



TERMS & CONDITIONS

1. COMPLETE STATEMENT OF TERMS AND CONDITIONS

This document, including attachments, contains all of the terms and conditions of sale of AYON CyberSecurity, Inc.'s (dba as VDC and hereinafter referred to as VDC) products and services and supersedes the terms and conditions of any purchase order and all prior or contemporaneous understandings, representations, or warranties (including those contained in sales, promotional, and/or marketing materials).

2. DELIVERY

VDC shall use its best efforts to meet the Contract delivery schedule. However, VDC shall not be held in default or any consequential damages, penalties, etc., as a result of performance for any delay in delivery of goods when such delay is directly or indirectly caused by or in any manner arises or results from fire; flood; accident; riot; war; Government interference; rationing; allocations of embargoes; strikes or shortage of labor; delays in delivery or inability to deliver by VDC'S suppliers; or other causes (whether or not similar in nature to any of those specified) beyond the control of VDC. After such causes have been remedied, VDC shall make and Buyer shall accept deliveries under the Contract. The delivery dates set out in the Contract shall be extended by a period equal to the time of delay. VDC will notify Buyer if a scheduled delivery is expected to be delayed more than 30 days. If Buyer requests, VDC will arrange for shipment by premium transportation and, if the delay is not excused, will pay the additional shipping cost. Shipment by premium transportation is VDC'S only obligation and liability for delay in delivery. VDC may make partial and advance deliveries unless specifically noted in the Contract. If Buyer causes a delay in delivery, Buyer will be invoiced for additional cost incurred, including costs of storage and insurance. Delivery of VDC'S Products shall be FOB VDC'S factory, (Cocoa, FL).

3. CHANGES/MODIFICATIONS

The Buyer may, in writing, direct changes to drawings and specifications of the product or to otherwise change the scope of the work covered by this order, including, but not limited to, such matters as inspection, testing, quality control, or delivery dates. If such changes result in an increase or decrease in cost to VDC for performance resulting from such changes, VDC shall notify Buyer and the Parties shall immediately negotiate an equitable adjustment to the Contract or Purchase Order, a contract modification or modification or formal change order is to be issued. VDC shall proceed diligently with the performance of this Purchase Order as so changed. The Parties agree that the authority to make changes hereunder with respect to the

provisions of this Contract or Purchase Order, shall only be binding upon the Parties if directed in writing by the Buyer's authorized purchasing representative and accepted by VDC'S authorized contracts representative. Any modification or departure from these terms and conditions, including an agreement to accept Buyer's terms and conditions or purchase, shall be valid only if in writing and signed by an authorized representative of VDC.

4. PACKAGING AND SHIPPING

VDC will package and arrange for shipping the Products according to customary standards for domestic shipments of such items. Buyer will be invoiced for the costs of shipping and special packaging.

5. SECURITY INTEREST

VDC shall retain a purchase money security interest in the Products and in any sums due or paid to Buyer therefore by any third party, until Buyer has paid the purchase price to VDC in full. Buyer shall do what in the reasonable judgment of VDC is necessary to maintain the security interest. If VDC requests, Buyer shall insure the Products in the full amount of the security interest against all loss, damage, or destruction from the time the Products are delivered to the FOB point until the security interest is removed. If Buyer is in default of any obligation hereunder, or if a proceeding in bankruptcy, dissolution, liquidation, insolvency, receivership, or reorganization is instituted by or against Buyer, Buyer's property or business, VDC shall have the right to declare the unpaid balance owing under any orders to be immediately due and payable, and to take immediate possession of the Products or any portion thereof without demand, further notice, or legal process.

6. PRICES

Unless guaranteed in a written quotation, all prices are subject to change without notice, and all sales will be invoiced at prices in effect on the date VDC accepts Buyer's order.

7. INVOICING AND PAYMENTS

VDC shall issue an invoice for any initial payment on the date an order is accepted and an invoice for the balance of the order price on the date it makes delivery. If Buyer causes a delay in delivery, VDC may issue its invoice at any time on or after the scheduled delivery date. Payment is due in full within 30 days following the invoice date and shall be made by deposit of the payment to VDC'S account. Invoiced amounts are not subject to reduction by set-off or otherwise, without the express, prior written consent of VDC. If VDC believes Buyer's financial condition does not justify delivery on the terms of payment above, VDC may require full or partial payment in advance, stop delivery of Products in transit, reclaim Products upon demand, or terminate any order or any portion thereof.

8. TAXES AND OTHER ASSESSMENTS ON SALES

Product prices do not include taxes, excises, and other assessments on sales, which shall be invoiced to Buyer. If Buyer provides a copy of a resale or other tax exemption certificate, VDC shall not invoice Buyer for taxes covered by such certificate. Buyer shall indemnify and defend

VDC at Buyer's expense against all liability for any taxes or assessments, plus any interest, fines and penalties, assessed by any governmental entity, which are not paid in reliance upon an exemption certificate or a representation by Buyer that they are not applicable to the sale.

9. LIMITATION OF LIABILITY

To the maximum extent allowed by law, VDC shall not be liable for indirect, incidental, special, or consequential damages hereunder. VDC'S maximum aggregate liability for all other damages for which liability is not or cannot be disclaimed or limited shall not exceed the price Buyer has paid for the Product, which is the subject of the damage claim.

10. FORCE MAJEURE

VDC shall not be liable for failure to perform any of its obligations due to causes beyond its reasonable control. Such causes shall include, but shall not be limited to, such things as fire, flood, earthquake, or other natural disaster, war, embargo, riot, the intervention of any governmental authority, strikes (regardless of the characterization thereof), labor slowdowns or walkouts, shortages of labor, material or transport, and failures of suppliers to deliver in accordance with the terms of their contracts.

