

ROCKFORD SYSTEMS, LLC
TERMS AND CONDITIONS

Subject to these **TERMS AND CONDITIONS** (as may be amended, modified or supplemented from time to time, the "Terms and Conditions"), Rockford Systems, LLC ("Rockford Systems") agrees to sell or provide such goods, products, parts, accessories and/or services, including any applicable documentation with respect thereto (collectively, "Goods"), as are identified and/or described in Rockford Systems's sales quotations, sales order acknowledgements, service agreements, change orders and/or invoices (collectively, "Order Documentation") issued by Rockford Systems to its customer identified in any such Order Documentation (the "Customer").

1. Agreement.

1.1. These Terms and Conditions shall become binding upon Rockford Systems and Customer upon the earlier of (i) Rockford Systems's issuance of a sales order acknowledgement to Customer or (ii) Rockford Systems's shipment of Goods to Customer, whether in whole or in part.

1.2. The Terms and Conditions are expressly limited to the terms and conditions set forth herein unless expressly modified with reference hereto in any of the Order Documentation. All terms set forth on Customer's purchase order or otherwise proposed by Customer are hereby objected to and shall be void unless expressly agreed to in a writing signed by Rockford Systems. These Terms and Conditions and the Order Documentation into which the Terms and Conditions have been incorporated contain the entire agreement of the parties ("Agreement") and all proposals, negotiations, representations or agreements made or entered prior to or contemporaneously herewith, whether oral or in writing, are expressly superseded.

2. Prices, Taxes and Clearances.

2.1. All prices for Rockford Systems's Goods are set forth in the applicable Order Documentation. Prices for Goods are FOB Rockford Systems's plant of manufacture unless otherwise specified in writing by the parties. Prices are stated in United States Dollars and payment shall be made in United States currency. Prices do not include sales, use, excise or any similar taxes. Any tax or other governmental charge upon the production, sale, shipment, or use of the Goods which Rockford Systems is required to pay or collect from Customer shall be paid by Customer to Rockford Systems unless Customer furnishes Rockford Systems with a tax exemption certificate acceptable to the applicable taxing authority. Customer shall be responsible for obtaining any necessary governmental clearances, including any import and/or foreign exchange license, which may be required by the federal, any state or any foreign government, or any subdivision or agency of any thereof. Prices specified are for standard packaging only. Any special packaging requested by the Customer, including special protection for export shipment, will be at the Customer's expense.

3. Payment.

3.1. Customers with established credit may purchase for immediate processing of orders. Customers not previously established with credit may apply for open-account status. Orders received without suitable credit information must be prepaid in full prior to shipment. MasterCard, Visa and American Express cards are accepted. Payment of the purchase price for the Goods (including any applicable sales or use tax) is, unless otherwise indicated, due and payable thirty (30) days from the date of invoice with respect thereto. Thereafter, the unpaid balance of the total purchase price shall bear interest at the rate of one and one-half percent (1.5%) per month until paid in full. Minimum order size is \$25.00. Orders received for less than \$25.00 will be subject to a service charge to bring total order to \$25.00.

3.2. Invoices shall be dated as of the date of shipment of Goods. However, if, in the opinion of Rockford Systems, the financial condition of Customer becomes impaired or unsatisfactory prior to payment in full with respect to the amounts due Rockford Systems under the Agreement, Customer shall, if required by Rockford Systems to do so, make payment in 10 days, make cash payments or furnish satisfactory security before any further deliveries are made. Failure or refusal by Customer to comply with the requirements that Rockford Systems may impose upon Customer in accordance with the foregoing shall entitle Rockford Systems to suspend deliveries of Goods under the Agreement during such failure or refusal or, alternatively, to terminate the Agreement. Any such action by Rockford Systems shall not in any way prejudice Rockford Systems's claim for damages or Customer's obligations to pay for Goods already delivered.

4. Risk of Loss, Title and Shipment.

4.1. Risk of damage, destruction or loss and title to the Goods passes to Customer upon delivery to the designated carrier, and upon such delivery no damage, destruction or loss of the Goods shall release Customer from its obligations and liabilities to Rockford Systems under the Agreement. Rockford Systems will ship in accordance with instructions supplied by Customer, but if Customer fails to furnish such instructions, Rockford Systems will select what is, in its opinion, the most satisfactory manner of shipping and will designate the carrier to be used for the shipment. Unless otherwise mutually agreed, shipping dates are approximate and based upon prompt receipt of all necessary information. Any prepayment by Rockford Systems of freight charges shall be for the account of Customer and shall be paid by Customer with the total purchase price for the Goods.

