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Current version available on-line: www.tecnova.com/supply-chain

- 1) General: This Purchase Order is placed subject to these terms and conditions including those within the Purchase Order. The terms of any proposal referred to in the Purchase Order are included and made a part of the Purchase Order only to the extent of specifying the price, the nature and description of the goods or services ordered, the terms as to payment and time of delivery and then only to the extent that such terms are consistent with the terms and conditions of this Purchase Order. For the purpose of this Purchase Order, goods shall include but are not limited to raw materials, components, intermediate assemblies, end products and services.
- 2) Shipping Instructions: A packing list must accompany each shipment. Seller's name must be shown on the packing list in addition to Buyer's Purchase Order number, Tecnova part number, Manufacturer part number, quantity of goods shipped and date of shipment. Buyer shall audit the quantity and type of goods received for conformance to the packing list. Buyer's findings will be final and conclusive.
 - a) All Chemical and/or hazardous materials shipments shall include a Safety Data Sheet.
 - i) All chemicals must be labeled with the expiration date and/or shelf life information, if applicable.
 - ii) All chemicals shipped must have a minimum 75% remaining shelf life, or prior authorization from the Buyer is required.
 - b) Over/Under shipments are not allowed without prior authorization from the Buyer.
- 3) Invoicing: Invoices will be rendered for each shipment and must show the date shipment was made, shipping point, packing ticket numbers, purchase order number, Tecnova part number, description of goods and quantity shipped. All local, state and federal excise, sales or use taxes, when applicable, shall be stated separately on Supplier's invoices. Supplier shall show all applicable cash discounts on all invoices.
- 4) Discounts: The cash discount period will be computed, either from the date of delivery, inspection and acceptance, or the date of receipt of correct and proper invoices prepared in accordance with the terms and conditions of this Purchase Order, whichever date is later.
- 5) Price: Extra Charges: Except as otherwise provided in this Purchase Order, no payment for extras shall be made unless such extras and the price therefore have been authorized in writing by the Buyer. Prices shown on Purchase Order shall not increase during the period of delivery under this Purchase Order unless agreed to in writing.
- 6) Goods Returned to Seller: Time and rate of deliveries are the essence of this Purchase Order. Buyer reserves the right to cancel this Purchase Order and reject goods upon default by Seller in time, rate, or manner of delivery. Buyer reserves the right to return, shipping charges collect, all goods received at Buyer's plant more than one week ahead of schedule of deliveries on the face of this Purchase Order, and all goods shipped to Buyer in excess of the amount called for in this Purchase Order. All amounts paid by Buyer in connection with goods returned pursuant to this Section 6 shall be, at Buyer's exclusive option, either refunded by Seller to Buyer or credited by Seller to Buyer against amounts due from Buyer to Seller. Seller shall bear all risks of loss, damage or destruction of any such goods so returned. Buyer reserves the right to defer the time and rate of delivery specified in this Purchase Order by written notice to Seller, such change to be without additional cost.
- 7) Compliance with Laws: Seller shall comply with, and upon request of Buyer, furnish certificates of compliance with all Federal, State and local laws, rules and regulations that may be applicable to this Purchase Order. Seller agrees to indemnify and save harmless Buyer for and from any and all liabilities, expenses, costs and damages which Buyer may incur or suffer as a result of Seller's failure or omission to comply with said rules and regulations.
- 8) Taxes Federal, State and Local: The parties agree that the price or prices stated herein include all applicable taxes and that the price or prices will not be changed hereafter as the result of failure to include any applicable tax or as the result of any change in Seller's tax liabilities. Upon request of Seller, Buyer will furnish tax exemption certificates or other evidence of exemption when such certificates or other evidence of exemption are authorized and will be accepted by the appropriate taxing authorities.

- 9) Changes: Buyer may, at any time, by a written notice to Seller, and without notice to sureties, make changes within the general scope of this Purchase Order, in any one or more of the following:
- a) Drawings, designs, or specifications, where the goods to be furnished are to be specifically manufactured for Buyer in accordance therewith;
 - b) Method of shipment or packing; and
 - c) Time and place of delivery. If any such change under item 1 above causes an increase or decrease in the cost of the goods or services required by this Purchase Order, Seller shall notify Buyer in writing and an equitable adjustment shall be made in the Purchase Order price.

