

Printed Circuits LLC — Purchase Order General Terms & Conditions

The following purchase order terms and conditions shall apply to all goods and services furnished by the seller to Printed Circuits LLC (hereafter referred to as PCi).

1 Specifications

Seller shall comply with all specifications stated in this Order and contained in Seller's product literature or proposal to the extent consistent with this Order

2 Modifications

This Order shall not be modified by or interpreted by reference to any course of dealing or usage of trade and shall not be modified by any course of performance. No modification of this Order shall be effective unless in writing and signed by an authorized representative of both Buyer and Seller.

3 Delivery

Seller's timely performance is critical to the success of this Order. Seller will make deliveries strictly in accordance with the delivery schedule. If the Seller suspects or determines that deliveries will not be made on time, the Seller will advise PCi of the possible delay, the cause, and the proposed recovery schedule as soon as possible, and shall continue to notify PCi's Purchasing Representative of any material change in the situation. In the event of such notification or of an actual failure by Seller to comply with the delivery or completion schedules, PCi may, in addition to all other remedies, require Seller, at Seller's expense, to ship goods via air freight or expedited routing to avoid or minimize delay. PCi reserves the right, at its sole discretion, to return, or delay payment, for any Goods which are received fifteen (15) days early to the terms of the Order.

4 Quality Control, Inspection, Acceptance & Rejection

- (a) Seller shall provide and maintain, without additional charge to Buyer, an inspection system that complies with all specifications stated in this Order and, in the absence of such specifications, Seller shall be required to provide and maintain without additional charge to Buyer, an inspection system, which is acceptable to Buyer and, if applicable, Buyer's customer.
- (b) Seller shall tender to Buyer for acceptance only Goods that have been inspected in accordance with the appropriate inspection system and have been found by Seller to be in conformity with all requirements of this Order.
- (c) As part of the inspection system, Seller shall prepare records evidencing all inspections made under the system and the outcome of such inspections. These records shall be complete and made available to Buyer during performance of this Order and for as long afterward as required by this Order or applicable laws and regulations, but in no event shall such period expire prior to: (i) seven (7) years after final payment; or (ii) final resolution of any dispute involving the Goods delivered hereunder, whichever is later.
- (d) Buyer may perform reviews and evaluations as reasonably necessary to ascertain compliance with this Article. Such reviews and evaluations shall be conducted in a manner that will not unduly delay work under this Order. Further, it is recognized that despite such reviews, Seller controls the day-to-day production, delivery and associated documentation of its work, and therefore, Buyer's right of review, whether exercised or not, does not release Seller of any of its obligations of testing, inspection, quality control and associated documentation.
- (e) Buyer and Buyer's customer shall have the right to inspect and test the material and workmanship of all Goods at all places and times including, when practicable, during the period of manufacture or provision of Services. If any such inspection or test is made on the premises of Seller, Seller shall furnish, without additional charge to any such party(ies) all reasonable facilities and assistance for the safe and convenient performance of the inspection or test.
- (g) Inspections and tests by Buyer do not relieve the Seller of responsibility for defects or other failures to meet contract requirements discovered before acceptance. Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the contract.
- (h) If acceptance is not conclusive for any of the reasons in paragraph (g) hereof, Buyer, in addition to any other rights and remedies provided by law, or under other provisions of this contract, shall have the right to require the Seller:
 - (1) at no increase in contract price, to correct or replace the defective or nonconforming supplies at the original point of delivery or at the Seller's plant at the election of Buyer's Authorized Procurement Representative, and in accordance with a reasonable delivery schedule as may be agreed upon between the Seller and Buyer's Authorized Procurement Representative; provided, that Buyer's Authorized Procurement Representative may require a reduction in contract price if the Seller fails to meet such delivery schedule; or
 - (2) within a reasonable time after receipt by the Seller of notice of defects or nonconformance, to repay such portion of the contract as is equitable under the circumstances if Buyer's Authorized Procurement Representative elects not to require correction or replacement. When supplies are returned to the Seller, the Seller shall bear the transportation cost from the original point of delivery to the Seller's plant and return to the original point when that point is not the Seller's plant. If the Seller fails to perform or act as required in paragraph (h)(1) or (h)(2) of this clause and does not cure such failure within a period of 10 days (or such longer period as Buyer's Authorized Procurement Representative may authorize in writing) after receipt of notice from Buyer's Authorized Procurement Representative specifying such failure, Buyer shall have the right by contract or otherwise to replace or correct such supplies and charge to the Seller the cost occasioned Buyer thereby.
- (i) Seller will not redeliver corrected or rejected items without disclosing the former rejection or requirement for correction. Seller will disclose any corrective action taken. Repair, replacement and other correction and redelivery will be completed within the original delivery schedule or such later time as Buyer's authorized Purchasing Department Representative may reasonably direct.
- (j) Buyer's rights under this Section shall be in addition to and shall not be deemed to diminish its rights under this Order including the section hereof entitled "Warranty" or under any other warranties, express or implied, provided by Seller.