5. Force Majeure.

5.1. Rockford Systems shall not be liable for any delay in delivery of Goods, or failure to deliver Goods, due, directly or indirectly, to any cause beyond Rockford Systems's

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reasonable control, including, but not limited to, acts of God, fires, floods, strikes or other labor disputes, accidents, machinery or equipment breakdowns, acts of sabotage or terrorism, riots, wars, inability to obtain raw materials, components, fuel or supplies, delay in transportation or lack of transportation facilities, or any restrictions or delays imposed by or caused by policies of any federal, state, foreign or other governmental legislation, rules, regulations or orders. In the event of any such delay or failure, the Agreement shall not terminate but the required date of shipment of the Goods shall be extended for a period equal to the time lost because of any such failure or delay.

6. Cancellation.

6.1. Customer may only cancel an order with respect to Goods under the Order Documentation upon Rockford Systems's consent and upon the payment to Rockford Systems of (i) the full purchase price for all Goods ordered by Customer and ready for delivery, and (ii) with respect to all other Goods ordered by Customer proposed under such cancelled order, the lesser of (x) the purchase price for such Goods and (y) a reasonable profit with respect to such Goods together with all costs incurred by Rockford Systems in connection with producing such Goods, including, without limitation, reasonable overhead plus the costs incurred by Rockford Systems with respect to all special dies, tools, patterns and fixtures, labor and other expenses in connection with Rockford Systems's performance under such order, all such costs to be determined in accordance with generally accepted accounting principles. Solely for the purposes of this Section and only with respect to those terminations caused by an increase in the purchase price of Goods to be purchased pursuant to the Order Documentation, the purchase price for such Goods to be used in calculating termination charges payable under the Agreement shall equal the purchase price in effect immediately prior to the proposed price change. Upon Customer's request and after the payment by Customer of all termination charges to be paid hereunder, Rockford Systems shall make available for shipment to Customer (which shipment shall be subject to these Terms and Conditions) all completed and partially completed Goods produced pursuant to the Order Documentation; provided, however, Rockford Systems may, at its sole option, accept any cancellation on a no charge basis, retaining in its possession any materials acquired for the processing of the canceled order.

7. Expiration.

7.1. This Agreement shall expire upon the completion of all orders under the Order Documentation. Notwithstanding the foregoing, in the event of expiration of this Agreement, Sections 3, 5, 8, 9, 10, 13, 14, 15, 16 and 18 of this Agreement shall survive.

8. Inspection and Acceptance.

8.1. Upon delivery of the Goods to Customer's designated shipping destination, Customer shall promptly inspect the Goods for conformance to the Agreement. Any claim for shortage must be made in writing and received by Rockford Systems within 10 days after Customer's receipt of the Goods along with documentation supporting the claim. All other claims, including claims for alleged defective products, to the extent they are not disclaimed by Rockford Systems under this Agreement, must be made by Customer in writing and received by Rockford Systems within the applicable time specified in Section 8.1(ii) below. All claims not made in writing, whether received by Rockford Systems within the applicable time specified in Section 8.1(ii) below, shall be deemed waived. Returned merchandise must be authorized by Rockford Systems in advance, at which time a Return Materials Authorization (RMA) number will be issued. No returned merchandise will be accepted unless accompanied by an RMA number, with the RMA number clearly identified on the outside of the shipping container. Material returned without an RMA number will be refused by our shipping department. All return shipments must be prepaid. The minimum restocking charge will be 25% for any material not found to be defective. Such merchandise must be in original condition and unused to qualify for credit. Custom, special or built to order items may not qualify for credit; however, items may be returned for modification, which may incur an additional cost. No returns for credit will be considered more than 30 days from date of shipment.

