



## **TERMS AND CONDITIONS OF PURCHASE**

Your sale to Crestwood Technology Group, LLC (Buyer) is governed by these terms and conditions of purchase. These terms and conditions are incorporated into all Buyer Purchase Orders in addition to any other terms set forth on the face of the Purchase Order and any terms or other documents incorporated by reference, unless otherwise stated in the Purchase Order, or where this order is placed in accordance with an existing Business / Product Distribution Agreement. Furthermore, you agree that any terms and conditions required by Buyer's customer are hereby incorporated herein by this reference, a copy of which will be provided to you upon request. By tendering Goods or Services or commencing performance, you indicate your acceptance of and agreement to be bound by these terms and conditions. These terms and conditions may be changed by Buyer at any time in the future. The amendments shall take effect immediately upon posting on Buyer's website without further notice to you and the amendments will be applied to sales occurring after such amendment. If there is any conflict between these terms and conditions of purchase and the Purchase Order, the Purchase Order shall take precedence and control. If there is any conflict between these terms and conditions of purchase and government contract clauses incorporated by reference, these terms and conditions of purchase take precedence and control.

### **1. Definitions:** The following terms shall have the described meaning:

1. "Buyer" shall mean Crestwood Technology Group, LLC.
2. "Contract" or "Purchase Order" shall mean the Purchase Order, these general terms and conditions, and any special conditions appended hereto or documents incorporated herein.
3. "Goods" shall mean those Goods identified in the Purchase Order.
4. "Purchase Order" shall mean the Purchase Order between Buyer and the Seller for the purchase of Goods or Services to which these terms and conditions of purchase are attached or are incorporated by reference.
5. "Seller" shall mean the party identified as the Seller in the Purchase Order.
6. "Services" shall mean those Services identified in the Purchase Order.
7. "Authorized Supplier" shall mean a supplier, distributor, franchised or authorized distributor, or an authorized aftermarket manufacturer who holds a contractual arrangement with, or the express written authority of, the Original Component, Original Design, or Original Equipment Manufacturer, to buy, stock, repack, sell, or distribute the Good(s) and any corresponding warranties, guarantees, or related services.

**2. Price and Payment:** (a) Unless otherwise specified, the prices established by the Purchase Order are firm fixed prices. (b) Seller warrants that any unit prices charged herein do not exceed the unit prices charged by Seller to other customers in substantially similar transactions. (c) All prices are in U.S. Dollars. (d) Seller certifies that the price(s) and rate(s) proposed have been arrived at independently, without consultation, communication, or agreement with any others for the purpose of restricting competition and that Seller has not and will not knowingly disclose the price(s) and rate(s) directly or indirectly, to any other offeror. (e) All duties, taxes, and other charges payable in the country of manufacture due under the laws of that country shall be borne by the Seller. Seller is liable for and shall pay all taxes, impositions, charges, and exactions imposed on or measured by the Purchase Order except those Buyer specifically agrees to pay or is required by law to pay. Prices shall include any and all taxes, including without limitation, Value Added Tax (VAT). (f) Payment shall be made in U.S. Dollars. Payment shall be in the exact U.S. Dollar amount(s) listed on the Purchase Order. (g) Unless stated otherwise in the Purchase Order, Buyer will pay Seller thirty (30) days after the receipt of a proper invoice or after Seller's delivery of product, whichever is later.

**3. Set-Off:** Buyer is entitled to set-off any amount owed to Seller by Buyer. Buyer is entitled to set-off any amount claimed against Seller.

**4. Purchase Order Confirmation:** The Purchase Order must be confirmed in writing by Seller. In the event Buyer does not receive a confirmed copy of the Purchase Order, Buyer reserves the right to cancel the Purchase Order without liability to Buyer. Notwithstanding Buyer's non-receipt of a signed confirmation of the Purchase Order, Seller's commencement of performance also implies acceptance with the terms and conditions of Buyer's Purchase Order. Any additional or different terms and conditions which may appear in any communication from Seller are hereby



expressly objected to and shall not be effective or binding unless specifically agreed to in writing by Buyer's head of Contracts and Procurement. If this is a rated order certified for National Defense use, you are required to follow all provisions of the Defense Priorities and Allocations System regulation (15 CFR 700).

**5. Drug Testing:** On or before acceptance of this Purchase Order and to the extent required by applicable law, Seller warrants and agrees, as applicable, that it will establish and thereafter maintain a drug testing program for those personnel who perform sensitive safety related and security related functions as defined by the FAA's Anti-Drug Program for Personnel Engaged in Specified Aviation Activities. Seller agrees that such program will comply with all requirements set forth by the FAA. Seller further agrees that it will furnish evidence of compliance with such program upon Buyer's request.

**6. Changes:** (a) By written order, Buyer may from time to time direct changes for: (i) technical requirements; (ii) shipment or packing methods; (iii) place of delivery, inspection or acceptance; (iv) reasonable adjustments in quantities, delivery schedules, or both; (v) amount of Buyer-furnished property; (vi) time of performance; and, (vii) place of performance. (b) If any such change causes an increase or decrease in the price or in the time required for its performance, Seller shall promptly notify Buyer thereof and assert its claim for equitable adjustment with supporting documentation within thirty (30) days after such change is directed. The parties shall then negotiate an equitable adjustment for final amendment to this Purchase Order. However, nothing in this provision shall excuse Seller from proceeding immediately with the directed change(s). Changes shall not be binding upon Buyer unless specifically confirmed in a Buyer written Purchase Order or Buyer written Change Order or other communication from Buyer's head of Contracts and Procurement. (c) Buyer's acceptance of Goods or Services shall not be considered acceptance of any additional or different terms or conditions from Seller.