10) Counterfeit Work

- a) For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- b) SELLER shall not deliver Counterfeit Work to Tecnova Electronics under this Contract.
- c) SELLER shall only purchase products to be delivered or incorporated as Work to Tecnova Electronics directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain.
 - i) Work shall not be acquired from independent distributors or brokers unless approved in advance, and in writing by Tecnova Electronics.
- d) Seller shall maintain item traceability which ensures tracking of the item(s) back to the Original Component Manufacturer (OEM) for all components and devices, including those in assemblies and subassemblies, being delivered under this Purchase Order.
- e) Sub-tier suppliers are to adhere to Tecnova's Counterfeit Work (10) policy.
- f) SELLER shall immediately notify Tecnova Electronics with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work. When requested by Tecnova Electronics, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
- g) This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Contract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
- h) In the event that Work delivered under this Contract constitutes or includes Counterfeit Work, SELLER shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, SELLER shall be liable for all costs relating to the removal and replacement of Counterfeit Work, including without limitation Tecnova Electronics costs of removing Counterfeit Work, of installing replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. The remedies contained in this paragraph are in addition to any remedies Tecnova Electronics may have at law, equity or under other provisions of this Contract.
- i) SELLER shall include paragraphs (a) through (e) and paragraph (g) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as Work to Tecnova Electronics.

11) Inspection and Conformance to Specifications:

- a) All goods shall be subject to inspection and test by Buyer to the extent practicable at all times and places including the period of manufacture. Goods may be rejected if not strictly in accordance with Specifications.
- b) Goods rejected because of defects or inferior quality will be returned to Seller or Buyer may, at its exclusive option and at the expense of Seller, correct the defective or nonconforming goods to conform with the specification requirements. Upon the return of goods, Seller shall, at Buyer's exclusive option, either replace the rejected goods or refund to Buyer all amounts paid by Buyer in connection with the rejected goods. Seller shall be responsible for all expenses related to rejected goods, including, without limitation, expenses related to rework, transportation, repackaging and re-inspection. Seller shall bear all risks of loss, damage or destruction of any such goods so returned.
- c) If it is impractical for Buyer to inspect the goods at time of their receipt, this Section 12 will apply when the goods are inspected.

- d) The Seller shall notify organization in writing of nonconforming product and make arrangements for organization approval of supplier nonconforming material prior to shipment. The supplier shall notify the organization of changes in product and/or process definition and, where required, obtain organizational approval.
 - e) This requirement (e) applies to Non-Commercial Off-The-Shelf (NON-COTS) items only. Seller agrees that the Work produced internally and/or the Work procured from sub-tier suppliers under this Contract shall comply with the following requirements unless a documented request for change is approved by the Buyer.
 - i) Work shall not be moved from the original location of manufacture to any other production facility without prior approval from Tecnova Electronics.
 - ii) Where first article inspection is required, work shall not be moved from the original location where the Work was produced at the time of first article inspection acceptance.
 - iii) No changes of any kind shall be made to the design, manufacturing processes, or materials and activities associated with the production of the item being procured by the Buyer without prior approval from the Buyer.
 - iv) A form, fit or function analysis shall be performed, documented and included with any request for change.
 - v) A documented process shall be in place to review, identify and submit a request for changes to the Buyer.
 - vi) A documented request for change shall be submitted to the Buyer prior to any planned implementation. The change will not be implemented unless approved by the Buyer.
 - f) Unless otherwise specified in the purchase order (PO), all applicable records, including records from sub-tier suppliers, shall be maintained by the Seller for a period of seven (7) years after original shipment of items to Buyer.
 - g) The seller shall provide right of access by the organization, their customer, and regulatory authorities to all facilities involved in the Order and to all applicable records. The seller shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.
 - i) Supplier will provide evidence of flow down upon request.
 - h) Supplier shall provide training records for employees upon request.
 - i) The seller shall have a quality management system that is appropriate to the potential risks of the product purchased. The seller shall ensure that employees whose work affects product and service quality are competent and shall promote awareness of employees' contribution to product and service quality, product safety, and the importance of ethical behavior.
- 12) Termination without Cause: Buyer may request termination of work under this Purchase Order in whole or in part at any time by written or telegraphic notice to Seller. Seller will thereupon immediately stop work on this Purchase Order or the termination portion thereof and notify its subcontractors to do likewise. Unless such termination is caused by a default or delay of Seller, Seller shall be entitled to reimbursement for its actual costs incurred up to the point of termination applicable to the termination and in accordance with recognized accounting practices applied on consistent basis. Seller shall also be entitled to a reasonable profit on the work done prior to the termination at a rate that does not exceed the rate used in establishing the original purchase price. In the event of cancellation under this Section 13, deduction shall be made in any cancellation settlement for the value of any cancellation inventory retained by Seller or disposed of to any party other than Buyer, and Buyer shall not become liable to Seller for loss of anticipatory profits. The provisions of this Section shall not limit or affect the right of the Buyer to terminate this Purchase Order under Section 12 above.
- 13) Termination with Cause: Buyer may terminate this Purchase Order, or any part thereof, by written or telegraphic notice of default to Seller signed by Buyer under any of the following conditions:
- a) If Seller refuses or fails to make deliveries or perform services within the time specified or extensions thereof agreed to in writing by Buyer;
 - b) If Seller fails to comply with any of the other provisions of this Purchase Order, or so fails to make progress as to endanger performance of this Purchase Order in accordance with its terms, and does not cure any such failure within ten days after receipt of notice by Buyer specifying such failure; or
 - c) If Seller becomes insolvent or is subject to proceedings under any law relating to bankruptcy, insolvency, or the relief of debtors. Notwithstanding the provisions of Section 13, a termination of this Purchase Order pursuant to this Section 14 shall absolve Buyer of any further obligation to Seller. In the event of such termination, Buyer may purchase similar goods elsewhere or secure the manufacture and delivery of the ordered goods by contract or otherwise and Seller shall be liable to Buyer or any excess costs to Buyer.