9. Limited Warranties.

9.1. (i) Subject to Section 8.1(ii) below, Rockford Systems makes to Customer the following sole and exclusive warranties with respect to Goods:

(a) with respect to Goods that are manufactured based on Customer specifications, at the time of shipment by Rockford Systems, the Goods sold under the Agreement that are manufactured by Rockford Systems pursuant to such specifications conform to such specifications set forth in the applicable Order Documentation; and

(b) at the time of shipment by Rockford Systems, the Goods sold under the Agreement that are manufactured by Rockford Systems are free from defects in material and workmanship.

(c) Rockford Systems's warranty is for a period of 1 year, and begins from date of shipment from Rockford Systems to the original purchaser.

This warranty does not include accessories, parts or equipment sold hereunder that are manufactured by someone other than Rockford Systems.

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(ii) Every claim by Customer against Rockford Systems for breach of warranty with respect to the Goods shall be deemed waived by Customer unless written notice thereof is received by Rockford Systems within fifteen (15) days after discovery.

9.2. If Rockford Systems breaches either of the warranties set forth in Section 8.1(i) above, and written notice thereof is received by Rockford Systems from Customer within the applicable time period specified in Section 8.1(ii) above, Customer's sole and exclusive remedy and Rockford Systems's only obligation shall be, as Rockford Systems in its sole and exclusive judgment shall determine, the replacement of the nonconforming Goods, or an adjustment to the purchase price for the nonconforming Goods or the repair of the nonconforming Goods. All transportation charges related to replacement or repair of Goods shipped to Rockford Systems's plant or facility (or other place at Rockford Systems's direction) shall be prepaid by Customer. Rockford Systems shall be responsible for reasonable transportation charges back to Customer for Goods that have been replaced or repaired by Rockford Systems. Any replacement Goods or repaired Goods shall be subject to these Terms and Conditions.

9.3. THE EXPRESS WARRANTIES SET FORTH HEREIN ARE THE ONLY WARRANTIES APPLICABLE TO THE SALE OF GOODS BY ROCKFORD SYSTEMS TO CUSTOMER PURSUANT TO THE AGREEMENT, AND THEY EXCLUDE ALL OTHER EXPRESS, ORAL OR WRITTEN WARRANTIES, AS WELL AS ANY WARRANTIES IMPLIED BY LAW WITH RESPECT TO THE GOODS, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PURPOSE, NOTWITHSTANDING ANY DISCLOSURE TO ROCKFORD SYSTEMS OF THE INTENDED USE OF THE GOODS.

9.4. Rockford Systems's warranties under Section 8.1(i) are void if repairs or modifications of the Goods are made by anyone other than Rockford Systems. Without limitation of the foregoing, Rockford Systems assumes no responsibility for and shall have no obligations to Customer because defects in any materials furnished by, or any faulty workmanship provided by, any party other than Rockford Systems.

9.5. Rockford Systems reserves the right to improve its products through changes in design or material without being obligated to incorporate such changes into products of prior manufacture. Customer cannot rely on any such changes as proof of insufficiency or inadequacy of prior designs of the Goods or material contained in the Goods.

9.6. If Customer grants to an end user of the Goods (or any other customer of Customer) any warranty that is greater in scope or time than the warranty and claims period stated herein, Rockford Systems shall not be liable beyond the scope of the limited warranty, the claim period, the damages and the remedies provided for under this Section.

9.7. Solely to the extent transferable, Rockford Systems assigns and transfers to Customer the original manufacturer's warranty on Goods sold hereunder that are not manufactured by Rockford Systems.

10. LIMITATION OF LIABILITY.

10.1. ROCKFORD SYSTEMS WILL NOT BE LIABLE FOR AND IS NOT (AND SHALL NOT BE) RESPONSIBLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT UNDER ANY CIRCUMSTANCES, INCLUDING, BUT NOT LIMITED TO, LOSS OF LIFE, PERSONAL INJURY, LOSS OF INCOME (BUSINESS OR PERSONAL), DAMAGE OR LOSS (INCLUDING ANY INCREASED COSTS SUFFERED OR INCURRED BY CUSTOMER) RESULTING FROM CUSTOMER'S INABILITY TO USE THE GOODS OR CUSTOMER'S (OR ITS CUSTOMER'S) INABILITY TO USE ANY EQUIPMENT, OR ANY INCREASED OPERATING COSTS OR LOSS OF PRODUCTION OR OTHER COSTS INCURRED BY CUSTOMER (OR ANY CUSTOMER OF CUSTOMER) IN REMOVING, REINSTATING OR REPAIRING ALLEGEDLY DEFECTIVE OR NONCONFORMING GOODS, DELAY DAMAGES OR ANY OTHER SUCH DAMAGES, WHETHER ARISING FROM CAUSES SIMILAR TO OR DISSIMILAR TO THOSE ENUMERATED (COLLECTIVELY, "SPECIAL DAMAGES").

