

Latitude Standard Terms and Conditions of Sale

The following are the Latitude Technologies Corporation (Latitude) standard Terms and Conditions of Sale which apply to the supply of all Products and the supply of all Services by Latitude. By proceeding with the purchase of these products and services, the Customer confirms and accepts these Terms and Conditions of Sale.

- 1. Products:** Products are all products manufactured or assembled by Latitude, and all accessories and additional or replacement products that may be supplied by Latitude from time to time.
- 2. Services:** Services include satellite voice and data airtime services arranged and provided by Latitude and Latitude's Supplier, Web Sentinel automatic flight-following, telematics data management, mapping services, Latitude Flight Data Analytics in-flight event alerting and post-flight analysis services, custom software and firmware development, consulting services, and all other Latitude installed and hosted software applications.
- 3. Supplier:** Third-party vendor of accessory Products and satellite communication and other Services to Latitude for resale by Latitude to the Customer.
- 4. Payment terms:** Unless otherwise agreed in writing, invoices from Latitude are payable in full thirty (30) days from date of receipt by the Customer. Overdue accounts will be charged late payment fees equaling 1.5% of the overdue account balance, calculated monthly as of the first day of each calendar month in which there are overdue amounts owing.

Unless otherwise agreed in writing, all sales to international Customers (domiciled outside Canada and the US) are payable in full prior to shipping.

Invoices for Products will be sent on or after the date of shipment and will include all applicable federal, state, provincial, local, VAT and other taxes, fees, and duties or other charges and amounts, including but not limited to other withholding taxes that may be levied by tax authorities on Products.

Invoices for Services will be sent on or about the first day of the month following the month of service and will include all applicable federal, state, provincial, local, VAT and other taxes, fees, and duties or other charges and amounts, including but not limited to other withholding taxes which may be levied by tax authorities on Services.

The Customer may be requested to pay by credit card until a credit facility for the Customer is established. The Customer also may be requested to pay by credit card for monthly service fees. Latitude will advise the Customer about credit card payment requirements prior to processing a Products order or Services activation.

- 5. Credit:** The Customer acknowledges and agrees that Latitude will have the right to set limits on the amount of credit Latitude grants to the Customer for the purchase of Products and Services. If the Customer requests a credit facility from Latitude, the Customer thereby agrees and consents to Latitude obtaining such credit information on the Customer from third parties as Latitude may require. Latitude will advise the Customer from time to time on the amount credit that Latitude is granting to the Customer.
- 6. Delivery charges:** Subject to adjustment for excess actual charges, delivery of all Products to the Customer will be Incoterms 2010 EXW Victoria, British Columbia, Canada. Customs, duties, sales



and local use or goods taxes will be charged separately. All risk of loss or damage will pass to the Customer upon delivery of possession of Products to the Customer or the Customer's agents or representatives at Victoria, British Columbia, Canada.

- 7. Shipping confirmation:** If requested by the Customer, Latitude agrees to provide the Customer with confirmation of shipping date for each Products order on or before the actual shipping date. When placing an order, the Customer may designate a courier or other shipping agent to take delivery of the shipment at the Latitude warehouse. Otherwise, Latitude will consign the shipment to a recognized and reputable delivery service of Latitude's choosing for delivery to the Customer.
- 8. Partial shipments:** The Customer agrees to accept partial shipments of Products unless otherwise specified in advance, particularly in cases where Products are temporarily out of stock. In the event that ordered Products are not available, Latitude will maintain a backorder list compiled by date. The Customer is responsible for shipping charges for each partial shipment.
- 9. Use of Products and Services:** Products and Services are sold by Latitude for use in remote asset management, event-handling, geographical location tracking, and performance data reporting. Products and Services are not intended for any applications where Products failure or Services disruption may result in loss of human life or personal injury, or for security applications. Latitude accepts no legal responsibility or liability for use in the event that the Customer operates Products for any such purpose.

The Customer agrees to obtain, at the Customer's sole expense, all necessary licenses, approvals, permits, consents, and governmental authorizations that may be required for the Customer's use of Products and Services.

The Customer will use Products and Services only in accordance with applicable government rules, laws, and regulations. The Customer will be liable for all use or misuse of the Products and Services hereunder, irrespective of whether such use or misuse was authorized, fraudulent or otherwise. The Customer will not resell or rent the Products or Services. The Customer will not use the Products or Services in an abusive or fraudulent manner, including but not limited to the following:

- (a) Accessing or attempting to access Services by using an unauthorized device or by tampering with or altering Products;
- (b) Obtaining or attempting to obtain permission to use Products or Services by providing false or misleading information;
- (c) Obtaining Products or Services without having the intent to pay costs and fees incurred;
- (d) Using Products or Services to further criminal activity;
- (e) Using Products or Services to make obscene or illegal communications, to impersonate another person with fraudulent or malicious intent or to call another person so frequently or at such times of day or in any other manner with the intended effect of annoying, threatening, or harassing such other persons;
- (f) Using Services or Products, intentionally or otherwise, in a manner that interferes unreasonably with the use of services or equipment by other Latitude customers.