**7. Schedule and Delivery; Notice of Delay:** (a) Seller shall strictly adhere to all Purchase Order schedules. Time is and shall remain of the essence in the performance of the Purchase Order. Seller shall notify Buyer, in writing, immediately of any actual or potential delay to the performance of the Purchase Order. Such notice of delay shall include a revised schedule and shall not constitute a waiver to Buyer's rights and remedies hereunder, including but not limited to Buyer's right to terminate the Purchase Order. (b) Seller's late deliveries or deliveries of Goods or Services that fail to meet Purchase Order requirements may cause damages, costs, claims against and/or business disruption to Buyer. Buyer reserves the right to recover any expenses related to such damages, costs, and/or business disruption from the Seller and Seller shall indemnify Buyer against any such losses, claims, damages and reasonable costs and expenses (including reasonable attorney's fees and costs) directly attributable to Seller. (c) The order must not be shipped more than one week in advance of the time specified herein, without prior approval from Buyer. (d) When more than one shipment is made against any order, indicate "Final Shipping" on shipping paper and invoice accompanying the last shipment in the order.

**8. Representations, Insurance, and Financial Assurance Warranty:** (a) Seller represents and warrants that the Goods or Services to be delivered pursuant to Buyer's purchase order did not originate from prohibited sources, such as the People's Republic of China (PRC), Cuba, Iran, Sudan, Burma or North Korea, unless otherwise agreed upon in writing by Buyer. (b) Seller warrants all Goods against defects in design, manufacture, and performance for a period of one year following Buyer's acceptance. Seller warrants that Services will be performed in a workmanlike manner by someone with the necessary skills and experience to perform the Services. Seller's standard warranties are available to, and for the benefit of, Buyer and Buyer's customers and end users of Seller's Goods or Services. (c) If the Purchase Order is for delivery of Goods, Seller shall observe, comply with and afford Buyer all applicable Uniform Commercial Code express and implied warranties contained in the New York Consolidated Laws, and Seller hereby acknowledges that Buyer does not waive or accept any disclaimer of any such warranties or damages resulting from Seller's breach of warranty. (d) Seller represents and warrants that it possesses the financial means to support any and all of the contractual obligations that Seller has agreed upon pursuant to these terms and conditions and that Seller will make, upon reasonable notice, whatever financial records that Seller has in its possession available to Buyer for Buyer's inspection to verify the aforementioned representation and warranty. (e) Seller further represents and warrants that Seller possesses adequate product liability insurance, third-party professional insurance, and any other insurance as applicable, including but not limited to Comprehensive Aviation Manufacturer Product Liability Insurance, to satisfy any claim of damages that Buyer might incur as a result of the Goods or Services that Seller provides to Buyer. Seller will make, upon reasonable notice from Buyer, whatever insurance policies that a Seller has in its possession and



control available to Buyer for Buyer's inspection to verify the aforementioned representation and warranty. Seller agrees to adhere to any insurance requirements separately referenced in the Purchase Order.

**9. Industry Alerts:** Seller must maintain a closed-loop process to use Industry Alerts/Government Industry Data Exchange Program (GIDEP) to identify, control and correct potential nonconforming material or Goods, including: timely review and notification of Industry Alerts for potential impact to all commodities; documenting impact assessment/disposition of Industry Alerts to evaluate for program impact (determination of actual usage of an alerted item); purging/quarantining of all affected stock, including work in progress (WIP) and finished Goods; customer notification of impact to already shipped stock, impact to delivery schedules, etc.; submittal of program Bill of Material (BOM) to GIDEP Operations Center for evaluation; and establishing process for handling GIDEP notifications that a submitted bill of material contains an alerted item.

**10. Notification of Nonconforming Product:** Seller shall notify Buyer of any nonconforming product detected by the Seller prior to shipment or at any time after delivery to Buyer and obtain Buyer approval for nonconforming product disposition. Upon receipt of notice of any non-conforming product by Seller, Buyer shall have the right, at its sole discretion, to cancel this Purchase Order and, if Buyer has already paid for the non-conforming product, Seller shall be required to fully reimburse Buyer for the amount paid for the non-conforming product and any additional damages incurred for Seller's negligence or error, including but not limited to, labor associated with removal, reinstallation, retesting, etc.

**11. Notification of Changes in Product/Process Definition:** Seller shall notify Buyer of any changes in product and/or process definition, changes of suppliers, and changes of manufacturing facility location that affects or could affect product inspection or acceptance.

**12. Packaging:** (a) All charges for boxing, packing, crating, and storage are included in the price stated herein. Goods shall be suitably packaged and packed to secure the most economical transportation costs and to conform to the requirements of common carriers and any applicable specifications. (b) All packages must bear Buyer's Purchase Order number. (c) Goods received must be new, unused, and in original packaging. (d) Electrostatic Discharge sensitive (ESD) items are to be handled and shipped in accordance to an ESD Program, with a preference for ANSI/ESD S20.20. (e) Moisture Sensitive (MSD) parts are to be handled and shipped according to IPC/JEDEC J-STD-033. (f) Date Codes, quantity, manufacturer, and description must be exactly as indicated on Buyer's Purchase Order without substitution. (g) If ordered Goods have a shelf life, the shelf life must be clearly indicated on the individual Goods shipped and such shelf life shall not be less than ninety (90) percent of full life, or an alternative agreed on between the parties. Seller shall be liable for the prevention, detection, and removal of foreign objects from products per NAS412 "Foreign Object Damage (FOD) Prevention Guidance Document" or similar practices to ensure product conformity.