10.2. ROCKFORD SYSTEMS DISCLAIMS ANY LIABILITY FOR FAILURE OF PERFORMANCE OR MALFUNCTION OF THE GOODS SUPPLIED BY ROCKFORD SYSTEMS PURSUANT TO THE AGREEMENT WHICH IN ROCKFORD SYSTEMS'S OPINION IS THE DIRECT OR INDIRECT RESULT OF ANY ACTION OR INACTION BY CUSTOMER OR ANY PARTY OTHER THAN ROCKFORD SYSTEMS (INCLUDING, WITHOUT LIMITATION, ANY CUSTOMER OF CUSTOMER OR OTHER USER OF THE GOODS) INCLUDING, WITHOUT LIMITATION, ABUSE, NEGLIGENCE, ACCIDENT, IMPROPER INSTALLATION, MODIFICATIONS OR REPAIRS NOT MADE BY ROCKFORD SYSTEMS, INCORRECT OR INAPPROPRIATE USE OR APPLICATION, FAILURE TO MAINTAIN, UNSUITABILITY OR INCOMPATIBILITY WITH OTHER PRODUCTS OR EQUIPMENT NOT SUPPLIED BY ROCKFORD SYSTEMS, OR THE PRESENCE OF NON-RECOMMENDED FLUIDS OR OTHER CONTAMINANTS.

10.3. NOTWITHSTANDING ANY PROVISION HEREOF WHICH MAY BE OR APPEAR TO BE TO THE CONTRARY, IN NO EVENT WHATSOEVER SHALL ROCKFORD SYSTEMS'S LIABILITY IN RESPECT TO ANY CLAIM OR ACTION OF ANY KIND ARISING OUT OF, IN CONNECTION WITH, OR RESULTING FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, USE

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OR REPAIR OF THE GOODS OR COMPONENT PARTS THEREOF OR THE SERVICES RENDERED BY ROCKFORD SYSTEMS PURSUANT TO THE AGREEMENT, OR ANY BREACH BY ROCKFORD SYSTEMS OF ANY TERM OF THE AGREEMENT, EXCEED THE PRICE FOR THE GOODS OR COMPONENT PART THEREOF OR SERVICE WHICH GIVES RISE TO SUCH CLAIM OR ACTION. CUSTOMER ASSUMES ALL OTHER LIABILITY FOR ANY LOSS, DAMAGE OR INJURY TO PERSONS OR PROPERTY ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE USE OF THE GOODS, EITHER ALONE OR IN COMBINATION WITH OTHER PRODUCTS, INCLUDING, WITHOUT LIMITATION, ANY "SPECIAL DAMAGES" OR ANY LOSS, DAMAGE OR INJURY TO CUSTOMER (OR TO CUSTOMER'S EMPLOYEES OR PROPERTY OR TO THE EMPLOYEES OR PROPERTY OF ANY CUSTOMER OF CUSTOMER OR OTHER USER OF THE GOODS) DUE TO THE ACTS OR OMISSIONS OF CUSTOMER, ITS AGENTS, EMPLOYEES OR CUSTOMERS, IN THE INSTALLATION, MAINTENANCE, USE OR OPERATION OF SUCH GOODS.