Latitude reserves the right to terminate use of the Services if the Customer engages in abusive or fraudulent use of the Products or Services purchased from Latitude.

- 10. No use contrary to law:** The Customer will not use Products and Services for any purpose contrary to law. The Customer agrees to abide by all of the current regulations in effect in countries where the Products and Services may be used, including licensing requirements. Both Latitude and the Customer will fully abide by all applicable laws, rules and regulations, including but not limited to all applicable anti-bribery or anti-corruption laws.
- 11. Export and embargo restrictions:** The Customer agrees to strictly adhere to the requirements and restrictions of the U.S. export and embargo laws and regulations, and any similar laws and regulations of other countries as applicable, in respect of Products and Services to ensure that neither Products nor Services are transferred in violation of such laws, and to obtain any required export and import licenses or authorizations. Latitude will not be held responsible for any operational restrictions, customs, license or permit fees required for operation of Products and Services in the Customer's destination country. In addition, Latitude will have no responsibility for fines associated with terminal seizure or for legal ramifications of the Customer's use of Products and Services in countries where use is prohibited. The Customer is advised to contact the embassy or trade office of the destination country prior to entry into that country.
- 12. Specifications, installation and site conditions:** Products will operate in substantial accordance with the instrument specifications set out in Products documentation if properly installed, operated, and maintained in accordance with the site specifications, installation instructions, and operating instructions described in Products documentation.
- 13. Installation by others:** Latitude will not be responsible for installation work or the cost of installation of Products purchased by the Customer. The Customer will arrange for and will be responsible for all costs of installation of Products.
- 14. Product warranty:** Provided that Products are:
 - (a) Operated in accordance with the recommended use set out above;
 - (b) Installed and operated in accordance with the instructions on installation set out in Products documentation; and
 - (c) Not tampered, altered, or improperly accessed by the Customer or any other party;

then Latitude warrants that Products will:

- (a) Operate in substantial accordance with the applicable instrument specifications set out in Products documentation; and
- (b) Be free of defect in parts and workmanship for a period of one (1) year from the date of purchase.

Apart from this limited representation and warranty, Latitude makes no other representations and warranties concerning Products and there are no further express or implied representations, guarantees, or warranties. No Latitude employee, sales representative, distributor, dealer, or other party is authorized to expand or alter any portion of these warranties, and any such representation(s) will not bind or commit Latitude. Where permitted by applicable law, the Customer hereby waives any implied warranties, including but not limited to implied warranties of merchantability and fitness for a particular purpose.

- 15. Warranty claim procedure:** To make a valid Products warranty claim, the Customer must promptly notify Latitude of the claim in writing within the term of the warranty period and request a Return Merchandise Authorization. Latitude's sole obligation under this warranty will be to repair or replace Products or, at Latitude's election, to refund the original purchase price of Products.
- 16. Service availability:** Latitude does not undertake to transmit messages, but offers the use of Services to the Customer for the transmission by the Customer of voice and data telecommunications. Services are provided on an on-demand basis and are subject to the availability of capacity on the applicable satellite network. Services may be temporarily unavailable or limited because of capacity limitations, network equipment failures, distress or any other emergency pre-emption as required by Latitude or Latitude's Supplier or may be temporarily interrupted or curtailed due to modifications, upgrades, repairs or similar activities of the Supplier. Latitude has no liability for unavailability or malfunction of the Supplier's equipment and networks.
- 17. Conditions of other contracts:** The obligations of Latitude and the terms of service and sale under the Terms and Conditions are subject to the terms of the agreements under which Latitude purchases airtime service from Latitude's Supplier. To the extent fulfillment of any obligation under the Terms and Conditions is not permissible or possible under a Supplier contract, the Supplier contract will prevail and such obligation will be suspended or modified to the extent required by the Supplier contract. Latitude represents and warrants that it is not presently aware of any material respect in which the Terms and Conditions are inconsistent with Supplier contracts.
- 18. Services fees:** All Services fees will be in accordance with Latitude's then current fees or the quotation as provided to the Customer for the applicable Services. Latitude reserves the right to revise such fees from time to time.
- 19. Service deactivation:** The Customer is responsible for notifying Latitude, in writing, of any requirement to permanently deactivate or temporarily suspend one or more Services. Such permanent deactivation or temporary suspension of Services will be effective only after Latitude's receipt of the Customer's written request and Latitude's acknowledgement of receipt of the Customer's written request. All such requests must be in writing and sent by email to activations@latitudetech.com or by fax: 250-475-0204.