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5 Warranty

- (a) Seller warrants that, for a period of twenty-four (24) months from acceptance, all items furnished under this Order will conform to all specifications and requirements of this Order, be free from defects in materials and workmanship and be free from all liens and encumbrances. To the extent items are not manufactured pursuant to detailed designs and specifications furnished by Buyer, the items will be free from design and specification defects. This warranty will survive inspection, test, acceptance and payment for the items, will run to Buyer and its successors, assigns and customers and will begin after Buyer's acceptance of the items.
- (b) Buyer may, at its option, either: (i) return the items for credit or refund, or (ii) require prompt correction or replacement of the defective or non-conforming items. The return to Seller of defective or nonconforming items and redelivery to Buyer of corrected or replaced items will be at Seller's expense.
- (c) Regardless of whether the parties disagree about the existence of a breach of this warranty, Seller will promptly comply with Buyer's direction to: (i) repair, rework or replace the items, or (ii) furnish any materials, parts and instructions required for Buyer to successfully correct the defect or nonconformance or have it corrected at Seller's expense. If Buyer later determines that Seller did not breach this warranty, future payments will be adjusted for actual costs incurred by Seller.

6 Price Warranty

Seller warrants that the prices for the Goods sold or Services provided to Buyer hereunder are not more than those currently extended to any other customer for the same or similar Goods or Services in similar quantities. In the event Seller reduces its price for such Goods or Services during the term of this order, Seller agrees to reduce the prices hereof correspondingly.

7 Indemnification

- (a) Seller covenants and agrees to indemnify, protect, and hold harmless Buyer, its officers, directors, employees, agents and successors and assigns ("Indemnified Person(s)") from any and every liability, claim of liability, allegation, judgment, cost, expense, reasonable attorneys fees, cause of action, loss, or damage whatsoever, including, without limitation, death or injury to any person or damage to any property, resulting from or arising out of Seller's performance under this Order, howsoever arising, including, without limitation, by reason of negligence, breach of warranty, defect in design, material, workmanship or Service, or strict liability, unless caused by the sole negligence of the Indemnified Person. In the event Buyer should bring an action for enforcement of this indemnification provision, Seller agrees that Buyer shall be entitled to be awarded its reasonable attorneys' fees and costs if Buyer prevails in such proceeding.
- (b) Seller agrees, in any instance where any 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 or legal proceedings, and shall not at any time consummate any settlement without Buyer's prior written consent;
 - (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; or
 - (2) With permission of the court, intervene in any such action; or
 - (3) Supersede Seller in the defense of any such claim.

8 Packing, Declaration of Origin, And Shipment

- (a) Unless otherwise specified, items will be suitably packed for their protection during transportation and shipped via the lowest cost means that are otherwise appropriate for the item in accordance with the requirements of common carriers. Seller is responsible for contacting Buyer to resolve any questions regarding proper packing or shipment under this Order.
- (b) Seller will describe items in bills of lading in accordance with current national mode of freight or uniform freight classification, whichever is applicable. Buyer's Order number, symbols, and identification numbers must be plainly marked on all packages, bills of lading and shipping orders. Seller will not declare any value on bills of lading if Buyer is responsible for shipping charges. If Seller does declare a value without the permission of Buyer, all insurance charges will be deducted from the Seller's invoice.
- (c) Packing lists will accompany each box or package shipped, showing Buyer's Order number, symbols, item number and description of items. Buyer's count or weight will be final and conclusive on shipments not accompanied by packing lists.
- (d) Seller will comply with all applicable export / import requirements.
- (e) When goods provided under this Order originate outside of the United States, prior to its first shipment of goods to Buyer, Seller shall provide Buyer a Certificate of Origin specifying the Country of Origin, including Seller name, Buyer Purchase Order number, Buyer part number, and, as requested, any other documentation that is reasonably required for Customs compliance.
- (f) Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, Sellers, or subcontractors at any tier, in the performance of any of its obligations under this Paragraph 8.