10.4. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, INCLUDING ANY INDEMNIFICATION OBLIGATION, ROCKFORD SYSTEMS SHALL HAVE NO OBLIGATION TO CUSTOMER FOR ANY LIABILITY ARISING FROM (A) ANY PERSONNEL (INCLUDING ANY 3RD PARTY CONTRACTOR) OF CUSTOMER (I) PLACING ANY BODY PART IN MACHINERY, (II) OPERATING MACHINERY WITHOUT PROPER EYE, FACE OR BODY PROTECTION, (III) OPERATING OF MACHINERY WITHOUT APPROPRIATE TRAINING, (IV) OPERATING OF MACHINERY THAT HAS NOT BEEN MAINTAINED IN A MANNER CONSISTENT WITH INDUSTRY STANDARDS, (V) OPERATING MACHINERY THAT HAS BEEN TAMPERED, REWIRED OR BYPASSED BY CUSTOMER OR ANY THIRD PARTY OR (B) A MECHANICAL DEFECT, MALFUNCTION OR FAILURE IN MACHINERY OR COMPONENT THEREOF OR OTHERWISE RESULTING FROM CUSTOMER'S BREACH OF THE AGREEMENT.

10.5. THE PARTIES ACKNOWLEDGE THAT THE ALLOCATION OF RISKS AND BENEFITS UNDER THIS AGREEMENT IS BASED ON, AND THE FEES PAID UNDER THIS AGREEMENT WOULD BE GREATER IN THE ABSENCE OF, THE LIMITATIONS DESCRIBED ABOVE. THIS SECTION WILL SURVIVE TERMINATION OF THIS AGREEMENT.

11. Compliance with Law.

11.1. Rockford Systems represents that Goods delivered by Rockford Systems pursuant to the Agreement will comply with the Fair Labor Standards Act of 1938, as amended.

12. Federal Contract Requirements.

12.1. In the event the Agreement is subject to any of the following requirements related to federal contracts, Rockford Systems represents that its performance hereunder is in compliance with: (i) Executive Order 11246, including section 202; (ii) The Vietnam Era Veterans Readjustment Assistance Act of 1974; (iii) applicable worker's compensation requirements; and (iv) The Rehabilitation Act of 1973.

13. Indemnification; Intellectual Property.

13.1. Notwithstanding any provision contained herein to the contrary, Customer agrees to indemnify and hold Rockford Systems harmless from any and all damages, costs and expenses relating to any claim arising from the Goods on the Customer's premises including but not limited to (a) any person whether employed by customer or otherwise, intentionally or unintentionally (i) placing any body part in machinery, (ii) operating machinery without proper eye, face or body protection, (iii) operating of machinery without appropriate training, (iv) operating of machinery that has not been maintained, or is not operated, in a manner consistent with, OSHA, ANSI and other applicable industry standards, (v) operating machinery that has been tampered, rewired or bypassed by Customer or any third party or (b) a mechanical defect, malfunction or failure in machinery or component thereof or otherwise resulting from Customer's breach of the Agreement.

13.2. In the event any Goods to be furnished under the Agreement are to be made in accordance with drawings, samples or manufacturing specifications designated by Customer, Customer agrees to hold Rockford Systems harmless from any and all damages, costs and expenses relating to any claim arising from the design, manufacture or use of such Goods or arising from a claim that such Goods furnished to Customer by Rockford Systems, or the use thereof, infringes upon any intellectual property rights, including, without limitation, Letters Patent or trade secrets, foreign or domestic, and Customer agrees at its own expense to undertake the defense of any suit against Rockford Systems brought upon such claim or claims. In the event, any Goods to be furnished under the Agreement are solely the design of Rockford Systems, Rockford Systems agrees (subject to the last sentence of this Section) to hold harmless Customer and its customers against damage awarded by a court of final jurisdiction in any suit or suits for the infringement of any intellectual property rights or the violation of any trade secrets because of the sale or use of such Goods furnished by Rockford Systems under the Agreement. Customer agrees to notify Rockford Systems as soon as practicable of any charge

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or suit alleging any such infringement or violation, and agrees that the foregoing agreement by Rockford Systems to indemnify shall not apply unless Rockford Systems shall have been so notified and given the opportunity to take over the defense thereof, and further, such agreement to indemnify shall not apply if (i) the claimed infringement is settled without the consent of Rockford Systems unless required by a final unappealable decree of a court of competent jurisdiction, or (ii) the infringement or violation results from the use of any Goods delivered pursuant to the Agreement in combination with a product not delivered thereunder where such infringement or violation would not have occurred from the use of the Goods alone delivered pursuant to the Agreement. Notwithstanding the foregoing, any obligation on Rockford Systems's part to indemnify Customer shall be limited solely in amount as provided for in Section 9 above.