**13. Shipping, Transfer of Title, and Risk of Loss:** (a) Unless otherwise specified in the Purchase Order, all Goods are to be shipped Freight Collect. Transfer of title occurs upon acceptance of Goods pursuant to the determined Incoterms of Buyer's Purchase Order. Where terms have not been explicitly listed on the Purchase Order, terms shall be EXW (Ex Works, INCOTERMS 2010), Seller's point of origin (shipping paid by Buyer). (b) DO NOT CHARGE INSURANCE except upon Buyer's written request (Buyer insurance binder available upon request). (c) Regardless of F.O.B. point, Seller agrees to bear all risk of loss, injury, or destruction until Buyer accepts the Goods. (d) No such loss, injury, or destruction shall release Seller from any obligations hereunder.

**14. Source and Authenticity of Goods:** Authorized Suppliers of Electrical, Electronic, and Electromechanical ("EEE") parts shall only ship EEE parts to Buyer that have been procured directly from the manufacturer. Authorized Supplier covenants, warrants, and represents that it has effective contractual agreements in place with each manufacturer whose EEE part(s) it is procuring to sell to Buyer. Authorized Supplier SHALL NOT ship EEE parts to Buyer that have been procured from any other source without prior written consent from Buyer. Failure to obtain Buyer prior written approval constitutes a material breach under the terms of this agreement. Authorized Supplier will fully indemnify Buyer from any and all claims, losses, and damages that result from said breach. Buyer reserves the right to reject any and all requests for approval and require additional verification and testing of EEE parts. Upon



Buyer's request, Seller shall provide such documentation evidencing Seller's status as an Authorized Supplier, in good standing with the manufacturer of the Goods, to Buyer.

**15. Inspection and Acceptance:** (a) Buyer's acceptance of Goods or Services is subject to Buyer's final inspection within sixty (60) days after receipt at Buyer's facility or such other place as may be designated by Buyer, notwithstanding any payment or prior test or inspection. (b) Seller must supply traceability to the Original Component/Equipment Manufacturer with the shipment unless otherwise stipulated by Buyer. (c) All material or Goods or Services purchased from Seller shall pass IDEA-STD-1010 inspection standards or any other applicable aerospace standards prior to acceptance. (d) Seller is responsible for all costs associated with Restriction of Hazardous Substances (RoHS) noncompliance returns and will accept a full return for all parts not meeting RoHS compliance criteria if necessary. Seller is 100% responsible for all monetary and/or rework costs associated with Goods or Services failures in addition to any further cost associated with Goods or Services failures. (e) All electronic components will be inspected per the IDEA-STD-1010 inspection process guidelines. (f) Buyer reserves the right to reject and return any Goods, at the vendor's expense, that do not comply with the IDEA-STD-1010 standard, AS5553 Requirements, and the American Society of Quality (ASQ) Requirements. (g) Unless otherwise agreed upon in writing and noted on Buyer's Purchase Order, all Goods must be new, unused, in good condition and in original packaging. (h) Refurbished electronic components that are programmed or have bent, formed, or oxidized leads, test dots or test marks will be rejected. (g) Seller shall certify whether all aircraft parts supplied were or were not subjected to conditions of extreme stress, heat, or environment. Seller shall disclose whether aircraft parts supplied were or were not obtained from any government or military services. Seller shall also meet the requirements that are set forth in ASA-100, ATA Specification 106, and FAA AC 00-56. (h) Buyer and Buyer's representatives shall have the right of access, on a non-interference basis, to any area of Seller or Seller's supply chain sub-tier premises where any part of the Purchase Order is being performed. Seller shall flow this requirement down to its sub tier supply chain suppliers as a condition of the Purchase Order. Seller shall, without additional costs to Buyer, provide all reasonable in-plant accommodations, facilities, and assistance for the safety and convenience of Buyer and Buyer representatives in the performance of their duties. (i) Seller acknowledges and agrees that the Buyer Supplier Quality requirements are incorporated herein by this reference. (j) Seller is responsible for delivering the specified order quantity per the purchase order. Any excess quantities delivered will be treated as for the convenience of the Seller. Seller is not entitled to an increase in price or additional payments for the delivery of excess quantities. Buyer may retain excess quantities without compensating Seller and Seller waives all rights, title, and interest therein. Seller may contact Buyer within ten (10) days of shipment if Seller believes it has over-shipped to Buyer and Buyer will attempt to coordinate a return or other disposition, where possible, to Seller at Seller's expense. Buyer maintains authority to disposition excess quantities as determined by Buyer. Buyer is not liable to Seller if it has already dispositioned the goods.