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9 Invoicing and Payment

- (a) Concurrent with each shipment under this Order, Seller will mail one original invoice to Buyer's, Accounts Payable Department, at the address shown on the face of this Order. Delays in receiving invoices, errors or omissions on invoices, or lack of supporting documentation will be cause for Buyer withholding payment without losing discount privileges. Payment for the items delivered under this Order will be made in accordance with Order terms, following receipt of a valid invoice, or acceptance of such delivered items, whichever is later.
- (b) Payment shall be deemed to have been made as of the date of mailing Buyer's payment or electronic funds transfer.
- (c) Unless otherwise specified, prices include all applicable federal, state and local taxes, duties, tariffs, and similar fees imposed by any government, all of which shall be listed separately on the invoice.

10 Changes

- (a) Buyer may, at any time and without notice to third parties, including sureties (if any), unilaterally make changes within the general scope of this Order, including, but not limited to, changes in whole or part and to any one or more of the following:
 - (i) shipping or packing instructions,
 - (ii) place of delivery,
 - (iii) any drawings, designs, or specifications,
 - (iv) the statement of work,
 - (v) the method or manner of performance of the work, and
 - (vi) Buyer-furnished property, facilities, equipment, materials, or Services.Seller shall perform any changes ordered by Buyer.
- (b) Buyer's engineering and technical personnel may from time to time render assistance or give technical advice or discuss or affect an exchange of information with Seller's personnel concerning the Work hereunder. No such action shall be deemed to be a change under the "Changes" clause of this Order and shall not be the basis for equitable adjustment. No change will be binding on Buyer unless issued in writing by an authorized representative of Buyer's purchasing department.
- (c) If any change under this clause causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment shall be made in price or delivery schedule or both, and the Order shall be modified in writing accordingly. Any claim by Seller for adjustment, must be asserted in writing not later than fifteen (15) calendar days after the date of receipt by Seller of the change order, or within such extension of that fifteen-day period as Buyer, in its sole discretion, may grant in writing at Seller's request. Seller's complete change proposal, fully supported by factual information, shall be submitted to Buyer's purchasing department within forty-five (45) days of the notice of change, provided, however, that Buyer may in its discretion consider any such claim regardless of when asserted, except that no claim for equitable adjustment hereunder shall be allowed if it is asserted after final payment of this Order.
- (d) If the cost of property or material made obsolete or excess as a result of a change is included in Seller's claim for adjustment, Buyer shall have the right to prescribe the disposition of such property or material.
- (e) Notwithstanding any pending claims for adjustment submitted by Seller, Seller shall diligently proceed with the performance of this Order, as directed by Buyer, and nothing herein shall be construed as relieving Seller of its obligations to perform, including without limitation the failure of the parties to agree upon Seller's entitlement to, or the amount or nature of, any such adjustment.

11 Schedule Acceleration/Deceleration

Notwithstanding paragraph 10 "Changes", Buyer may revise the delivery schedule without additional cost or change to the unit price stated in the applicable order if (1) the delivery date of the Product under such order is on or before the last date of the contract and (2) Buyer provides Seller written notice of such changes.

Upon receipt of the written notice of the change, Seller shall make its best effort to implement the change as soon as possible, but in no event shall the change be implemented later than four (4) months after notification of a schedule acceleration or three (3) months after notification of a schedule deceleration.