13.3. The Parties agree that any work performed hereunder shall not be considered a "Work for Hire", and that for purposes of 17 U.S. Code Section 201(b) Rockford Systems owns all rights comprised in any copyright obtained or obtainable by Rockford Systems; provided that this Section 12.2 shall not give Rockford Systems and rights with respect to pre-existing works owned and provided by Customer to Rockford Systems pursuant to this Agreement.

13.4. If the work product under this Agreement contains materials such as software, technology, know-how, algorithms, procedures, techniques, solutions, work-arounds or any other such materials which Rockford Systems or others previously developed, patented, or copyrighted prior to the date of this Agreement and which were not developed as a result of providing Goods pursuant to this Agreement, Rockford Systems hereby grants Customer an irrevocable, perpetual, worldwide royalty-free license to use, copy, modify, distribute, display, perform, import, manufacture, have made, and sublicense such materials for the purpose of exercising Customer's rights, title and interest in the work product.

14. Proprietary Rights Reservations.

14.1. All information of every kind and nature (except for such information as may be established to be in the public domain or which Customer may establish to be the property of Customer) related to the design, engineering, production, process, method, device, technique, formulas, plans, diagrams, drawings, compilations, patterns, tools, dies or fixtures in connection with or related to any component, device, material or other goods, products or services manufactured, provided or delivered pursuant to the Agreement are proprietary in favor of Rockford Systems. Such information has been developed at great expense to Rockford Systems and may contain trade secrets of Rockford Systems. Customer shall not reproduce, disclose, distribute or utilize same without Rockford Systems's prior express written consent (which consent may be granted or denied in Rockford Systems's sole discretion) or as required by judicial or governmental action and Customer

shall exercise reasonable care to hold such information in confidence.

15. Uniform Commercial Code; Rockford Systems Security Interest.

15.1. Until the entire purchase price for the Goods (as set forth in invoices from time to time issued to Customer by Rockford Systems) has been fully paid, Rockford Systems shall have, to secure payment thereof, a continuing senior purchase money security interest in the Goods and proceeds therefrom. Upon a default under these Terms and Conditions, Rockford Systems shall have all the rights and remedies of a secured party under the Uniform Commercial Code as from time to time in effect in the State of Illinois

16. Confidentiality; Non-Solicitation.

16.1. The Parties acknowledge that each may disclose (the "Disclosing Party") certain valuable confidential and proprietary information to the other (the "Recipient Party"). "Confidential Information" means all written (in whatever form or media embodied) or verbal information provided by the Disclosing Party to the Recipient Party concerning the Disclosing Party or its business, products or services that is not generally known to the public including information relating to the Disclosing Party's business affairs, customers, vendors, trade secrets, prices, products, services, accounting, marketing, finances, business systems and computer programs, and any other information designated as such by a Disclosing Party at the time of disclosure. All Confidential Information is the sole and exclusive property of the Disclosing Party. The restrictions set forth herein shall apply during the Term and after the termination of this Agreement.

16.2. Confidential Information shall not consist of information that:

(i) can be shown through written documentation to have been known by Recipient Party without restriction on disclosure or use prior to disclosure by Disclosing Party;

(ii) is or becomes information within the public domain (through no fault of Recipient Party);

(iii) is independently developed by Recipient Party without reference to or knowledge of Confidential Information of the Disclosing Party;

(iv) is rightfully received from third parties not subject to an obligation of confidence to the Disclosing Party; or

(v) the release of which is pre-approved by Disclosing Party in writing.

16.3. The Recipient Party shall not use, reproduce or disclose, directly or indirectly, to any third party at any time

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any Confidential Information of the Disclosing Party. Recipient Party shall hold all Confidential Information of the Disclosing Party in strict confidence. Recipient Party shall not use such Confidential Information in any manner, except in connection with performance under the Agreement or other written agreements between Rockford Systems and Customer relating to such Confidential Information.