**16. Suspect Parts/Counterfeit Parts:** Seller shall not deliver suspect parts/counterfeit Goods to Buyer. Seller understands and agrees that counterfeit Goods have no value to Buyer and pose the risk of consequential damages to Buyer (including Buyer's reasonable attorney's fees), for which Seller shall be liable. Seller hereby agrees they have done their due diligence to prevent the supply of fraudulent, counterfeit, and suspect counterfeit parts. All Goods deemed by Buyer in its sole discretion suspect counterfeit or counterfeit will be dispositioned and mitigated per AS5553 and AS6081 standards, at Seller's cost. Seller agrees and acknowledges that Goods rejected by Buyer, based exclusively on Buyer's determination that Goods are considered either counterfeit or suspect counterfeit shall be held, transported, and/or stored by Buyer at Seller's sole expense. Seller shall promptly reimburse Buyer for any such expenses. Unless the Goods that are considered suspect counterfeit or counterfeit are deemed acceptable by an independent testing laboratory chosen jointly by the Parties, the subject Goods shall not be returned to Seller. Defective Goods purchased Cash on Delivery (COD) will be returned COD to Seller or the COD check will be cancelled, at Buyer's discretion. Buyer reserves the right to send such Goods to the appropriate manufacturer and appropriate authorities for investigation. Seller shall be liable for all costs and expenses (including Buyer's reasonable attorney's fees) relating to impound, investigation, removal, test, and inspection or replacement of suspect/counterfeit Goods. Seller is prohibited from pre-screening "Homogenous Lots" to remove non-conforming, defective, suspect counterfeit, or counterfeit EEE parts prior to performing inspection. A Homogenous Lot is defined as a group of parts that: are received in a single shipment (whether in single or multiple packages), are marked or otherwise identified with identical lot, batch, run, and identification information (e.g., dates codes, lot codes), are identical in appearance to the unaided eye (parts and packaging) appear to have been subjected to the same handling, packaging, and/or storage conditions, and have maintained their physical placement relative to each other (i.e., have never been separated based



on evidence such as source, packaging, labeling). Seller must ensure their personnel are aware of their obligations and contributions to product conformity, products safety, and ethical behavior.

**17. Hazardous Materials:** Seller certifies that all Goods sold to Buyer are free of hazardous materials, unless otherwise specified on Buyer's Purchase Order. If Seller is providing hazardous material to Buyer, a current safety data sheet for all hazardous Goods must be on file with Seller's Environmental Health and Safety Department. If Seller changes manufacturing for the Good or is shipping the Good for the first time, a current safety data sheet must be provided by Seller to Buyer's Environmental Health and Safety Department prior to shipment. Additionally, all initial shipments of hazardous materials must include a copy of the current safety data sheet.

**18. Conflict Minerals:** Seller certifies that none of the Goods sold to Buyer contain any conflict minerals and none of the Goods sold to Buyer are sourced from any country identified in 17 C.F.R. § 240.13p-1.

**19. Rejection:** If Seller delivers nonconforming or defective Goods or Services, Buyer may, at its option and Seller's expense: (i) return the Goods for refund or credit; (ii) require Seller to promptly correct or replace the Goods or Services; (iii) correct the nonconformance or defect; or (iv) obtain conforming Goods or Services from another source. If Buyer selects option (iv), then Seller shall bear responsibility for the difference in price between the Goods or Services provided by Seller and the Goods or Services provided by the other source. If Buyer selects option (ii) and Seller fails to timely deliver replacement Goods or Services, then Buyer may replace them with goods from a third-party supplier and charge Seller the cost thereof. Buyer shall specify the reason for any return or rejection of nonconforming Goods or Services and/or shall describe the action taken. Seller shall be liable for any increase in costs, including procurement costs, attributable to Buyer's rejection of the nonconforming Goods or Services.

**20. Force Majeure:** The following events, and only the following events, shall constitute Force Majeure under the Purchase Order: (a) acts of God or of a public enemy; (b) acts of Government (including government law or order); (c) fires; (d) floods; (e) epidemics, pandemics, and government regulations related to the mitigation thereof; (f) quarantine restrictions; (g) strikes; (h) freight embargoes; (i) terrorism, and (j) unusually severe weather. In each case, the failure to perform must be entirely beyond the control and without the fault or negligence of the Seller. Each party shall give the other party prompt notice in writing of any event that such party claims is a Force Majeure Condition that would prevent the party from performing its obligations hereunder, and of the cessation of the condition. A party's notice under this Section shall include the party's good faith estimate of the likely duration of the Force Majeure Condition. In the event of Force Majeure, Buyer reserves the right to cancel this Purchase Order without any liability to Seller. Upon conclusion of a Force Majeure, Seller shall resume performance as soon as reasonably practicable.

**21. Stop Work:** Buyer may at any time, by written notice to Seller, require Seller to stop all or any part of the work called for by the Purchase Order for a period of up to ninety (90) business days after the notice is delivered to Seller ("Stop Work Order"). Upon receipt of the Stop Work Order, Seller shall immediately comply and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order. Within a period of ninety (90) business days after a Stop Work Order is delivered to Seller, or within any extension of that period to which the parties have agreed, Buyer shall either cancel the Stop Work Order, or terminate the work for default or convenience, whichever may be deemed appropriate in Buyer's sole discretion. Seller shall resume work immediately upon cancellation or expiration of any Stop Work Order. If Seller delivers to Buyer a request for equitable adjustment to the Purchase Order's delivery schedule or price (or both) within the period set forth in the Changes section, Buyer may agree to an adjustment if the Stop Work Order has resulted in an increase in the time required for the performance of the Purchase Order or in Seller's costs properly allocable to the Purchase Order. The amount of any adjustment in the Contract price shall be determined as provided in the Section 6. Seller shall commence work once a Stop Work Order is lifted, even if the Parties have not finalized agreement on the final price or schedule (or both) impacts.

