



## Terms and Conditions

The purchase of products and/or services by Cirtronics Corporation are subject to these Terms and Conditions ("Agreement") regardless of other or additional terms or conditions that conflict or contradict this Agreement in any purchase order, document, or other communication ("Order"), preprinted Terms and Conditions on any Buyer ("Buyer") document (for example: Purchase Orders or Confirmations) and/or seller's failure to object to conflicting or additional terms will not change or add to the terms of this Agreement. All Purchase Orders by Buyer become binding contracts, subject to the terms and conditions hereof, upon confirmation of the Purchase Order or upon the written notice by the Seller (the party accepting the Purchase Order). ANY CHANGE, ADDITION OR MODIFICATION TO THE PURCHASE ORDER MUST BE AGREED TO IN WRITING BY THE PARTIES.

- 1. Goods, Products and Services.** The Goods, Products and services described in this Purchase Order (the "PO" and or "Orders") are provided by Seller subject to the following terms and conditions. Both Buyer and Seller agree to be bound by and to comply with all such conditions. Other terms and conditions are not binding upon either party, unless accepted in writing by both parties. All Orders are subject to the acceptance by Seller. Orders for special, custom, value-added and Products specifically identified by Seller as non-standard are non-cancelable and non-returnable ("NCNR"). The Buyer at their discretion may reschedule Orders for standard Products without Seller's consent.
- 2. Purchase price.** Seller agrees to submit an invoice with each shipment showing the Purchase Order number, to include the quantity, part number(s) ordered and cost(s) of each item. All invoices should be issued to Cirtronics Corporation, c/o Accounts Payable. All prices shown in the PO apply until Purchase Order has been satisfied in full. At Buyer's discretion, only accepted price changes will be added to existing Purchase Orders. Only agreed price changes from the Buyer will be accepted. Invoices that are discrepant from the Buyer's Purchase Order due to a Purchase Order cost variance may result in delayed payment.
- 3. Method of shipment of packing.** Goods are to be packaged in such a manner which assures that they are protected against deterioration and contamination. All goods are delivered to the F.O.B. point specified in the PO. Title to the goods purchased by the Purchase Order remains with the Seller until they are off-loaded at Buyer's facility, or site otherwise specified on the face of the Purchase Order. All material shipped to Cirtronics is to be packaged in such a manner that will prevent damage during the shipping and receiving process. To prevent material damage related to improper packaging such as electro-static (ESD) and moisture sensitive parts, parts shall be packaged using appropriate packaging materials or approved static shielding bag(s).
- 4. Over shipment.** Quantities in excess of that shown in the Purchase Order, if rejected, will be returned at Seller's risk and expense. Any excess quantities that the Buyer accepts shall be at the Purchase Order price.
- 5. Inspection and rejection.** The goods and services furnished are exactly as specified in the PO. They are to be free from all defects in design, workmanship and materials. The goods and services are subject to inspection and test, and shall notify Seller in writing of any damage to the outer package or the Products, shortage, or other discrepancy ("Visual Defects") within reasonable time after receipt of the shipment. If Goods and Services furnished are found to be defective, Buyer may return Products to Seller with a return material authorization ("RMA") number issued by Seller. If Seller is unable to correct or replace such items within a time deemed reasonable, Buyer may terminate this PO in whole or in part. Buyer will return the Products to Seller in original manufacturer's shipping cartons or equivalent, along with acceptable proof of purchase as specified in the RMA.
- 6. Changes.** Buyer will not make changes to Purchase Order, including changes to place of delivery, part revision, quantity or pull-in requests without the Seller's consent. If consent is granted, and such changes affect the cost of or time required for fulfillment of the PO, an equitable adjustment in the price or date of delivery or both will be made. No change by Seller is allowed without written approval of Buyer. Any claim of Seller for an adjustment under this Article must be made in writing within thirty (30) days from the date of receipt by Seller of notification of such change. Nothing in this Article excuses Seller from delivering the goods and services described in the PO.
- 7. Warranty.** Seller warrants to Buyer that goods supplied under the PO are free from defects in material, workmanship and design, suitable for the purposes intended, in compliance with all applicable specifications, and drawings, and shall be fit for its intended use and service. All goods supplied under the PO shall be free from liens or encumbrance on title. All services are performed in accordance with current, sound and generally accepted industry practices by qualified personnel trained and experienced in the appropriate fields. Seller will pass through to Buyer any transferable Product warranties, indemnities, and remedies provided to Seller by the manufacturer, including any warranties and indemnities for intellectual property infringement. If required by law, Seller warrants that at the time of delivery, the Products shall have the specifications stated by the manufacturer in its published data sheet for the Products from 12 months from delivery of Products.
- 8. Compliance with laws.** Seller warrants that all goods and services sold hereunder shall be sold, delivered and furnished in strict compliance with all applicable laws and regulations to which they are subject. Seller shall execute and deliver such documents as may be required to effect or to evidence compliance. All laws and regulations required in agreements of this character are hereby incorporated by this reference.

