER'S failure to meet the original delivery dates. Upon delivery to VIRENT, SELLER shall convey clear title to any goods provided hereunder, free of any lien, encumbrance or security interest. Risk of loss of any goods provided hereunder shall transfer to Virent at time and place of delivery.
3. **CHANGES.** VIRENT reserves the right to change this Agreement by written notice to SELLER. Upon receipt of such notice of change, SELLER shall proceed with the Purchase Order as changed. If such change affects the purchase price or delivery dates, VIRENT and SELLER shall mutually agree upon adjustments in the same, and the agreed adjustments shall be set forth in a written notice issued by VIRENT.
4. **WARRANTY.** (a) SELLER warrants to VIRENT that all goods provided pursuant to the Purchase Order: (i) are free from all defects in design, workmanship and materials, (ii) are new, unless specified otherwise in this Purchase Order, (iii) are fit for use for their ordinary intended purpose as well as any special purpose specified in this Purchase Order, (iv) and their sale or use in their ordinary intended purpose as well as any special purpose specified in this Purchase Order will not constitute infringement or contributory infringement of any copyright, trademark, trade name, patent or related property right or violation of any trade secret, and (v) are in strict conformance with all specifications, descriptions, and warranties set forth in this Purchase Order and shall at all times be subject to VIRENT'S inspection. If, in VIRENT'S opinion, the goods fail to conform to this Purchase Order or are otherwise defective, SELLER shall, at VIRENT'S sole option, promptly repair or replace them at SELLER'S expense. (b) Neither VIRENT'S inspection nor failure to inspect shall relieve SELLER of any warranty obligation hereunder, whether related to goods or services. The remedies stated herein shall be cumulative of any other remedies available in law or equity, and shall extend to VIRENT, its successors, assigns, and customers.
5. **TAXES.** Unless otherwise provided in the terms of this Purchase Order or by law, SELLER shall pay all sales, excise, gross receipt and other taxes, charges, and contributions now or hereafter imposed on, or with respect to, this Purchase Order or the compensation paid to persons employed in connection with performance hereunder, and SELLER shall indemnify VIRENT against any liability and expense by reason of SELLER'S failure to pay the same. In the event SELLER recovers a refund of or credit for any taxes paid to SELLER by VIRENT with respect to the sale of the goods or services herein described or any taxes measured by the price of such goods or services, or the gross receipts from such sale, SELLER agrees to refund to VIRENT, the full amount of such refund or credit.
6. **COMPLIANCE.** SELLER shall comply with all Federal, State or Local laws, ordinances, rules and regulations applicable to performance under this Agreement, and upon request, shall furnish evidence satisfactory to VIRENT of such compliance. SELLER, if a subcontractor under U.S. Government contracts, hereby certifies and confirms that SELLER is and shall remain in compliance with all Executive Orders and federal regulations applicable to performance under this Contract.
7. **TERMINATION.** VIRENT may terminate this Agreement in whole or in part at any time with or without cause by written notice to SELLER. Upon receipt thereof, SELLER shall, to the extent directed by VIRENT, terminate the delivery of goods or services and any outstanding subcontracts provided for under this Agreement, and take action regarding property in SELLER'S possession in which VIRENT has or may acquire an interest. VIRENT shall have the right to take delivery of any portion of the goods in process for which VIRENT shall make written request and pay SELLER for the fair value of any property so requested and delivered. Other than payment for goods or services accepted, the only liability of VIRENT for termination of this Agreement, in whole or in part, is reimbursement to SELLER for all reasonable and verifiable costs incurred by SELLER as to the balance of this Agreement less the greater of either any amounts received by SELLER on resale of such goods in process or the reasonable value of such goods in process. Such payment by VIRENT shall in no event exceed the original Purchase Order price and shall be in full satisfaction of all claims that SELLER may have against VIRENT under this Agreement.
8. **DISPUTE RESOLUTION.** Any controversy or claim arising out of or relating to this Agreement, if not finally settled by mutual agreement of the parties hereto, shall be settled by arbitration. Arbitration shall be held in Madison, Wisconsin. Section 2 of the Federal Arbitration Act (Title 9, U.S.C., Section 1, and et seq.) shall control the validity of this provision.
9. **GOVERNING LAW; JURISDICTION.** This Agreement and all matters arising out of, or related in any manner to this Purchase Order, or the dealings between the parties to this Agreement, shall be construed with and in accordance with the laws of the State of Wisconsin, without giving effect to principles of conflict of laws. In the event that the parties are unable to resolve any dispute by arbitration, VIRENT and SELLER consent to in personam jurisdiction and venue in the state and county courts of Wisconsin and in the Federal District Courts of Wisconsin. VIRENT and SELLER expressly agree that any such action instituted with respect to any matter arising out of or related in any manner to this Agreement or the dealings between VIRENT and SELLER shall be brought only in the state and county courts of Wisconsin and in the Federal District Courts of Wisconsin, and in no other jurisdiction or venue.
10. **ASSIGNMENT.** Neither this Agreement nor any claim against VIRENT arising directly or indirectly out of or in connection with this Agreement shall be assigned by operation of law, or otherwise without VIRENT'S prior written consent. VIRENT reserves the right to assign this Agreement to an acquirer of the business interests of VIRENT to which this Agreement relates.