- 14) Notice of Labor Disputes: Whenever an actual or potential labor dispute is delaying or threatens to delay the performance of the work, Seller shall immediately notify Buyer in writing. Such notice shall include any relevant information concerning the dispute and its background.
- 15) Warranties: The Seller warrants that all articles to be delivered hereunder shall be merchantable, fit for intended use, free from defects in workmanship and material and shall conform to the specifications, drawings and approved sample, if any. In the event of conflict, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer and samples over designated type part number or catalogue description. If the Buyer shall give the Seller notice of any defect or nonconformity within one year from the date of delivery of any article affected thereby, the Seller, shall save Buyer and its customers harmless from any and all expenses, liabilities and losses of any kind resulting from the sale or use of any defective or non-conforming goods or services provided by Seller under this Purchase Order. Warranties shall survive Buyer's inspection, delivery acceptance or payment by Buyer. The Seller further warrants that the prices set forth herein are as low as any net price now given by the Seller to any other customer for like materials and similar quantity and agrees that if during the pendency of this order lower net prices are quoted to anyone for similar materials, such lower net prices shall be from that time substituted for the prices contained herein. The above warranties shall be in addition to any other rights and warranties available to Buyer.
- 16) Confidential Relationship: Seller shall treat as strictly confidential this Purchase Order, all specifications, drawings, models, Buyer's customers, and any other items or information supplied by the Buyer. Materials made in accordance with Buyer's specifications and drawing shall not be disclosed, furnished or quoted to any person or concern without Buyer's written consent.
- 17) Infringement: Seller shall save Buyer and its customers harmless from any and all expenses, liabilities and losses of any kind resulting from claims, suits or actions alleging infringement from the sale or use of any and all goods or services furnished hereunder by the Seller.
- 18) Buyer Property: Unless otherwise expressly agreed in writing, all material, tooling, designs and any other property furnished to the Seller by the Buyer or paid for by the Buyer in connection with this Purchase Order shall remain the property of the Buyer, and be delivered to Buyer upon request; shall not without Buyer's written permission be used or disclosed to anyone other than the Buyer; shall be held at the Seller's risk; and shall be insured by the Seller.
- 19) Disputes: Any dispute concerning conformity with Buyer's specifications or the quality of goods furnished by the Seller shall be decided by the Buyer who shall set forth its decision in writing and mail or otherwise furnish a copy thereof to Seller. Buyer's decision shall be final conclusive, unless within thirty (30) days from the date of receipt of the decision by the Seller, the Seller submits the controversy or claims of arbitration in Waukegan, Illinois, or such other location to be designated by the Buyer, in accordance with the rules then obtaining of the American Arbitration Association. A copy of such submission shall be simultaneously furnished to Buyer. Submission of a dispute to arbitration shall not authorize the arbitrators to vary any terms of this agreement or add or delete any provisions. Any judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction hereof. Pending final resolution or arbitration of any dispute hereunder, the Seller shall proceed diligently with performance of this Purchase Order and in accordance with Buyer's decision.
- 20) Assignment: This Purchase Order or any part thereof shall not be assigned or sublet by Seller without first obtaining Buyer's written consent.
- 21) Setoffs and Counterclaims: All claims for money due or to become due from the Buyer shall be subject to deduction by Buyer for any setoff or counterclaim arising out of this or any other of Buyer's Purchase Orders with Seller.
- 22) Notice: All notices given pursuant to this Purchase Order shall be sent by certified mail, return receipt required, to the addresses of the Buyer shown on the Purchase Order.
- 23) Applicable Law: This Purchase Order and the acceptance of it shall be deemed to be a contract made in the State of Illinois and governed by the laws thereof, in accordance with the law of the State of Illinois.
- 24) Severability: A determination that certain sections of this Purchase Order, in whole or in part, are unenforceable, will not negate or effect in any way the application and enforcement of the remainder of this Purchase Order.
- 25) EEO: All subcontractors, vendors, and suppliers are hereby notified that it is the policy of Buyer to provide equal employment opportunity and to adhere to federal, state and local laws pertaining thereto. It is required that appropriate action be taken on the part of all Sellers, subcontractors, vendors and suppliers to insure adherence to such laws. Executive Order 11246/41CFR Part 60-1. The Equal Employment Opportunity clause in section 202, paragraphs 1