12 Compliance with Applicable Laws and Regulations

- (a) Seller will perform the requirements of this Order in compliance with all applicable laws, statutes, orders, acts, codes, rules and regulations of the United States and its individual states (including, but not limited to, the Fair Labor Standards Act, the Walsh-Healey Act, the Occupational Safety and Health Act, Executive Orders, export/import laws and regulations, Uniform Commercial Code, and Environmental Protection Acts), and of other Countries or Unions. Seller will indemnify Buyer against any and all loss, cost, liability, damage or expense arising from or related to Seller's failure to comply with this provision.
- (b) If this Order is issued under a United States Government prime contract or subcontract, the flow down clauses attached hereto and any other provision or requirement mandated as applicable to U.S. Government subcontracts by the Federal Acquisition Regulation and or applicable government department or agency supplement (including, without limitation, the Department of Defense FAR Supplement) is hereby incorporated herein. Such government contract provisions shall be controlling over any conflicting terms and conditions set forth herein.
- (c) Seller expressly acknowledge and agrees that it will, to the extent required by law or government contract requirements, provide information and verification concerning the citizenship or immigration status of Seller's personnel or Seller's subcontractor personnel entering onto Buyer's premises or the premise of Buyer's prime contractor or the U.S. Government.

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13 Government Import / Export Regulations

- (a) The goods and data provided under this Order may be subject to the provision of the Export Administration Act of 1979 (50 USC 2401-2420) and the Export Administration Regulations (15 CFR 768-799) promulgated there under; the Arms Export Control Act of 1976 (22 USC 2751-2779) and the International Traffic in Arms Regulation (22 CFR 120-128 and 130) promulgated there under; and the Foreign Corrupt Practices Act. The Parties acknowledge that these statutes and regulations impose restrictions on import, export, and transfer to third countries of certain categories of data and goods, and that licenses from the U.S. Department of State and/or U.S. Department of Commerce may be required before such goods and data can be provided hereunder, and that such licenses may impose further restrictions on use of such goods and data. Disclosure of such goods and data to foreign persons is subject to the above regulations regardless if the export occurs in the U.S. or abroad. Seller agrees to comply with all U.S. Governmental regulations mentioned above as they relate to the import, export, and re-export of goods and/or data, including, without limitation, the ITAR Registration requirements specified at 22 CFR 122.1.
- (b) Seller agrees to notify Buyer if any deliverable under this contract is restricted by export control laws or regulations.
- (c) Seller shall immediately notify the Buyer's Procurement Representative if Seller is, or becomes, listed in any denied parties list or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.
- (d) If Seller is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.
- (e) Where Seller is a signatory under a Buyer export license or export agreement (e.g., TAA, MLA), Seller shall provide prompt notification to the Buyer's Procurement Representative in the event of changed circumstances including, but not limited to, ineligibility, a violation or potential violation of the ITAR, and the initiation or existence of a U. S. Government investigation, that could affect the Seller's performance under this contract.
- (f) Seller shall on the first shipment to Buyer, provide to Buyer a Certificate of Origin or a Manufacturer's Affidavit for each item, and either:
 - (i) for U.S. sources, the U.S. Munitions List Category or Export Control Classification Number; or
 - (ii) for non-U.S. sources, the Harmonized Tariff Schedule Classification Number.
- (g) Seller shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Seller, its officers, employees, agents, Sellers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

14 Force Majeure

- (a) Neither party shall be deemed in default of this Agreement or any Order to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, or strikes ("Force Majeure").
- (b) If any Force Majeure condition affects Seller's ability to perform, Seller shall give immediate notice to Buyer and Buyer may elect to either: (1) Cancel at no cost to Buyer the affected Order(s) or any part thereof, (2) suspend the affected Order(s) or any part for the duration of the Force Majeure condition, with the option to obtain elsewhere Goods and Services to be furnished under such Order(s) and deduct from any commitment under such Order(s) the quantity of the Materials and Services obtained or for which commitments have been made elsewhere or (3) resume performance under such Order(s) once the Force Majeure condition ceases, with an option in Buyer to extend any affected Delivery Date or performance date up to the length of time the Force Majeure condition endured. Unless Buyer gives written notice otherwise within thirty (30) days after being notified of the Force Majeure condition, option (2) shall be deemed selected.