**22. Termination for Convenience:** (a) Buyer may, by notice in writing, direct Seller to terminate work under the Purchase Order in whole or in part, at any time, and such termination shall not constitute default. In such event, Buyer shall have all rights and obligations accruing to it either at law or in equity, including Buyer's rights to title and possession of the Goods and materials paid for. Buyer may take immediate possession of all work so performed upon notice of termination. (b) Seller shall immediately stop work and limit costs incurred on the terminated work. (c) If





such termination is for the convenience of the Buyer, Buyer, after deducting any amount(s) previously paid, shall reimburse Seller for the actual, reasonable, substantiated, and allowable costs as determined by Buyer. Seller is required to submit such proposed costs and supporting documentation within ten (10) days of notice of termination for convenience.

**23. Termination for Default:** (a) Buyer may, by written Notice of Default to Seller, terminate the Purchase Order in whole or in part, or, at Buyer's sole discretion, require the Seller to post such financial assurance as Buyer deems reasonably necessary, if the Seller delivers suspect counterfeit Goods or counterfeit Goods or used Goods represented as new or if the Seller fails to: (i) deliver the Goods or perform the Services within the time specified in the Purchase Order or any extension; (ii) make progress, so as to endanger performance of the Purchase Order; or, (iii) perform any of the other provisions of the Purchase Order. (b) Buyer may require Seller to transfer title and deliver to Buyer, in the manner and to the extent directed by Buyer, any partially completed Goods or raw material, parts, tools, dies, jigs, fixtures, plans, drawings, Services, information and contract rights (Materials) as Seller has produced or acquired for the performance of the Purchase Order, including the assignment to Buyer of Seller's subcontracts. Seller further agrees to protect and preserve property in the possession of Seller in which Buyer has an interest. Payment for completed Goods or Services delivered to and accepted by Buyer shall be at the Contract price. Payment for unfinished Goods or Services, which have been delivered to and accepted by Buyer, shall be at a price determined in the same manner as provided in the Termination for Convenience provision hereof but said price shall be no greater than Seller's cost. Buyer may withhold from Seller money otherwise due Seller for completed Goods and/or Materials in such amounts as Buyer determines necessary to protect Buyer against loss due to outstanding liens or claims against said Goods and Materials. (c) Seller shall promptly notify Buyer if Seller is the subject of any petition in bankruptcy. In the event of Seller's bankruptcy, Buyer may require Seller to post such financial assurance, as Buyer, in its sole discretion, deems necessary. Failure to post such financial assurance upon ten (10) days written notice shall constitute a default. The rights and remedies of Buyer in this clause are in addition to any other rights and remedies provided by law.

**24. Products, Methods, and Processes:** Any knowledge or information which the Seller shall have disclosed or may hereafter disclose to Buyer incident to the placing and filling of this Purchase Order shall not, unless otherwise specifically agreed upon in writing by Buyer, be deemed to be confidential or proprietary information, and accordingly shall be acquired free from any restrictions (other than restrictions which may derive from a valid patent). Seller shall be solely responsible for alerting Buyer to any confidential or proprietary information and obtaining Buyer's agreement in writing to utilize such information, failing which all such information shall be deemed acquired by Buyer free from any restrictions.

**25. Buyer's Property:** Any materials, drawings, tools, jigs, dies, fixtures, or any other property supplied or paid for by Buyer will remain the property of Buyer and must be returned to Buyer upon Buyer's request. Seller shall not duplicate, reverse-engineer, or otherwise use Buyer's property except for performance of work under the Purchase Order or as authorized in writing by Buyer's Authorized Procurement Representative. Buyer's property, while in Seller's possession or control, shall be kept in good condition, shall be held at Seller's risk, and shall be kept insured by Seller, at Seller's expense, in an amount equal to the replacement cost with loss payable to Buyer. If Buyer's property has been damaged, stolen, destroyed, or is malfunctioning, Seller shall notify Buyer in writing within two (2) business days. Seller must clearly mark Buyer's property, maintain inventory, and keep the property segregated. Any scrap generated from or by Buyer furnished property shall be segregated from Seller's property and placed in a separate area or container. Before removal of the container or its contents, Seller shall request directions from Buyer's Operations Department. Seller will prepare shipping documents denoting date, contents, weight, and recipient of the scrap material. Shipping documents shall be sent directly to Buyer's Operations Department. Under no circumstances shall scrap material be removed from Seller's premise without Buyer's Operations Department approval.

**26. Release of Information to Public:** Seller shall not, without the prior written consent of Buyer, release information concerning this Purchase Order or release any other information related to Buyer (other than release of information to Seller's employees, consultants, contractors, and subcontractors required for the performance of the Purchase Order). Seller shall not use the name of Buyer in any advertising or publicity, except as may be necessary to comply with proper legal demand or as authorized by Buyer in writing prior to any such use.



**27. Assignment:** Seller shall not assign or delegate performance of this Purchase Order with Buyer's express written consent. Seller shall not assign or delegate or any of the Purchase Order's rights or obligations without Buyer's express written consent. Buyer may treat Seller's violation of this Section as a material breach by Seller.

**28. Record Retention:** Seller shall keep and maintain inspection, certification, test, quality, supplier, and related records for a minimum of 10 years from the date of shipment unless otherwise specified in the Purchase Order. Seller shall make such records available to Buyer or Buyer's representative upon reasonable notice. Seller shall allow Buyer or Buyer's representative to make copies of records and keep such records. Seller shall furnish all information required by Buyer or Buyer's representative.