9. Confidentiality. In the performance of the services, the Seller and its subcontractors, if any, may have access to confidential information (hereinafter referred to as "Confidential Information") which both parties must protect from disclosure. Both parties undertake to hold all of the Confidential Information it receives in strict confidence and neither to disclose or release in any manner such Confidential Information to any third party nor to use such Confidential Information for any other purpose than the one for which either party has disclosed same. The parties warrant that such employees or subcontractors are obligated to and will hold Confidential Information in strict confidence and to take all reasonable measures to ensure that confidentiality is respected. Both parties shall indemnify and hold harmless each other, its officers, directors and employees from and against any and all liabilities, claims, suits, demands, disputes, recourses, damages and expenses including, reasonable legal fees arising from any and all claims in respect of, or resulting from, the use or the disclosure of Confidential Information by the Seller, its employees or sub-contractors.
10. Intellectual Property Indemnification. Seller warrants that there has been no violation of any copyright, trade name, trademark, patent or related property right, as a result of manufacturing, producing or selling the goods. Seller further agrees to defend, indemnify and hold harmless the Buyer, its officers, agents and employees from all claims, expenses and liabilities arising from any actual or alleged violation or infringement.
11. Indemnification. Seller agrees to indemnify and hold harmless the Buyer from and against all demands, claims, suits, costs of defense, liabilities and other expenses for damage or damage to property or for injury or injuries to or death of any person or persons in any way arising from the furnishing of any goods and services provided under this Purchase Order except liability or damage arising from the sole negligence or willful misconduct of the Buyer, its agents or employees. This indemnification shall be in addition to the warranty obligations of Seller.
12. Assignment. The PO is assignable by Buyer. The PO may not be assigned to Seller without written approval of Buyer. In case such consent was given, Seller remains liable as if no such transfer has been made.
13. Time. Time is of the essence of the Purchase Order, and the Buyer reserves the right to cancel this Purchase Order, or any portion thereof, without penalty in the event that deliveries are not made within the specified time, without liability for deliveries previously made and accepted by the Buyer.
14. ITAR. If the Purchase Order falls under regulations of ITAR (International Traffic and Arms Regulations), all manufacturers, exporters, brokers of defense articles, defense services or related technical data are required to register with the United States Department of State DDTC (Director of Defense Trade Controls). All license requirements imposed by ITAR are the sole responsibility of the subcontractor in possession of the Purchase Order. Seller shall not disclose or otherwise transfer any technical data or equipment furnished to it by Buyer or developed by Seller directly from such data to any third party, including foreign nationals employed by the Seller within the United States, except in compliance with the applicable licensing, approval, and all other requirements of the US export control laws, regulations and directives, including but not limited to the Arms Export Control Act (22USC 2778), International Traffic in Arms Regulations (22 CFR Part 120-130), Export Administration Act (15 USC 2401-2410 as amended), Export Administration Regulations (15 CFR Part 730-799) and DoD Directive 5230.25, Withholding of Unclassified Technical Data from Public Disclosure. Seller shall indemnify and hold Buyer harmless from all claims, demands, damages, costs, fines, penalties, attorney's fees and all other expenses arising from failure of Seller to comply with this Article 14. US manufacturers of export controlled defense articles are required to register with the US Department of State (USDOS). If Seller needs further information on this requirement, please consult the USDOS webpage at [www.pmdtcc.state.gov](http://www.pmdtcc.state.gov) or contact the Cirtronics ITAR officer.
15. Default. A party is in default of its obligations under the PO if any of the following events occur, namely: a) such party is adjudged bankrupt or insolvent by a court of competent jurisdiction, or otherwise becomes insolvent, as evidenced by its inability to pay its debts generally as and when they become due; or b) such party is in default of its obligations hereunder and fails to cure such default within thirty days of written notice from the other party. Upon the occurrence of any of the above events, the party in default may, by written notice to the defaulting party, terminate the PO without prejudice to any other right or remedy available to it at law and without liability for such termination. Neither the Seller nor Buyer shall be liable to the other for indirect damages, for loss or for damages arising from loss of use or production.
16. Termination. The Buyer reserves the right to cancel the Purchase Order or any part thereof without penalty if Seller breaches any of the terms hereof. The PO may be terminated or suspended by Buyer in whole or in part. Buyer then delivers to Seller a written notice specifying the extent to which performance and/or the deliveries of goods and services under the PO is terminated and/or suspended and the date upon which such action shall become effective. In the event of such action, Buyer shall pay Seller for the goods and services satisfactorily provided to the effective date of termination or suspension. In this case, Seller may submit a proposal to Buyer for equitable increase in the prices to account for costs of demobilization and direct termination expenses. The termination of the PO shall discharge any further obligations of either party.
17. Force Majeure. Seller shall not be liable for default or delay due to causes beyond Seller's control and without fault or negligence of the part of Seller, provided the Seller gives Buyer prompt notice in writing when any such cause appears likely to delay deliveries and/or performances of services and takes appropriate action to avoid or minimize such delay. If any such default or delay threatens to impair Seller's ability to meet delivery requirements for its material, supplies and services, Buyer shall have the right, without any liability to Seller, to cancel the portion or portions of the PO so affected. Buyer shall not be liable for default or delay in the performance of its obligations due to cause beyond its control.
18. Jurisdiction and Governing Law. For any suit or proceeding to enforce the provisions of this Agreement, Seller irrevocably consents to the jurisdiction of the Courts of the State of New Hampshire. Furthermore, Seller agrees that this Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of New Hampshire, without giving to its principles of conflict of law.
19. Counterfeit Parts. All suppliers shall comply with SAE AS 5553 to prevent and mitigate to their best ability the use of counterfeit parts for both electrical and non-electrical components supplied to Cirtronics Corporation. Only new and authentic materials are to be used in products delivered to Cirtronics. All suppliers shall verify the procurement source and associated certifying paperwork prior to supplying material to Cirtronics. No counterfeit or suspect counterfeit parts are to be contained within the delivered product. Components should be purchased directly from the Original Equipment Manufacturer (OEM)/Original Component Manufacturer (OCM) or through the OEM/OCM franchised distributor. If suspect/counterfeit parts are delivered to Cirtronics Corporation, such parts will be impounded by Cirtronics Corporation and supplier shall promptly replace such suspect/counterfeit parts with replacements acceptable to Cirtronics Corporation at supplier expense to include expedited delivery. All counterfeit parts received will be rendered unusable and scrapped at Cirtronics, at supplier's expense, to ensure the parts are not re-introduced into the supply chain. A supplier corrective action request (SCAR) will be initiated and a GIDEP may be submitted.
- All occurrences of suspect counterfeit or counterfeit parts shall be immediately reported to Cirtronics Corporation. All suppliers shall flow