15 Termination for Convenience

- (a) Buyer may, at any time by written notice to Seller, terminate all or any part of this Order for Buyer's convenience, in which event Seller agrees to stop work immediately as to the terminated portion of this Order and to notify subcontractor(s) to stop work, and protect and preserve property in its possession in which Buyer has an interest. If this Order is terminated, in whole or in part, for Buyer's convenience, Seller shall be paid an amount, to be mutually agreed upon, which shall be adequate to cover the reasonable cost of Seller's actual performance of work under this Order to the effective date of termination, plus a reasonable profit thereon provided that no amount shall be paid to Seller for (i) any anticipatory profits related to work under this Order not yet performed, or (ii) costs incurred due to Seller's failure to terminate work as ordered on the effective date of termination. Buyer shall have no obligation to make any of the aforementioned payments to Seller, either for completed items or in connection with terminated work in process, unless Seller shall establish to Buyer's satisfaction that such completed items, or the work in process, including materials, are unusable in connection with Seller's other business. In no event shall the termination charges and all previous payments made under this Order exceed the total Order value shown on the face of this Order.
- (b) Seller shall submit to Buyer all claims resulting from such termination within sixty (60) days after Seller's receipt of Buyer's notice of termination. Buyer shall have, upon reasonable advanced notice, the right to inspect Seller's records, facilities, work, and materials relating to performance of the Order for purposes of evaluating Seller's claim.

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16 Termination for Default:

- (a) Buyer may terminate the whole or any part of this Contract in any of the following circumstances:
- (i) If Seller fails to deliver the goods or to perform the services required by this Contract within the time specified herein, or any extension thereof granted by BUYER in writing; or
 - (ii) If Seller fails to perform any of the other provisions of this Contract or so fails to make progress as to endanger performance of this Contract in accordance with its terms, and in either of these two (2) circumstances does not cure such failure within a period of ten (10) days after receipt of notice from BUYER specifying such failure; or
 - (iii) In the event of suspension of Seller's business, insolvency, institution of bankruptcy, liquidation proceedings by or against Seller, appointment of a trustee or receiver for Seller's property or business, or any assignment, reorganization or arrangement by Seller for the benefit of creditors; or
 - (iv) If otherwise expressly authorized under the provisions of this Contract;
- (b) If after notice of termination under this section, it is determined that Seller was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the section entitled "Termination for Convenience."

17 Notification Of Toxic Chemicals

Where applicable, Seller will comply with Section 313 of the Emergency Planning and Community Right to Know Act of 1986 (EPCRA) and 40 CFR Part 372. Seller will notify Buyer of the following information with the initial shipment of each item to Buyer:

- (a) A statement that the product contains chemicals which are subject to Section 313 of Title III of the Superfund Amendments and Reauthorization Act of 1986 and 40 CFR 372.45.
- (b) The name and the associated Chemical Abstract Service Registry number of each chemical which has been incorporated in the product and which is listed in the specific Toxic Chemical Listings contained in 40 CFR 372.65.
- (c) The percent by weight of each toxic chemical component of the product shipped. This notification must be attached to or otherwise incorporated into Seller's Material Safety Data Sheet (MSDS) whenever the MSDS requirement applies.

18 Products Manufactured With And/or Containing Ozone Depleting Substances

If items to be delivered under this Order are manufactured with and/or contain Ozone Depleting Substances as defined by 40 CFR Part 82, the appropriate warning label will be applied in accordance with 40 CFR 82.100.

19 Electrostatic Discharge Control Requirements

Seller will determine if any items ordered by Buyer are electrostatic discharge (ESD) sensitive and, if so, will comply with the following requirements: (i) Seller will design, manufacture, test, and repair these items using good commercial ESD control practices at all related sites and facilities; (ii) Items supplied to Buyer that are susceptible to ESD damage as delivered will be properly handled and packaged to prevent ESD damage; and (iii) packages containing ESD sensitive items will be marked with an appropriate caution label.

20 Access To Seller's Facilities

Buyer, Buyer's customer and relevant regulatory authorities will have access to Seller's, and all other facilities involved in the order, where they will have access to all procedures, practices, processes, associated documents and records related to quality assurance, quality control and configuration control. Buyer reserves the right to determine and verify the quality of work, records and material. The Seller will notify Buyer of any change in the location of Seller's facility.