**29. Standards of Conduct:** (a) Seller represents that neither it nor any of its Principals, officers, directors, employees, agents, contractors or other representatives has offered or shall offer or promise to pay, or authorize the payment of, any money or services or anything else of value, either directly or indirectly through a third party, or via any kickback to any political official or employee of a public agency or government entity for the purpose of (i) influencing any act or decision of that person in his official capacity(ii) inducing such person to use his influence to affect or influence any act or decision thereof or (iii) securing any improper advantage. Seller warrants and represents that it will maintain its books and records under "generally accepted accounting principles", and in a proper, responsible and honest manner, in order for Buyer and the Seller to comply with applicable United States and International laws. (b) Seller warrants and represents that neither it nor any of its Principals have been convicted of, or pleaded guilty to, an offense involving fraud, corruption, or moral turpitude, and it is not now listed by any Government agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in Government procurement programs or other Government contracts. (c) Seller represents and warrants that, to the best of its knowledge and belief, neither it nor any of its Principals, officers, directors, employees or agents, are presently, nor does it have any reason to believe that it or they may become, the subject of any investigation by any agency or other law enforcement body in connection with a government procurement matter that could materially impact its ability to perform its obligations under the Purchase Order. (d) Further, in the event that either Seller (i) becomes the subject of such an investigation, (ii) has reason to believe that it might become the subject of such an investigation, or (iii) has credible evidence that a principal, employee, agent, or subcontractor of Seller has committed a violation of law involving false claims, fraud, conflict of interest, bribery, kickbacks, or gratuity violations, it shall immediately notify Buyer and promptly provide Buyer with a detailed written explanation of all the material facts and circumstances of such actual or potential investigation, except to the extent restricted by a governmental agency. (e) Seller represents it does not have any organizational conflict of interest identified by applicable regulation or prime contract term related to this Agreement. If Buyer determines that an actual or potential conflict of interest exists and that such conflict cannot reasonably be mitigated through good faith negotiations, Buyer may terminate the Purchase Order without liability to Buyer. (f) Seller's breach of this Section shall be considered a material breach of the Purchase Order and may result in Buyer's termination of Seller for default.

Seller acknowledges and agrees that Seller, its employees, agents, contract laborers, and/or subcontractors are prohibited from engaging in activities that support or involve any form of prohibited labor, forced labor, or trafficking in persons, including, but not limited to:

- the recruitment, harboring, transportation, or other method of using a person for labor or obtaining a person's services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, imprisonment, bondage, or slavery;
- illegal or indentured child labor;
- sex trafficking or procurement of commercial sex acts;
- obtaining goods that were mined, produced or manufactured, wholly or in part, with prohibited forms of labor;
- use of misleading or fraudulent recruitment activities or engaging in unlawful recruitment tactics.

Whenever Seller has knowledge, whether substantiated or not, that any actual or suspected violation of this clause has occurred, Seller shall immediately give written notice to Buyer's Authorized Representative and provide all relevant information. Seller shall then provide its full cooperation during any subsequent investigation of the actual or



suspected violation by Buyer or cognizant government agency. Upon written notice, Buyer and/or Buyer's Authorized Representatives may audit all pertinent records, work sites, offices, and documentation of Seller in order to verify compliance with this clause to include goods imported into the United States. Seller agrees to cooperate with and provide Buyer with any information reasonably requested in support of Buyer's due diligence or other efforts and in order to verify compliance with this clause. Seller will, in all of its lower-tier subcontracts and contracts relating to this or any other order with Buyer, include provisions which secure for Buyer all of the rights and protections provided for within this clause. Seller acknowledges that if Seller or any of its employees, agents, contract laborers or subcontractors engages in any of the prohibited activities in this clause, this Order is subject to termination.

**30. Government Regulations:** Seller shall have in effect all licenses, permits and authorizations, and cyber security standards that are legally necessary or commercially advisable to perform the Purchase Order, including any obligations post-delivery of Goods or Services. Seller shall at all times abide by all local, regional and international laws, rules and regulations applicable to its activities including, but not limited to (1) the United States Foreign Corrupt Trade Practices Act of 1977, as amended, (2) U.S. Export Administration Regulations, (3) International Traffic in Arms Regulations, (4) USA Patriot Act, as amended, (5) U.S. Treasury regulations, (6) anti-dumping laws, (7) Human Trafficking Laws and Regulations, and (8) all other U.S. or international laws and regulations related to Seller's requirements under this Purchase Order. Additionally, international Sellers (Sellers outside the U.S.) and parties involved in any export or import transaction shall comply with the International Transactions Compliance Notice found on Buyer's website. Seller shall notify Buyer, in writing, immediately of any seizures by the U.S. Customs and Border Protection (U.S. Customs or CBP). If a party to this Purchase Order is provided notice, correspondence, subpoena, or other contact that a governmental investigation has been initiated related to this Purchase Order, the party shall immediately notify the other party in writing of the investigation or inquiry. The parties agree to assist one another in responding to or defending against any governmental inquiry into the parties' compliance with the applicable laws or regulations. Seller's breach of this Section shall be considered a material breach of the Purchase Order and may result in Buyer's termination of this Purchase Order for default. Seller shall be responsible for notifying Buyer in Seller's proposal or quota of any intellectual property restrictions, including but not limited to, Limited Rights, Government Purpose Rights, or Restricted Rights assertion relating to the Goods or Services and requesting that Buyer make such assertion to appropriate governmental authorities. However, the responsibility for ensuring that the appropriate assertion is made to appropriate governmental authorities shall remain with Seller. Seller will provide an appropriate license to Buyer related to any such intellectual property assertions so Buyer can comply with its obligations to governmental authorities. Seller represents and warrants that it will not provide covered telecommunications equipment or services to Buyer or the Government in the performance of this order and will comply with FAR 52.204-24 through 26, FAR 4.2105(a) and Section 889 of the John S. McCain National Defense Authorization Act. Seller further warrants that it does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. If Seller will provide or does use such equipment or services, Seller will immediately contact Buyer for appropriate disclosures pursuant to applicable Federal Acquisition Regulations.