16.4. Recipient Party agrees that Confidential Information of Disclosing Party will not be disclosed or made available to any person for any reason whatsoever, other than on a "need to know" basis and then only: (i) to Recipient Party's employees and subcontractors and professional advisors who are subject to confidentiality restrictions with respect to Confidential Information; (ii) as required by applicable law; or (iii) as otherwise expressly permitted by the Agreement. Prior to any disclosure of Disclosing Party's Confidential Information as required by applicable law, Recipient Party shall (1) notify Disclosing Party of any, actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure immediately upon becoming so obligated, and (2) cooperate with Disclosing Party's reasonable, lawful efforts to resist, limit or delay disclosure.

16.5. Recipient Party acknowledges that any remedy at law for the breach or threatened breach of this Section may be inadequate to fully and properly protect Disclosing Party, and therefore, the Parties agree that Disclosing Party shall be entitled to injunctive relief in addition to other available remedies, provided however, that nothing contained herein shall be construed as prohibiting Disclosing Party from pursuing any other remedies available in law or in equity for such breach or threatened breach.

16.6. Upon the termination or expiration of the Agreement, or at any time upon Disclosing Party's request, Recipient Party shall return immediately or destroy (at Disclosing Party's sole discretion) all Confidential Information of Disclosing Party in the possession of Recipient Party or in the possession of any third party over which Recipient Party has or may exercise control.

17. Default.

17.1. The occurrence of any of the following events shall constitute Customer's default under the Agreement: (i) Customer's failure to make timely payment of any sum owing to Rockford Systems under the Agreement; (ii) institution of any proceedings by or against Customer under any bankruptcy, insolvency or similar law; (iii) appointment or application for a receiver for Customer; (iv) an assignment by Customer for the benefit of creditors; (v) failure of Customer to furnish Rockford Systems, upon Rockford Systems request, with a written representation reaffirming Customer's solvency (it being understood that the Agreement constitutes a representation by Customer that it is solvent); or (vi) Rockford Systems deems itself insecure with respect to performance by Customer under the Agreement.

17.2. Upon Customer's default, hereunder, Rockford Systems may, upon written notice to Customer, cancel any remaining obligations of Rockford Systems under the Agreement, in which case, at Rockford Systems's option:

- (i) Customer shall pay for all Goods delivered and for all Goods completed or in process pursuant to the Agreement;
- (ii) With respect to any Goods for which Rockford Systems has not received full payment, Rockford Systems may stop delivery, retake (or retain) possession of such Goods wherever located (all without notice, demand or legal process) and retain, lease or resell (at public or private auction or otherwise) such Goods without accounting to Customer and any payments received by Rockford Systems from Customer may be retained as liquidated damages;
- (iii) Rockford Systems may declare any outstanding balance immediately due and owing and collect same from Customer without further notice or demand, together with interest at the maximum rate permitted by law; and/or
- (iv) Refuse to deliver any Goods except on a cash basis.

18. Miscellaneous.

18.1. No waiver by Rockford Systems of any default shall be deemed a waiver of any subsequent default unless the same shall be signed in writing by Rockford Systems.

18.2. If any provision of the Agreement is held to be invalid under applicable law, such invalidity shall not affect the remaining provisions of the Agreement.

18.3. The provisions of the Agreement shall be binding upon and inure to the benefit of the respective representatives, successors and assigns of the parties hereto, including, without limitation, a debtor-in-possession; provided, however, that no interest herein may be assigned by Customer without the prior written consent of Rockford Systems.

18.4. No waiver, alteration or modification of the terms and conditions hereof shall be valid or binding upon Rockford Systems unless made in writing and signed by Rockford Systems.

18.5. This Agreement shall, for all purposes, be governed by and construed under the laws of the State of Illinois as applied to agreements between Illinois residents entered into and to be performed entirely within the State of Illinois. Without limitation of the foregoing, Customer irrevocably agrees that all actions or proceedings in any way, manner or respect arising out of or from, or relating to, the Agreement shall be litigated only in Illinois state courts having situs in Cook County, Illinois or in the United States District Court for the Northeastern District of Illinois. Customer consents and submits to the jurisdiction of any local, state or federal court located within said county and state, and waives any and all

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objections to jurisdiction that Customer may have under the laws of the State of Illinois or the United States, including any claim or objection that any such court is an inconvenient forum. Further, Customer hereby waives, to the fullest extent permitted by law, all rights to have any dispute or claim arising under the Agreement litigated before a jury.