21 Intellectual Property Indemnity

Seller shall indemnify Buyer and Buyer's customers and their respective officers, agents and employees against liability and losses, including costs, for infringement of any United States or foreign patent, copyright, trademark, or other intellectual property arising out of the manufacture of delivery of supplies or performance of services under this Order or out of the use or disposal by, or for the account of, Buyer, Buyer's customer and/or the Government, of such supplies or services. The foregoing indemnity shall not apply unless Seller shall have been informed as soon as practicable by Buyer, Buyer's customer and/or the Government, of the suit or action or other proceedings alleging such infringement and shall have been given such opportunity as is afforded by applicable laws, rules or regulations to participate in the defense thereof.

22 Subcontracting

Seller agrees to obtain Buyer's written approval before subcontracting this Order or any substantial portion of this Order. However, this requirement will not apply to the purchase of standard commercial supplies or raw materials on which Seller will perform further work.

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23 Assignment

The assignment of any right or interest in this Order, without the written permission of Buyer, will be void and totally ineffective. The Seller may, with written consent of Buyer, assign claims for money due or to become due through a bank, trust company, federal lending agency or other financial institution. Seller will not delegate any obligation under this Order without the written permission of Buyer and any attempted delegation without written permission will be void and totally ineffective for all purposes. Any permitted assignment will provide that payment by Buyer to an assignee of any amount will be subject to set-off or recoupment for any present or future claims which Buyer may have against Seller and will be valid only after Seller has provided Buyer with two properly executed copies of the assignment.

24 Confidential, Proprietary And Trade Secret Information And Materials

(a) Buyer and Seller will each keep confidential and protect from unauthorized use and disclosure all

- (i) confidential, proprietary and/or trade secret information;
- (ii) tangible items containing, conveying or embodying such information; and
- (iii) tooling identified as being subject to this provision and obtained, directly or indirectly, from the other in connection with this Order (collectively referred to as "Proprietary Information").

Buyer and Seller will each use and disclose Proprietary Information of the other only in the performance of and for the purposes of this Order.

- (b) However, despite any other obligations or restrictions imposed by this provision, Buyer will own and maintain all rights in any design and/or development work or items, including software, that are produced by Seller under the Order and paid for by Buyer. Further, Buyer will have the right to use, disclose and reproduce Seller's Proprietary Information and make derivative works for the purposes of testing, certification, use, sale and support of any item delivered in connection with this order. Any such use, disclosure, reproduction or derivative work by Buyer will include restrictions suitable under the particular circumstances.
- (c) The restrictions on disclosure and use of Buyer's Proprietary Information by Seller will apply to all materials derived there from by Seller. Upon Buyer's request at any time, and in any event upon the completion, termination or cancellation of this Order, Seller will return to Buyer all of Buyer's Proprietary Information and all derivative materials and copies unless specifically directed otherwise in writing by Buyer. Seller will not, without the prior written authorization of Buyer, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying or made in accordance with any of Buyer's Proprietary Information. Prior to disposing of such parts or other materials as scrap, Seller will render them unusable. Buyer will have the right to audit Seller's compliance with this provision.
- (d) Seller may disclose Buyer's Proprietary Information to its subcontractors as required for the performance of this Order, provided that legends are maintained on each disclosure and subcontractors first agree in writing to the same obligations imposed on Seller by this provision. Seller will be liable to Buyer for any breach of this obligation by a subcontractor. The requirements of this provision will take precedence over any inconsistent restrictive legends or notices applied to Proprietary Information and will survive the performance, completion, termination or cancellation of this Order.
- (e) Notwithstanding any other provisions of these Terms and Conditions, upon prior written notice to Buyer and to the extent that such use will not interfere with Seller's performance of purchase orders with Buyer, Seller with the Government's authorization, may use any Proprietary Information or items, which the Government owns or for which it has the right to authorize use on other Government contracts or subcontracts

25 Disputes

Any dispute that arises under or is related to this Order that cannot be settled by mutual agreement of the Parties following consideration through ascending levels of their respective management, up to and including their Presidents or Chief Executive Officers, may be submitted to and decided by a court of competent jurisdiction. Venue will coincide with the residence of the Buyer facility noted on the face of this Order. Pending final resolution of any dispute, Seller will diligently proceed with the performance of this Order as directed by Buyer. Pending resolution of any dispute hereunder, Seller shall proceed diligently with the performance of work, including the delivery of goods in accordance with Buyer's direction. Upon resolution of the dispute, this Order shall be equitably adjusted, if necessary, to reflect such resolution.