**31. Indemnity:** Seller shall indemnify, defend and hold harmless Buyer, its subsidiaries, successors, assigns, and its affiliates, and their respective directors, officers, shareholders, employees, agents, and Buyer's customers (collectively the "Indemnified Parties" and individually an "Indemnified Party") from and against any and all claims, damages, losses, liabilities, deficiencies, actions, judgments, fines, awards, civil penalties, costs and expenses of any kind or nature whatsoever (including but not limited to interest, court costs, reasonable attorney's fees and the cost of enforcing any right to indemnification hereunder) which in any way arise out of or result from any Services or Goods sold to Buyer by Seller (or anyone directly or indirectly employed by Seller or anyone for whose acts Seller may be liable) in connection with any defect or deficiency in the Services or Goods sold to Buyer, or Seller's failure to perform the Services or provide the Goods, including injury to or death of any person, damage to or destruction of any property (real or personal (including but not limited to property owned, leased or under the control of Buyer)), and liability or obligations under or with respect to any violation of international, federal, state or local laws, regulations, rules, codes and ordinances (including but not limited to those concerning environmental protection). This Section shall apply regardless of whether or not the damage, loss or injury complained of arises out of or relates to the negligence, willful misconduct or the breach of these terms and conditions (whether active, passive or otherwise) of, or was caused in part by, an Indemnified Party. Nothing contained in this Section shall be construed as a release or indemnity by Contractor of an Indemnified Party from or against any loss, liability or claim arising from the sole





negligence or willful misconduct of that Indemnified Party. This Section shall not be construed to negate, abridge or otherwise reduce any other right to indemnity which would otherwise exist in favor of any Indemnified Party, or any other obligation of Seller to indemnify an Indemnified Party. Seller's obligations under this Section shall not be limited in any way by any limitations on the amount or type of damages, compensation or benefits paid or payable by Seller under Workers Compensation Acts, disability benefits acts or other employee benefit laws or regulations. The indemnification obligations of this Section shall survive termination or expiration of this Purchase Order. Seller agrees, in any instance where claims, suits, actions or legal proceedings are brought against the Seller and in any way affect Buyer's interests under this Order or otherwise, that (i) Seller shall notify Buyer in a timely manner (not to exceed five (5) business days) after learning of any actual or threatened claims, suits, actions of legal proceedings, and shall not at any time consummate any settlement without Buyer's prior written consent; and (ii) without releasing any obligation, liability or undertaking of Seller to indemnify Buyer hereunder, Buyer shall have the right to (1) cooperate in the defense of such claim, (2) with permission of the court, intervene in any such action, and (3) supersede Seller in the defense of any such claim.

**32. Intellectual Property:** Seller agrees to defend, indemnify, and hold harmless Buyer, its customers and its agents against any liability, including without limitation costs, expenses and reasonable attorney's fees, for or by reason of any actual or alleged infringement of the intellectual property rights of any third party, including, without limitation, any patent, trademark or copyright arising out of the manufacture, use, sale, delivery or disposal of Goods or Services furnished pursuant to Purchase Order, except to the extent attributable solely to Seller's compliance with specific written instructions issued by Buyer's Authorized Procurement Representative. This provision shall apply to each notice or claim of patent, copyright or other type of infringement relating to the performance of the Purchase Order of which Seller has knowledge, regardless of whether or not Buyer has given Seller notice of such claim.

**33. Independent Contractor Relationship:** The relationship between the parties is that of independent contractors and not that of principal and agent, employer and employee, joint employers, or legal partners. Neither party will represent itself as the agent or legal partner of the other party nor perform any action that might result in another party believing that it has any authority to bind or enter into commitments on behalf of the other.

**34. Electronic Information Transactions:** The parties may carry out business electronically, including Purchase Order placement or modification/amendment. Unless the security, authenticity, or integrity of an electronic Purchase Order or Electronic Data Interchange (EDI) message is compromised, the parties intend to be legally bound by electronic Purchase Orders or EDI messages created, sent and received pursuant to these terms and conditions. The parties expressly waive any rights to contest the validity of Purchase Orders and amendments/modifications on the sole ground that they were performed electronically or by EDI. The parties agree to give to electronic Purchase Orders and EDI messages the same probative value as exchanges by registered mail. Neither party shall contest the admissibility as evidence of EDI messages, provided they are created and exchanged in accordance with the provisions of these terms and conditions. The parties shall adopt applicable security measures for password and access protection for Purchase Orders issued in an electronic transaction.

**35. Governing Law, Jurisdiction and Disputes:** All matters arising out of or related to the Purchase Order or these terms and condition for purchase shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Delaware. Any legal suit, action or proceeding arising out of or relating to the Purchase Order or these terms and condition for purchase shall be instituted in the federal courts of the United States of America or the courts of the State of Delaware, and each party irrevocably submits to the exclusive jurisdiction of such courts in any suit, action or proceeding. For disputed matters and claims involving U.S. Government customers, the matter will be resolved in accordance with the statutory, regulatory, and common law of the U.S. as they apply to procurements of goods and services by the United States, to the extent applicable.

**36. Attorneys' Fees:** If any action or proceeding relating to the Purchase Order or these terms and conditions or the enforcement of any provision of the Purchase Order or these terms and conditions is brought against any party hereto,



the prevailing party shall be entitled to recover reasonable attorneys' fees, costs, and disbursements (in addition to any other relief to which the prevailing party may be entitled).