There will be no pro-rata refunds for deactivation or suspension. The Customer will remain liable for all charges including, but not limited to, airtime and monthly access fees up to and including the last day of the billing period in which Latitude acknowledges receipt of the Customer's written request for permanent deactivation or temporary suspension of Services.
- 20. Disputed airtime charges:** The Customer must pay all undisputed amounts when due. If any portion is in dispute, the Customer must, within thirty (30) days of the invoice date containing such disputed amount, give notice to Latitude of the amount it disputes and include in such notice the specific details and reasons for disputing each item. For avoidance of doubt, claims of unauthorized use, fraudulent use, or any other misuse will not constitute a valid basis for dispute of an invoice. If the disputed amount is resolved in favour of Latitude, the Customer must pay the disputed amount with appropriate late charges, if applicable, upon final determination of such dispute. Latitude will issue credits against amounts owing on subsequent invoices upon resolution of any disputed amounts in favour of the Customer. An invoice is deemed to be accepted by the Customer if no written notice of dispute is provided before the date the payment is due.

- 21. Acting as Accounting Authority:** The Customer acknowledges that if it uses the service of another service provider with Latitude as the Accounting Authority, it will pay to Latitude the amount charged by that service provider plus a fifteen percent (15%) administrative fee for processing the charges.
- 22. Latitude intellectual property:** All intellectual property contained within Products remains the property of Latitude. The Customer agrees to not attempt, nor allow others to attempt, to reverse engineer, disassemble, copy or otherwise extract the intellectual property of Products.
- 23. No intellectual property rights assigned:** Other than as specifically set forth in these Terms and Conditions, no licenses or any rights of any kind under any patent, copyright, and rights to create derivative works, trademark, trade secret, service mark, mask works, or other form of intellectual property are granted by Latitude to the Customer.
- 24. Software and firmware components:** If Products that the Customer is purchasing contain separate computer software or embedded programs (firmware), the Customer agrees not to attempt to reverse engineer, decompile, create other works from, or disassemble the firmware.
- 25. Software license:** Effective upon delivery, Latitude herein grants to the Customer a fully paid, non-exclusive, non-sublicensable, and nontransferable license or sublicense to use the software provided with Products, including third-party software, for as long as the Customer is entitled to use the Products. The Customer may use the software only for internal purposes and only in connection with the Products and Services provided by Latitude. The Customer may not assign, transfer, pledge, rent, share, copy, or sublicense any of the software. The Customer may not reverse engineer, decompile, or otherwise attempt to discover the source code of the software.
- 26. Default and termination of Services:** The occurrence or happening of any one or more of the following events will constitute an event of default if not remedied within ten (10) days after notice from Latitude:
 - (a) Use of the Products or Services in any manner or for any purpose contrary to law;
 - (b) Abuse or fraudulent use of the Products or Services;
 - (c) Failure to make any payments due as invoiced;
 - (d) Discovery by Latitude that any representation or warranty made by the Customer in any document furnished by the Customer to Latitude is purposefully incomplete or incorrect;
 - (e) Breach or violation of any of these Terms and Conditions by the Customer;
 - (f) Commencement of any proceeding, whether voluntarily or involuntarily, relating to the Customer under any law relating to insolvency, bankruptcy, or the protection of creditors' rights generally.

In the event of default, Latitude may, at Latitude's sole option and without in any way limiting any other rights and remedies it may have, suspend or terminate the supply of Services to the Customer without notice. Latitude will bill the Customer and the Customer will pay Latitude for all outstanding charges accrued up to and outstanding on the date of such termination. In all such cases, Latitude will incur no liability whatsoever. The Customer will be liable for all costs and expenses incurred by Latitude due to default by the Customer, including but not limited to legal costs.

27. Other causes of termination of services: Latitude may, with no liability whatsoever, suspend or terminate the supply of Products or Services if lawfully ordered to cease the supply of such Products or Services by a provincial, state, or federal court of law, or any other lawful federal, provincial, state, or local governmental authority. If at any time, any equipment, facilities, or property used by Latitude or its Supplier to supply Products or Services are taken for a public or quasi-public purpose by a lawful power or authority under the exercise of condemnation or eminent domain, Latitude will have the right, upon written notice to the Customer, to terminate the supply of Products or Services affected by the taking.

Latitude may also terminate Services in the event that a Supplier contract for purchase of Services expires or is terminated, provided that termination of the Services will only be with respect to the Services provided pursuant to that Supplier contract.

The rights of termination, restriction or suspension set forth in this Article are in addition to any other remedies available to Latitude under these Terms and Conditions, or at law or in equity.