26 Entire Agreement

This Order contains the entire agreement of Buyer and Seller with respect to its terms and supersedes any and all prior agreements, understandings and communications between them. No amendment or modification of this Order will be valid or binding unless it is in writing and is signed by Buyer's authorized Purchasing Department Representative.

27 Federal, State and Local Taxes

Except as may be otherwise provided in the Order, the price includes all applicable Federal, State and local taxes and duties.

28 Order of Precedence

The various documents constituting this Order shall, insofar as is possible, be interpreted so as to be consistent with one another. In the event that a conflict or ambiguity arises in the interpretation of this Order, said conflict or ambiguity shall be resolved in accordance with the following order of precedence, with the first listed item having a higher precedence than later listed items: (a) provisions required by statute, regulation or Government contract; (b) provisions set forth on the face page of this Order form; (c) this Terms and Conditions document; (d) the Statement of Work attached hereto, if any; (e) Specifications approved by Buyer; and (f) Drawing(s) approved by Buyer.

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29 Intellectual Property Rights

- (a) All technical work product, including inventions (whether patented or not), information, data, documents, drawings, software, software documentation, designs, specifications and processes produced by or for Seller, either alone or with others, using funds paid by Buyer under this contract will be the exclusive property of Buyer and will be delivered to Buyer promptly upon request.
- (b) All inventions conceived, developed or first reduced to practice by or for Seller, either alone or with others, using funds paid by Buyer under this contract, and any patents based on any such inventions will be the exclusive property of Buyer. Seller will (i) promptly disclose all such inventions to Buyer in writing and (ii) execute all papers, cooperate with Buyer and perform all acts necessary in connection with the filing, prosecution or assignment of related patents or patent applications on behalf of Buyer.
- (c) All works of authorship, including documents, drawings, software, software documentation, photographs, videotapes, sound recordings and images, created by or for Seller using funds paid by Buyer under this contract, together with all copyrights subsisting therein, will be the sole property of Buyer. To the extent permitted under United States copyright law, all such works will be works made for hire, with the copyrights therein vesting in Buyer.
- (d) Seller grants to Buyer, and to Buyer's subcontractors and customers in connection with work being performed for Buyer, an irrevocable, nonexclusive, paid-up, worldwide license under any patents, copyrights, industrial designs and mask works owned or controlled by Seller at any time and existing prior to or during the term of this contract, but only to the extent that such patents or copyrights would otherwise interfere with Buyer's or Buyer's subcontractors', Sellers' or customers' use or enjoyment of the goods being delivered under this contract or the work product, inventions or works of authorship belonging to Buyer under this contract.

30 Notices

All notices required or permitted to be given in connection with this Order shall be deemed to be properly given if in writing and delivered to the receiving party at the address (including to the attention of the individual representative, if specified) shown on the face of this Order or to such other address or individual representative specified from time to time by such written notice. Notice shall be deemed effective upon receipt.

31 Partial Invalidity/Unenforceability

If in any instance any provision of this Order shall be determined to be invalid or unenforceable under any applicable law, such provision shall be ineffective only to the extent of such prohibition or unenforceability. The remaining provisions shall be given effect in accordance with their terms.

