

VENDOR STANDARD TERMS AND CONDITIONS

Applicable to Vendors Supplying Products and Services to Violin Systems LLC

1. APPLICABILITY. All sales of products and services by a vendor ("Vendor") to Violin Systems LLC, and each of its parents, affiliates and subsidiaries ("Violin") are subject to these standard terms and conditions. Terms and conditions of Vendor (whether contained in a purchase order confirmation or otherwise) which are in any way in conflict or inconsistent with or different or in addition to these standard terms and conditions (whether communicated orally or contained in a purchase order verification, delivery ticket, invoice or other written correspondence) shall not be binding on Violin and are rejected and shall not be considered applicable to any purchase of products or services by Violin unless expressly agreed to in writing by Violin. The supply of products or services to Violin pursuant to any purchase order or similar order of products or services by Violin shall be conclusive evidence of Vendor's approval of and consent to the terms and conditions herein contained.

2. PRICES. Unless otherwise agreed in writing by Violin, all prices, whether herein named or heretofore quoted or proposed, shall be inclusive of packing and preparation for export shipment, inland or ocean freight, insurance or forwarding fees, taxes, or duties of any kind or other similar charges applicable to products. Unless otherwise agreed in writing by Violin, Vendor agrees to pay such charges incurred by Violin.

3. TERMS OF PAYMENT. Unless Vendor and Violin otherwise agree in writing to payment terms other than those specified herein, payment shall be made in U.S. Dollars in accordance with remittance instructions furnished by Vendor. Payment terms are net forty-five (45) days from date of invoice. Any amount not paid when due shall bear a late payment charge until paid

at the rate of 1% per month or the maximum amount permitted by law, whichever is less; provided, however, no such charge may be applied until 10 business days following written notice from Vendor of its intent to apply such charge.

4. WARRANTY.

a. In addition to any other warranties available under applicable law, Vendor warrants to Violin, and to any of Violin's successors in interest or title to the articles produced hereunder, that the articles delivered hereunder are new, unused, and free from material defects in materials and workmanship, and shall materially conform to the specifications represented by Vendor and/or requested by Violin.

b. In addition to any other remedies available under applicable law, in the event of a breach of any warranty hereunder, (i) Vendor, at Violin's request and at Vendor's sole cost and expense, shall promptly correct or replace such products and deliver such corrected or replaced Products to such location as Violin shall request or (ii) promptly provide to Violin a complete refund of the purchase price and other amounts paid relating to such products. Violin shall not be responsible for costs of removal and reinstallation.

c. Violin shall have the sole right to determine whether returned articles or parts shall be repaired or replaced.

d. Unless notice of a warranty claim or potential warranty claim is provided to Vendor by Violin, Vendor's responsibility under these warranties shall expire two years (2) years after delivery of the article to Violin, or in the case of any part or component repaired or replaced by Vendor the warranty shall remain in effect for the two (2) year period following delivery of the corrected or replacement product.

e. Vendor agrees to assume round-trip transportation costs for defective or non-conforming articles to and from Violin's facility.

5. INDEMNITY. Vendor agrees to indemnify, defend and hold Violin and its customers harmless from and against any and all claims, actions, losses, expenses, damages, penalties, fines, liabilities and settlements arising from any actual, alleged or threatened third-party claims relating to (a) any infringement, misappropriation or violation on the part of Vendor's products or services of any third party's patent, copyright, trade secret, mask work, trademark, trademark rights or any other intellectual property right, (b) personal injury or property damage caused by the products or services, (c) defects in the products or services which amount to a breach of Vendor's warranties in these terms and conditions or obligations under Section 6; (d) as a result of any negligent or reckless act or willful misconduct of the Vendor.

6. CONFIDENTIALITY. Neither party shall, without first obtaining the other's written permission, advertise, publish, or disclose the terms, details, pricing or specifications of any order between the parties, the amount of revenue generated or to be generated from an order, nor will either party communicate the fact that Vendor has furnished or has contracted to furnish Violin with the products or services. Both parties agree to maintain in confidence those materials and information either has designated as being confidential or proprietary information.

7. NO THIRD PARTY BENEFICIARIES. Except as expressly provided herein to the contrary, the provisions of this order are for the benefit of the parties to the order and not for the benefit of any other party, person or entity.

8. CANCELLATIONS. Violin shall be permitted to cancel at any time any purchase order or

other order of Products hereunder. In the event such cancellation occurs within 60 days of the placement of such order, Violin shall have no liability for such cancellation, and if such cancellation occurs after 60 days following placement of such order, Violin shall be responsible for any direct costs associated with such order, but only to the extent that the products ordered or inventory and components relating to such order are not fungible, resaleable or useable by another third party.

9. TAXES. The amount of Federal, State or local taxes applicable to the sale, use or transportation of the articles sold or the work performed hereunder and all duties, imposts, tariffs, or other similar levies shall be included in the prices and thus shall be paid by Vendor, except where Violin shall otherwise agree.

10. SHIPMENT, TITLE, RISK OF LOSS. Except as may otherwise be agreed by the parties, the articles being sold hereunder shall be delivered DDP Violin destination (Incoterms 2010) and shall be deemed accepted by Violin at Violin's facility. Violin shall take title at Violin's facility upon acceptance and shall bear all risk of loss from and after that time.

11. SEVERABILITY. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law each party hereby waives any provision of law which renders any provisions hereof prohibited or unenforceable in any respect.

12. GOVERNING LAW AND FORUM. This Agreement shall be interpreted in accordance with the laws of the State of California, regardless of the conflict of law provisions thereof. The parties hereto agree that any litigation arising out of this

Agreement shall be in the State of California. All notices and proceedings will be in English. Any legal action by Vendor for breach must be commenced within one (1) year from the date of the breach. Vendor agrees to pay all costs and expenses, including reasonable attorney's fees incurred by Vendor in any action to enforce its rights hereunder. The United Nations Convention on the Contracts for International Sale of Goods, 1980, and any amendment or successor thereto is expressly excluded from this Agreement.

13. WAIVER. Failure by Violin to assert all or any part of its rights upon any breach of this agreement shall not be deemed a waiver of such rights either with respect to such breach or any subsequent breach nor shall any waiver be implied from the acceptance of any payment or service. No written waiver of any right shall extend to or affect any other right Violin may possess nor shall such written waiver extend to any subsequent similar or dissimilar breach.

No written waiver of any right shall extend to or affect any other right Vendor may possess nor shall such written waiver extend to any subsequent similar or dissimilar breach.

14. ENTIRE AGREEMENT. Upon acceptance of this agreement or order by Vendor, the provisions hereof shall constitute the entire Agreement between the parties and supersedes all prior prices, offers, negotiations and agreements relating to the subject matter hereof.