

**PURCHASE ORDER TERMS AND CONDITIONS**  
**IMPORTANT – READ CAREFULLY**

- 1. ACCEPTANCE: PURCHASE ORDER CONSTITUTES ENTIRE AGREEMENT** – this Purchase Order (P.O.) constitutes Buyer’s offer and may be accepted by Seller (or Contractor where applicable) only in accordance with the terms herein. Any acceptance herein of an offer of Seller, or any confirmation herein of a prior agreement between Buyer and Seller, is expressly made conditional on Seller’s assent to the additional or different terms contained herein. This P.O. may be accepted by Seller by commencement of work, shipment of goods, or furnishing of services hereunder. Dispatch of Seller’s acknowledgement form or other written document will also act as an acceptance if it agrees with this P.O. with respect to the description, amount, price and time of delivery of the goods or services ordered. Notwithstanding any waiver in any instance, or any oral agreement, or any instructions, terms and conditions that may be contained in any quotation, acknowledgement, invoice or other written document of Seller, no addition to, waiver for the future or modification of, any of the provisions herein contained shall be of any force or effect unless made in writing and executed by Buyer.
- 2. CHANGES** – Buyer shall have the right at any time to make changes in this P.O. by written notice to Seller, and Seller agrees to comply with such changes. If such changes cause a material increase or decrease in Seller’s costs or time of performance of this P.O., Seller shall notify Buyer immediately and negotiate an adjustment.
- 3. PRICE** –Charges for boxing, packaging or cartage will not be allowed or paid by Buyer unless otherwise expressly stated on this P.O..
- 4. SHIPPING** – Buyer reserves the right to route all shipments. All shipments must be delivered on due date. Shipments may arrive up to 3 days prior to due date, but no later than the due date noted on the P.O.. Delays in shipment shall be reported immediately by Seller to Buyer. Every package or other shipping unit, bill of lading, shipping memorandum and invoice must be marked with Buyer’s P.O. Number. Seller’s serial numbers must be shown on all shipping documents and invoices where applicable.
- 5. TIME OF THE ESSENCE** – Time of shipment and of other aspects of performance hereunder is of the essence of this agreement.
- 6. DELIVERY/TITLE** – Unless otherwise agreed, delivery shall be F.O.B point of destination and title shall pass to Buyer upon acceptance at the final delivery point. Risk of damages or loss following shipment and prior to acceptance by Buyer shall be the responsibility of Seller.
- 7. RIGHT OF INSPECTION AND REJECTION** – Material and equipment supplied by Seller shall be received subject to Buyer’s inspection and approval within a reasonable time after delivery, notwithstanding prior payment. If specifications or warranties are not met, material and equipment may be returned at Seller’s expense. No material or equipment returned to Seller as defective shall be replaced except upon Buyer’s formal authorization.
- 8. ASSIGNMENT** – Neither this P.O. nor any interest therein nor any claim arising hereunder shall be transferred or assigned by Seller without the prior written consent of Buyer. Buyer may transfer or assign the

benefits of this agreement, in whole or in part, including without limitation the Seller's warranty, without the approval of Seller.