28. Indemnity and limitation of liability: Latitude will not be liable for claim made by the Customer, the Customer's customers, employees, agents, or contractors for loss, damage, or expense incurred due to, caused by, or relating to the use and operation of Products other than a claim based solely on a breach of the warranty set forth above and made in accordance with the warranty claim procedure. Not to limit the foregoing, in no event will Latitude be responsible or liable to the Customer for personal injury, for indirect, special or consequential damages or losses, or claims for lost profit, loss of opportunity, or business interruption.

The Customer acknowledges and agrees that Latitude's entire liability, whether based in contract, in tort, or otherwise, to the Customer for any reason relating to Products and Services will be limited to the obligations as set out herein, and for Products, to an amount of money equal to the monies paid by the Customer to Latitude for the specific Products. Where local laws do not allow or permit such a waiver or do not allow the limitation or exclusion of consequential damage, Latitude's liability will be limited to twice the Products price.

The total aggregate liability of Latitude to the Customer for any and all claims whatsoever related to Services for damages to the Customer (or to any affiliate of the Customer) for any claims whatsoever, regardless of the form of action, whether in contract, tort (including negligence), or otherwise, howsoever arising will be limited to damages actually proven as directly attributable to Latitude, and further limited to an amount equal to the last three (3) months of payments made by the Customer to Latitude for Services preceding the date of any claim made against Latitude. Some jurisdictions will not allow the parties to limit liability for personal injury. In those jurisdictions, limitations and indemnities set out herein will only apply to personal injury to the extent allowable under applicable law.

The Customer agrees to release, protect, indemnify, defend, and hold harmless Latitude and Latitude's affiliates, directors, officers, agents, employees, assigns, and Suppliers from and against any and all liability, claims, actions, losses, damages, demands, suits, (including damage to property and personal injury), and expenses (including losses from settlement and reasonable courts costs and attorney's fees) arising out of or relating in any way or alleged to be caused by:

- (a) The Customer's use or misuse of Products and Services;

- (b) Failure or limitations of any emergency distress features associated with Products and Services, including but not limited to, global aviation or maritime distress and safety services features;
- (c) Installation, maintenance, and removal of Products and Services provided by or for the Customer and its subcontractors;
- (d) The Customer's breach of these Terms and Conditions, except to the extent such claims are based upon the gross negligence or willful misconduct of Latitude;
- (e) Any claims or actions for libel, defamation, slander, invasion of privacy, patent, copyright, or trademark infringement, or the violation of any third-party intellectual property rights, arising in connection with the use or misuse of Products and Services;
- (f) Any claim or action for patent infringement resulting from the Customer's use (or use by any of its affiliates) of Products and Services in combination with the equipment, hardware, software, systems, cabling, facilities, or services not provided by Latitude.

Neither Latitude nor any of Latitude's Suppliers and their respective officers, directors, employees, representatives, insurers, subsidiaries, and affiliated (including parent) companies, and their employees, representatives, officers, and directors will be liable on any basis whatsoever for any indirect, incidental, consequential, reliance, special, punitive, or exemplary damages (including but not limited to loss of revenue or profit, loss arising from or attributable to failure to realize anticipated savings, or loss of production, equipment or data) even if any party knew or has been advised of the possibility or likelihood of such damages, in connection with:

- (a) The provision or failure to provide Products and Services, for any reason whatsoever and howsoever arising;
- (b) Any unavailability, delay, interruption, disruption, or degradation in or of the satellite segment or of any telecommunications carried on the satellite segment or service outage or degradation in Latitude's Supplier's networks due to satellite malfunction;
- (c) The suspension by Latitude or Latitude's Supplier of the mobile earth station's authorization to use services provided by Latitude or Latitude's Supplier, due to any causes whatsoever. Latitude's liability in contract, tort or otherwise, including any liability for negligence, howsoever arising out of or in connection with the performance of Latitude's obligations under this agreement will be limited to the remedies provided herein.

29. Force Majeure: Latitude will not be liable for any failure of performance hereunder due to causes beyond its reasonable control (Force Majeure), including, without limitation, acts of God, fire, explosion, satellite failure, vandalism, cable cut, storm or other catastrophes, national emergency, insurrections, riots, wars or strikes, lock-outs, unusually severe weather, epidemics, earthquakes, floods, work stoppages or other labour disputes, or any law, order, regulation, direction, action or request of any government or authority or instrumentality thereof, or delay in the supply of Products and Services, to the extent such delay is beyond the reasonable control of Latitude or the Customer and other delays incurred for reasons beyond Latitude's reasonable control, which, by the exercise of reasonable diligence, they are unable to prevent or avoid. Latitude's obligation to perform will be suspended for the duration of a period of Force Majeure and will resume as soon as reasonably possible, following the cessation of the event of Force Majeure.



30. Waiver of compliance: The waiver or the failure of Latitude to enforce any of the provisions of these Terms and Conditions, or to exercise any right or privilege set out herein, will not be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any provisions, rights or privileges of the Terms and Conditions.