11. DEFAULT

If Buyer defaults in the performance of any obligations or if Buyer prevents VDC from performing any obligation for a period of 90 days or longer, in addition to any other remedies.

12. WAIVERS

VDC'S election not to enforce any provision hereof or of any order issued hereunder shall not be construed to be a continuing waiver, and VDC reserves the right subsequently to enforce such provision unless it agrees otherwise in writing.

13. NEW/OTHER THAN NEW MATERIALS FOR REFURBISHED PRODUCTS

VDC may use other than new, reconditioned, or remanufactured material in the production of refurbished or remanufactured products only. "Other than new" material includes, but is not limited to, recycled, recovered, remanufactured, used, and reconditioned material. "Reconditioned" means restored to an earlier normal operating condition by readjustments and replacement of parts. "Remanufactured" means factory rebuilt to new equipment performance specification and unused subsequent to rebuilding. "New" mean previously unused or composed of previously unused materials that may include unused residual inventory or Government surplus property.

14. HAZARDOUS MATERIAL

The Products sold under this Order may contain hazardous substances, which require proper handling and disposal. Buyer agrees to comply with all applicable local, state and federal laws and regulations in such handling/disposition.

15. DESIGNED TO MEET DEFINITION

VDC has been developing and supplying rugged military equipment for over thirty (30) years. VDC defines “Designed to Meet” as full compliance to the specific standard(s) referenced, i.e. MIL-DTL-901E, MIL-STD-167-1A, MIL-STD-810, etc., with the equipment properly oriented and mounted as defined by the VDC specification. If it is determined through independent Environmental Qualification Testing (EQT) during the VDC standard warranty period that the supplied equipment does not meet the quoted performance levels, VDC will modify the equipment to be compliant at VDC’s cost. The cost of testing, retesting and all associated shipping will be borne by the customer.

16. PROPRIETARY INFORMATION

Buyer shall keep in confidence and shall take reasonable and appropriate measures to safeguard any data, such as VDC’S specifications, drawings, software, and information (including, without limitations, designs, reports, software documentation, manuals, models, process information, and the like), revealed by VDC and containing proprietary information marked or identified as proprietary. Such data shall not be duplicated, disclosed to others, or used other than with respect to a purchase from VDC without VDC’S written permission. These obligations shall not apply to any information which becomes generally available to the public other than as a result of a disclosure by Buyer or was available to Buyer on a non-confidential basis prior to its disclosure to Buyer by VDC or becomes available to VDC, provided that such source is not prohibited from disclosing such information to Buyer by a contractual, legal, or fiduciary obligation to VDC.

17. ASSIGNMENT

VDC reserves the right, without consent of the Buyer, to assign this agreement to a successor by way of merger, consolidation or acquisition of substantially all of the businesses and/or assets of VDC.

18. TERMINATION

If an order or part thereof is terminated, VDC shall stop work as soon as reasonably practicable. Costs incurred in performing the terminated portion of the order and in processing the termination, including a reasonable profit, shall be invoiced to and paid by Buyer within thirty days (30) thereafter. In addition, the price for the non-terminated portion of Buyer’s order may be increased to reflect the additional costs, if any, borne by such portion by such portion because of the partial termination, plus a reasonable profit.

19. TARIFF CONTINGENCY CLAUSE

The parties acknowledge that current or future tariffs, duties, trade restrictions, or government-imposed fees (“Tariffs”) may impact the cost of goods and services under this Agreement. In the event that any new Tariffs are imposed, or existing Tariffs are increased, after the Effective Date

of this Agreement, the Seller reserves the right to adjust the pricing of affected goods or services to reflect the increased costs.

The Seller shall provide written notice to the Buyer detailing the nature and amount of any price adjustment due to Tariffs. The Buyer shall have 5 days from receipt of such notice to either (i) accept the adjusted pricing, or (ii) negotiate alternative terms, including but not limited to modifying the sourcing of goods. If the parties cannot reach a mutually acceptable resolution within 10 days, either party may terminate the affected portion of this Agreement without penalty.

The Seller agrees to make reasonable efforts to mitigate the impact of Tariffs by diversifying sourcing locations, exploring local production options, and actively monitoring trade policy developments. However, the Buyer acknowledges that such efforts may not fully offset Tariff-related cost increases.

20. DISPUTE RESOLUTION

In lieu of litigation, all disputes shall be resolved as follows:

Cooperation

The Parties will attempt to settle all disputes arising under this Agreement without resort to mediation or arbitration.

Mediation

If a dispute is not resolved within 45 days following the date either Party gives written notification to the other of the dispute, within 12 months from such date either Party may submit the dispute to mediation in the country and state in which VDC resides.

Arbitration

All disputes which are not resolved through cooperation and mediation may be submitted to binding arbitration in the county and state in which VDC resides, using the rules of the American Arbitration Association/

No arbitration proceedings may be commenced until mediation is completed. Such proceedings shall be commenced within 12 months after completion of mediation.

21. APPLICABLE LAW

The validity and interpretation of these terms and conditions and performance hereunder shall be governed by the laws of the State of Florida, excluding its conflict of laws.

22. WARRANTY

VDC'S warranty is attached hereto. Buyer's sole and exclusive remedy with respect to the Warranty given by VDC shall be strictly limited, at VDC'S sole election, to the remedy or remedies provided for in the product Warranty. THERE ARE NO WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY (INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) THAT EXTEND BEYOND THE TERMS SET FORTH IN THE VDC'S WARRANTY.

23. ENTIRE AGREEMENT

This order, together with the attachments, exhibits, or supplements specifically referenced in this order, constitutes the entire agreement between VDC and Buyer with respect to the matter contained herein and supersedes all prior oral or written representations and agreements.