9. **GOVERNING LAW** – This P.O., and the rights and obligations of the parties thereto, shall be determined in accordance with the laws of the State of Florida wherein the equipment or material shall be installed, or wherein the work shall be performed herein.
10. **WARRANTY** – Seller warrants that all goods or services furnished pursuant to this P.O. will be free from defects in material and workmanship and will be in conformity with the requirements of the P.O., including drawings and specifications, if any, and reasonably fit for the purpose disclosed in this P.O. or in such drawings and specifications, and Seller further warrants that such goods or services will be merchantable and fit for the purpose for which they are sold, and where design is Seller's responsibility, will be free from defects in design. Buyer's approval of Seller's design or material shall not be construed to relieve Seller of the warranties set forth herein. Without limitation of any rights which Buyer may have at law by reason of any breach of warranty, goods which are not as warranted may at any time within twelve (12) months after delivery be returned at Seller's expense. Buyer at its option may require Seller either to replace such goods at no increase in price (Seller must pay all repackaging, transportation and handling charges both ways) or to refund the purchase price and any charges in connection therewith.
11. **INVOICES** – All invoices shall be mailed or emailed to the Accounts Payable Department at its office or email address as indicated on the face of this P.O. and will reference Buyer's P.O. Number clearly on the invoice. Invoice and duplicates shall be rendered for each order or for each shipment if more than one is made on an order. An itemized delivery ticket, bearing Buyer's P.O. Number as shown hereon, must be left with the goods to insure their receipt. If delivery is made by carrier, an itemized delivery ticket must be attached to the package or other shipping unit. The payment discount period will date from receipt of the invoice and not from the date of the invoice. In case of errors on an invoice, the payment discount period will date from the receipt of corrected invoices. Buyer reserves the right to direct shipping method, which will generally be indicated on the P.O..
12. **PATENT INDEMNITY** – Seller agrees to indemnify, save harmless and defend Buyer from and against any and all suits, claims, damages, costs, and attorney's fees arising out of or in connection with an infringement or claimed infringement of any United States patent, trademark or copyright in the manufacture, use or sale of the equipment or materials furnished under this Order. In case said equipment or material is in such suit, or in final adjudication elsewhere, held to constitute infringement, and the use thereof is enjoined, Seller shall, at its own expense, either procure for Buyer the right to continue using said equipment or material, or at the option of Buyer either replace same with equally efficient non-infringing equipment or material, or modify it without impairing its efficiency so it becomes non-infringing, or remove said equipment or material and refund the purchase price and the transportation and installation costs thereof.
13. **INDEMNITY AND INSURANCE** – Seller shall defend, indemnify and hold harmless Buyer from any claims, suits, judgments, fees and costs (including attorney's fees) based on or arising out of the resale or use of

- the products purchased hereunder or death, personal injury, or damage to property caused by the products purchased under this P.O.. Seller agrees to name Buyer, Conelec of Florida, LLC, as an additional insured on products liability insurance with limits per occurrence of at least \$1,000,000 personal injury and \$1,000,000 for property damage. Evidence of such coverage, in the form of a Certificate of Insurance containing a Broad Form of Vendor's Coverage and providing for thirty (30) days notice to International Paper prior to cancellation, shall be sent to Buyer not later than seven (7) days following Seller's acceptance of this Order.
14. **COMPLIANCE WITH LAWS** – Seller, in the performance of this P.O., shall comply with the provisions of the Fair Labor Standards Act, as amended, as well as the Regulations and Orders of the Department of Labor issued thereunder, Executive Order No. 11246 as amended, 29 CFR 470, 41 CFR 60-1, 60-250, 60-741, the provisions of the Occupational Safety and Health Act of 1970, and all other applicable Federal, state, and local laws, regulations, rules and ordinances, including but not limited to those dealing with the protection of the environment.
  15. **CHEMICAL SUBSTANCE IDENTIFICATION** – By acceptance of this Order, Seller certifies that any chemical substance(s), e.g., material safety data sheets have been provided to Buyer, pursuant to all federal, state or local laws and regulations.
  16. **GOVERNMENT CONTRACTS** – In the event that the goods ordered herein are to be used in whole or in part for the performance of government contracts and where the dollar value of said goods exceeds, or may in any one year exceed \$50,000, the Seller further agrees that in connection with the performance of work, under this contract, Seller (subcontractor) agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or disability. The aforesaid provision shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Seller (subcontractor) agrees to post hereafter in conspicuous places, available to employees and applicants for employment and notices setting forth the provisions of this nondiscrimination clause.
  17. **TERMINATION** – Buyer, by written notice, may terminate this order, in whole or in part. In the event this order is terminated as a result of Seller's default, the Seller shall be liable for all damages allowed in law or equity, including the excess cost of re-procuring similar items. If this order is terminated for the convenience of Buyer, Seller will be compensated to the extent that items have been accepted by Buyer prior to the effective date of termination. Other than to this extent, Buyer shall not be liable to Seller for any damages on account of its failure to accept all of the items ordered.
  18. **CONFIDENTIALITY/TRADE SECRETS** – All specifications, data and other information furnished by Buyer, or its agents, to Seller in connection with this order remain the exclusive intellectual property of Buyer and shall be treated by the Seller as proprietary and shall not be disclosed or used, outside the limitation of this order, without prior written approval of an authorized