11. **CONFIDENTIAL INFORMATION.** All information, drawings, documents and knowledge of VIRENT'S operations, business, employees, processes or equipment acquired or handled by SELLER in connection with this Agreement shall be considered to be Confidential Information, and shall not be disclosed or used without the prior written consent of VIRENT.
12. **CONTINUING OBLIGATIONS.** The provisions of Sections 4, 5, 8, 9 and 13 of these General Conditions, and Clauses 14, and 15 of the Service Conditions, if applicable, are continuing obligations and shall survive the completion or termination of this Agreement.
13. **INDEMNIFICATION.** For purposes of this Section 13, references to (i) VIRENT shall mean VIRENT and its directors, officers, employees, agents, representatives and affiliates, (ii) SELLER shall mean SELLER and its directors, officers, employees, agents, representatives, sellers, subcontractors, licensees and invitees, (iii) affiliates shall mean any person or entity controlling, controlled by, or under common control with VIRENT, and (iv) invitees shall mean any person whom SELLER invites on or otherwise causes to be on the site. SELLER agrees to protect, defend, indemnify and hold VIRENT harmless from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, punitive damages, liabilities, fines, penalties, losses, costs, and expenses, including without limitation, costs of defense and attorneys' fees (each a "Claim," or collectively "Claims") arising out of or resulting from any breach of this Agreement, any acts or omissions of SELLER, or in any way related to the goods or services provided under this Agreement, including without limitation acts or omissions resulting in any personal injury, death, or damage to property.
VIRENT shall notify SELLER of any Claim that has given or could give rise to a right of indemnification hereunder or that may be presented to it by any party. At VIRENT'S sole discretion and option, exercisable at any time, VIRENT may itself undertake the defense, litigation or satisfaction of any such Claim, reserving its right to seek indemnification against SELLER until after the Claim is resolved, or, VIRENT may direct SELLER to contest, defend, litigate, settle or satisfy any Claim made against VIRENT, provided that SELLER shall not settle any Claim without VIRENT'S prior written consent. In the event that this Section 13 is found to be in conflict with any applicable law or governmental regulation, then to the extent necessary to resolve such conflict and only to such extent, such provision is to be deemed amended so as to be in compliance with any such law or governmental regulation.
14. **NO WAIVER OF DEFAULTS.** No failure by VIRENT to enforce at any time any of the terms or conditions of this Agreement shall constitute a waiver thereof or in any way impair VIRENT'S right at any time to avail itself of such remedies as it may have to enforce such terms or conditions. No waiver by VIRENT hereunder will be effective unless in writing and signed by VIRENT.

SERVICE CONDITIONS

15. **SERVICE WARRANTY.** SELLER warrants that it shall perform all services diligently, carefully, in conformance with this Agreement, and in a good and workmanlike manner; shall furnish all trained and qualified labor, supervision, equipment (including fuel), materials and supplies necessary therefore; shall obtain and maintain all building and other permits and licenses required by public authorities to be in SELLER'S name; shall not permit any liens or charges to attach to the services or VIRENT'S premises, but, if any does so attach shall promptly procure their release; shall perform all services in its own name and as an independent contractor, and not in the name of, or as agent for VIRENT; and, shall be responsible for all services performed by its subcontractors. If at any time during the performance of the services, or within one (1) year following acceptance of the services by VIRENT, VIRENT discovers that the services does not conform to the warranties set forth herein, SELLER shall, at no cost to VIRENT, promptly perform or arrange for the performance of any remedial work required to make the services conform to the warranties set forth herein. All risk of loss and damage for the services, including warranty services, shall remain with SELLER until such services are completed.
16. **INSURANCE.** Before commencing any services hereunder, SELLER shall provide to VIRENT certificates of insurance evidencing that the insurance coverage contains: (1) a waiver of subrogation in favor of VIRENT, and (2) provisions covering VIRENT as an additional insured. A copy of the additional insured endorsement(s) evidencing such protection, duly issued by SELLER'S liability carriers, shall be delivered to VIRENT with the certificate(s) of insurance. The certificates of insurance will set forth evidence of all insurance coverage required of SELLER.
SELLER agrees to carry the following minimum insurance through the life of this Agreement.
 - a. Workers Compensation - in accordance with the law of the State of Wisconsin
 - b. General Liability - Combined single limit not less than **\$1,000,000** Bodily Injury/Property
 - c. Automobile Liability - Combined single limit not less than **\$1,000,000** Bodily Injury/PropertyPlease have your insurance underwriters endorse your insurance certificates to provide coverage as noted above. If requested by Virent, please submit certificate(s) of insurance directly to Virent.
17. **USE OF PREMISES.** SELLER shall perform all services with minimum interference with the operations of VIRENT and of others on the premises, and shall take, and cause SELLER'S and every subcontractor's employees, agents, licensees, and permittees to take, all necessary precautions (including those required by VIRENT'S safety regulations) to protect the premises and all persons and property thereon from damage or injury. Upon completion of the services, SELLER shall leave the premises clean and free of all equipment, waste materials and rubbish. The term "premises" in this Agreement is used in the broadest sense and includes all land, property, buildings, structures, and installations, and all other means of conveyance owned by or leased to VIRENT or otherwise being utilized in VIRENT'S business.
18. **DRUGS, ALCOHOL, AND FIREARMS.** The use or possession of illegal drugs, paraphernalia, firearms, live ammunition, alcoholic beverages, explosives, or weapons by anyone while on VIRENT'S premises is absolutely prohibited unless specifically authorized. SELLER'S personnel who are found in violation of these prohibitions will not be allowed on VIRENT'S premises.