down the applicable requirements of AS5553 to applicable sub-suppliers.

20. Rights of Access, Surveillance and Source Inspection. Suppliers shall provide access to any and all facilities where production is being performed or is scheduled to be performed, including said supplier sub-tier suppliers, in order to perform facility and production inspections, surveys and/or system/process surveillance as part of verification of conformance to the requirements of issued Purchase Orders from Cirtronics Corporation. Source and/or Surveillance Inspection shall not relieve Supplier or their sub-suppliers of their responsibility to provide acceptable conforming product/material/parts on-time.
21. Rated Orders. If supplier receives notification that procured components are required for a RATED order, supplier will be required to adhere to the provisions of the Defense Priorities & Allocation System (DPAS)

Requirements (15-CFR-700). Additional DPAS information can be obtained by visiting: <http://guidebook.dema.mil>

22. Flow Down Requirements: Flow down requirements will be communicated/detailed on the Purchase Order. Supplier will be required to adhere to the requirement(s).
23. Supplier Quality Requirements: Refer to document **W29** Supplier Quality Requirements which can be found at [www.cirtronics.com](http://www.cirtronics.com).
24. Disputes: Disputes are directed to the buyer and will be discussed by both parties to reach a mutual agreement. Disputes that cannot be resolved in this manner will be escalated within the organization.