- representative of Buyer. In addition, the purchase of the Seller's product does not authorize the Seller to use the name of or make reference to Buyer for any purpose in any releases for public or private dissemination, nor shall the Seller divulge or use in any advertisement or publication any specifications, data, or other information pertaining to or relating to this usage without prior written approval of the Director of Supply Chain or other authorized Director of the Company.
19. Required documentation and documentation flow-down from Buyer will be followed by Seller.
  20. Seller will submit a Certificate of Conformance (C of C) with each shipment.
  21. International Shipments will have a Commercial Invoice sent with each shipment, along with a packing list and C of C.
  22. Seller will retain all records of transactions, purchases to manufacturers on Buyers behalf, and associated records for a period not less than seven (7) years, or as required by law.
  23. For any ITAR required purchases, Seller guarantees that proper security and restrictions on access to documentation is applied to all facets of this transaction.
  24. Seller shall grant Buyer and Buyer's agents all Right of Access in any event in which the Organization may deem necessary.
  25. Seller shall immediately notify Buyer and organization of any changes to product, process, manufacturing site, positive recall, or other non-conformances which may affect product integrity in any way.
  26. The conflict minerals rule requires companies that are publically traded on the U.S. Securities (stock) exchanges and that manufacture product which contains tin, tantalum, tungsten and or gold to disclose the companies' use of these minerals, which are also referred to as conflict minerals and implement measures to minimize the risk of the minerals originating from a source in the Democratic Republic of the Congo (DRC) or an adjoining country that has contributed to the funding for armed groups that are committing human rights abuses in the Eastern DRC.

#### **27. Specific Terms and Conditions for Fabricated Printed Circuit Boards**

- a. Prior to fabrication, Seller must submit working Gerbers for approval for all new PCBs, PCBs with revision level changes, or PCBs with array changes
- b. Country of origin must appear on Certificate of Conformance paperwork.
- c. Upon acceptance of purchase order by Seller, working files become the property of Buyer.
- d. In addition to the P.O. quantity, a full PCB array shall be provided as a solder sample for each unique date code.
- e. Due dates on P.O. are considered dock dates at Buyer's facility.
- f. PCBs received 1 year past the date of manufacture will not be accepted without prior approval from Buyer.
- g. PCBs will be accepted only after full inspection.
- h. PCBs must meet the specifications set forth in the current item configuration files. Any deviations must have written prior approval from Buyer.
- i. Seller is responsible for having the latest configuration files for the current revision listed on the P.O.

**j. PCBs are to be electrically tested and stamped on the board. Location to be determined by the Seller, as long as it does not cover any pads or plated areas. The stamp may be placed on one of the rails of the PCB array only if space is limited on the PCB, and if approved by Buyer.**

**k. Electrical test should be based on the customer supplied net list. If a net list is not provided, Seller is to generate a net list from the Gerber files. A copy of the net list is to be sent to Buyer.**

**l. Buyer will allow for the receipt of X-outs on PCB panels with the following conditions.**

**i. Each panel will contain no more than "N" number of X-outs of PCB's per panel:**

<u># PCBs per Panel</u>	<u>Allowable # of X-outs</u>
1-10	0
11-20	1
21-30	2
31-40	3
41-100	4

**Exception to this policy can be made on an item by item basis and will be stated on the purchase order.**

**ii. Each X-out board is to be indelibly marked in a manner so as to make the X-out obvious. Double sided PCBs are to be marked on both the front and back side of the board.**

**iii. Panels that include X-outs in the normal shipment shall be segregated from non X-out panels.**

**iv. Panels with different X-out patterns shall be sorted into groups. Each group shall be packaged separately.**

**m. Cross-sections are required for all first builds and for each unique date code. Test coupons are required for PCBs specifying controlled impedance.**

**n. PCBs must have a date/lot code stamped or silkscreened on each PCB.**

**o. Packing material must meet ESD and MSD requirements.**

**p. Certificate of Conformance is required with all shipments to Buyer.**