through 7 of Executive Order 11246 as amended, relative to Equal Employment Opportunity and the implementing rules and regulations of the Office of Federal Contracts Compliance are incorporated herein by specific reference.

26) Records Retention: Copies of records initiated and indicating the results of manufacturing process, inspection results, audits and certifications, including those received from sub tier suppliers, must be legible, identified, collected, protected, stored, easily retrievable and retained for seven (7) years at Supplier's facility or off-site storage provided the records are easily retrievable.

27) Other:

a) Pursuant to United States Presidential Executive Order 13224 and related regulations of the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury, U.S. persons and entities are prohibited from transacting business with persons or entities who, from time to time are determined to have committed, or to pose a risk of committing or supporting, terrorist acts, narcotics trafficking, money laundering and related crimes. Those persons and entities are identified on a list of Specially Designated Nationals and Blocked Persons (the "List"), published and regulated by OFAC. The names, including aliases, of these persons or entities ("Blocked Persons") are updated frequently. Supplier hereby represents and warrants that it is in full compliance with the U. S. Patriot Act and that neither Supplier nor any of its affiliates or subcontractors nor any of their affiliates, shareholders, employees, officers or directors has been designated as a "specifically designated national and blocked person" on the most current List published by OFAC at its official website, <http://www.treas.gov/ofac/downloads/t11sdn.pdf>, or at any replacement website or other replacement official publication of such list, and Supplier and its affiliates and subcontractors are currently in compliance with and will at all times during the term of this Agreement (including any extension thereof) remain in compliance with the regulations of the Office of Foreign Asset Control of the Department of the Treasury and any related statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action relating thereto. Neither Supplier nor any of its affiliates, subsidiaries, respective shareholders, beneficial owners of non-publicly traded shareholders, is directly or indirectly owned or controlled by the government of any country or person that is subject to an embargo or economic or trade sanctions by the United States government, and neither Supplier nor any of its affiliates, subsidiaries, respective shareholders, beneficial owners of non-publicly traded shareholders is acting on behalf of a government or person of any country that is subject to such an embargo, and neither Supplier nor any of its affiliates, subsidiaries, respective shareholders, beneficial owners of non-publicly traded shareholders is involved in business arrangements or otherwise engaged in transactions with countries or persons subject to economic or trade sanctions imposed by the United States government in violation of such sanctions. Supplier agrees that it will notify Buyer in writing immediately upon the occurrence of any event which would render the covenants, representations and warranties herein incorrect.

b) All Products supplied by Supplier to Buyer that contain cassiterite, columbite-tantalite (coltan), wolframite and their derivatives (including tin, tantalum and tungsten) and gold are only from sources that are not known by Supplier after due inquiry to directly or indirectly finance or benefit armed groups or conflict, including in the Democratic Republic of the Congo or any adjoining country. In addition, Supplier agrees (a) to maintain, record and provide to Buyer on request, traceability data and other information that Buyer may request in order to facilitate compliance with the U.S. Conflict Minerals Rule and any other similar law, rule or regulation adopted in the future, (b) to comply with Buyer's Policy Statement on Conflict Minerals, (c) to adopt and maintain policies, due diligence frameworks and management systems that enable Buyer to comply with its obligations under the Conflict Minerals Rule and any other similar law, rule or regulation adopted in the future, including policies, frameworks and systems as contemplated by the Organization for Economic Co-operation and Development's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and (d) that Buyer shall retain the right to conduct audits of Supplier to evaluate Supplier's compliance with Buyer's standards, policies and procedures regarding conflict minerals.

c) When advised by Buyer that Products could be exported to Europe directly or indirectly by Buyer, Supplier acknowledges that the Products will be subject to the European chemical regulations (REACH). Supplier agrees to comply with REACH, including the preregistration and registration requirements of REACH, with respect to such Products, and Supplier will work cooperatively with Buyer to assure that appropriate Product quantities and applications are covered.