32 Independent Contractor Relationship

- (a) Seller's relationship to Buyer shall be that of an independent contractor and this Contract does not create an agency, partnership, or joint venture relationship between Buyer and Seller or Buyer and Seller personnel. Seller personnel engaged in performing Work under this Contract shall be deemed employees of Seller and shall not for any purposes be considered employees or agents of Buyer. Seller assumes full responsibility for the actions and supervision of such personnel while engaged in Work under this Contract. Buyer assumes no liability for Seller personnel.
- (b) Nothing contained in this Contract shall be construed as granting to Seller or any personnel of Seller rights under any Buyer benefit plan.
- (c) Seller personnel:
 - (i) will not remove Buyer or its Customer's assets from Buyer's or Customer's premises without Buyer authorization;
 - (ii) will use Buyer or Customer assets only for purposes of this Contract;
 - (iii) will only connect with, interact with or use Buyer's computer networks and equipment, communications resources, programs, tools or routines as Buyer agrees, all at Seller's risk and expense, and then only in compliance with applicable Buyer policies; and
 - (iv) will not share or disclose user identifiers, passwords, cipher keys or computer dial port telephone numbers. Buyer may monitor any communications made over or data stored in Buyer computer networks and equipment or communications resources.

33 Parts Obsolescence

When Seller has knowledge that any hardware item or material to be provided in performance of this purchase order is obsolete, is marked for impending obsolescence, or has an established end of production date, Seller shall immediately give initial notice thereof, including all relevant information with respect thereto, to Buyer. Such notice shall include, but not be limited to (1) complete details of which parts are affected, including rated Mean Time Between Failure (MTBF), where available; (2) date of obsolescence; (3) end of production date; (4) reason for obsolescence; (5) pricing and availability of last-time buy; (6) supportability terms (repair and warranty) for last-time buy; and (7) Seller's recommendation for replacement hardware inclusive of known impacts to performance, pricing, availability, and lead time. Seller's initial notifications of obsolescence shall be made through the end of the contracted warranty period for the items provided under this order.

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34 Counterfeit Goods Prevention

- (a) Seller represents and warrants that Counterfeit Goods are not contained in Goods delivered to Buyer through the implementation of policies that include prevention, detection and risk mitigation methods to protect against the use of Counterfeit Parts.
- (b) Seller shall purchase parts directly from the Original Component Manufacturer (OCM) / Original Equipment Manufacturer (OEMs), or from the OCM authorized or franchised distributor. Procurement through an independent distributor, non-franchised distributor or broker is NOT authorized. A certificate of conformance shall accompany each shipment of Goods delivered, along with OCM/OEM documentation that authenticates traceability of the components to that applicable OCM. If an original OEM/OCM certificate is NOT available, distributor shall provide a De-lid and Die Verification Report for the supplied parts verifying authenticity of the parts and such other documentation, testing and/or other information as Buyer shall reasonably request; however, the submission of such additional items shall not relieve Seller of its obligations hereunder.
- (c) In the event Seller becomes aware or suspects that it has furnished Counterfeit Parts, it shall immediately notify Buyer. When requested by Buyer, Seller shall provide (if available) Authorized Seller documentation that authenticates traceability of the parts to the applicable Authorized Seller.
- (d) In the event that Goods delivered under this Order are, or include, Counterfeit Parts, Seller shall promptly investigate, analyze and report in writing to Buyer whether such Counterfeit Parts should be replaced with genuine parts conforming to the requirements of this Order, or whether an alternative solution is recommended to meet the Order requirements at Seller's sole expense. The parties shall then agree upon the appropriate course of action.
- (e) Seller shall include this clause or reasonably equivalent provisions in all subcontracts for the delivery of Goods that will be furnished to or included in Goods furnished to Buyer.

35 Electronic Contracting

Buyer and Seller agree that if this Contract, or any ancillary agreement, or correspondence is transmitted electronically neither Buyer nor Seller shall contest the validity thereof, on the basis that this Contract, acknowledgement, ancillary agreement, or correspondence exists only in electronic form, an electronic record was used in its creation or formation, or it contains only an Electronic Signature.

36 Conflict Minerals

Seller recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC countries"). Accordingly, Seller commits to comply with Section 1502 of Dodd-Frank and its implementing regulations. In particular, Seller commits to have in place a supply chain policy and processes to undertake (1) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into products it provides Buyer; (2) due diligence of its supply chain, as necessary, to determine if Conflict Minerals sourced from the DRC countries directly or indirectly support unlawful conflict there, and (3) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Seller shall take all other measures as are necessary to comply with the Act and its implementing regulations, as they may be amended over time.