**37. Confidential and Proprietary Information:** If the parties have a valid non-disclosure agreement, proprietary information agreement, or confidential information agreement, then the terms of such agreement shall apply to this Purchase Order. In the event such agreement does not exist, the parties agree that Buyer's Confidential Information (work product, business operations and marketing data, Buyer's customer or vendor information, computer software, technical data, patents, trade secrets, etc.) is and shall remain the sole property of Buyer, and Buyer is and shall be the sole owner of all rights, title and interest in connection therewith, and that no license is granted to Seller as a result of disclosures made pursuant to this Purchase Order. Confidential Information includes information designated as confidential or proprietary information by Buyer, or from all the relevant circumstances should reasonably be assumed by the Seller to be confidential and proprietary. Seller agrees to hold in confidence and to maintain as confidential all Confidential Information, and to promptly notify disclosing party of any unauthorized disclosure or release of any Confidential Information to any third party. Seller agrees not to disclose any Confidential Information to any third party without the prior written consent of Buyer. Seller further agrees not to make use of any Confidential Information except to fulfill its obligations to Buyer pursuant to this Purchase Order. Specifically, Seller agrees (a) not to use Confidential Information to solicit any Buyer customer or otherwise compete against Buyer for sales to Buyer customers now or in the future, (b) not to reverse engineer or analyze in any way products or samples received from under this Purchase Order, (c) to maintain any products or samples received from Buyer under this Purchase Order in confidence, (d) not to cause or allow any third party to reverse engineer or analyze in any way any products or samples received from Buyer under this Purchase Order, and (e) not to use Confidential Information to solicit any of Buyer's customers or suppliers. In furnishing any information or materials relating to the Purchase Order, whether Confidential Information or otherwise, Buyer (a) makes no warranty, guarantee, or representation, either expressed or implied (i) as to its adequacy, accuracy, sufficiency, or freedom from defects; or (ii) that use or reproduction of any such information or data shall be free from any patent, trade secret, trademark or copyright infringement, and (b) shall not be liable in damages, of whatever kind, as a result of Seller's receipt or use of, or reliance on, any such information or data furnished hereunder. Upon Buyer's request, Seller shall immediately return or destroy, at Buyer's option, all Confidential Information in its possession. In addition to any other remedies available to Buyer, Buyer shall be entitled to injunctive relief for any violation of this section.

**38. Compliance with Law:** Seller is in compliance with and shall comply with all applicable laws, regulations and ordinances. Seller shall comply with all anti-corruption, export, and import laws of all countries involved in the sale of Goods or Services. By accepting this purchase order: (1) Seller affirms that it is not debarred, suspended, proposed for debarment, or otherwise ineligible from doing Government business. Seller shall immediately disclose to Buyer if it is debarred, suspended, proposed for debarment, or otherwise ineligible. (2) Seller affirms that for Government business, its latest representations and certifications are complete in the System for Award Management (SAM). (3) To the extent Seller is subject to NIST 800-171 requirements in accordance with DFARS 252.204-7012, Seller represents it has completed a basic NIST assessment and submitted or will submit such assessment to the Government's Supplier Performance Risk System. (4) Seller affirms it abides by applicable laws that prohibit discrimination against qualified individuals based on status as protected veterans, disabilities, race, color, religion, sexual orientation, sex, gender identity, or national origin.

**39. Notices:** All notices, requests, consents, and waivers hereunder shall be in writing and addressed to the parties at the addresses set forth on the face of the Purchase Order or to such other addresses that may be designated. All notices shall be delivered by (i) email (if provided) and (ii) personal delivery, nationally recognized overnight courier, facsimile or certified or registered mail. A notice is effective only (a) upon receipt of the receiving party and (b) if the party giving the notice has complied with the requirements of this section.

**40. Product Warranties:** Seller extends any and all Seller or Original Component/Equipment Manufacturer (OEM) warranties to Buyer and Buyer's customers and end users for a period of one year from the acceptance of goods or services by Buyer's customers or end users.



**41. Complete Agreement:** The Purchase Order, which includes these terms and conditions as well as any supplementary sheets, schedules, exhibits, and/or attachments provided by Buyer to Seller, is the complete and entire agreement between the parties with respect to the subject matter of the Purchase Order, when accepted by Seller's confirmation, commencement of performance, or performance. The Purchase Order supersedes any other communications, representations, or agreements between the parties whether verbal or written. The Purchase Order may be accepted only on all the terms and conditions herein stated.

#### **Additional Terms and Conditions for Government Orders**

Where this Purchase Order is in support of a U.S. Government contract (including U.S. Government Foreign Military Sales (FMS)) at any tier, the Commercial Item provisions of Federal Acquisition Regulations, including but not limited to, (FAR) 52.204-16 and FAR 52.244-6 are incorporated herein by reference, with the same force and effect as if they were provided in full text. Seller shall include the applicable terms of these clauses in subcontracts or purchase orders awarded under this Purchase Order (full text can be found at <https://www.acquisition.gov/far/>). Seller agrees to comply with other U.S. Government contract requirements and flow-down provisions, as applicable, including but not limited to, Buy American Act provisions and the Defense Priorities and Allocations System (15 CFR 700, FAR 52.211-15), FAR and Defense Federal Acquisition Regulation Supplement (DFARS) flow-down provisions applicable to this Purchase Order, which can be found on Buyer's Terms and Conditions webpage.