

**A. TERMS AND CONDITIONS**

The terms and conditions set forth in this document shall represent the only terms and conditions upon which Belcan is prepared to procure goods and/or services (goods) from the person to whom purchase orders are addressed (the Seller). No other terms and conditions shall be binding upon Belcan unless accepted by Belcan in writing signed by an officer of that company. Seller will be deemed to have assented to all terms and conditions contained herein if any part of the goods covered by a Belcan purchase order is shipped or an invoice is presented in connection with said goods.

**B. COMPLIANCE WITH LAWS**

Seller certifies that unless specifically exempted, all goods, materials, products, labor and services furnished under this order have been manufactured, processed, delivered, and/or performed in full conformance with all applicable laws and regulations, including, but not limited to the Fair Labor Standards Act as amended, the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972, Executive Orders 11246, 11375, and 11141 (Title 41, Chapter 60, Code of Federal Regulations), the Vietnam Era Veterans Readjustment Act of 1974, Executive Order 11701 and Title 41, Section 50.250.2, Code of Federal Regulations, the Rehabilitation Act of 1973, Executive Order 11758 and Title 20, Chapter VI, Part 741, Code of Federal Regulations, Executive Order 11458 and Title 41, Subpart 1.13, Code of Federal Regulations (relating to Minority Business Enterprises), ADA (Americans with Disabilities Act of 1990) and all amendments thereto and all Regulations, Rules and Orders thereunder. Seller hereby agrees that all of the applicable provisions of the above Orders, Acts, Rules and Regulations as such may be amended or superseded, are hereby made a part hereof by reference and are binding upon Seller.

**C. CONFORMITY WITH ORDER**

The goods specified by Belcan purchase orders shall not be modified in dimensions, specifications or quantity by the Seller in any way without prior authorization of Belcan on an official order change sheet signed by an authorized representative of Belcan. The cost of restoring or replacing goods modified by the Seller without prior authorization from Belcan shall be met entirely by the Seller.

**D. EXTRA CHARGES AND PACKAGING REQUIREMENTS**

No charges of any kind, including charges for boxing and cartage, will be allowed unless specifically agreed to by Belcan in writing. However, Seller shall be responsible for packing and packaging necessary to withstand transportation hazards and preparing shipments in accordance with the instructions furnished by Belcan.

**E. DELIVERY AND PASSING OF TITLE**

The goods shall be delivered or provided strictly in accordance with these Terms and Conditions and the Seller will only be excused delay in delivery or performance in the event that it can show to the reasonable satisfaction of Belcan that such delay was caused by circumstances outside its control.

Title to the goods and risk of loss of or damage to the goods shall pass to Belcan when off-loaded at the destination stipulated on the purchase order.

In the event that the goods, upon delivery, do not conform to the purchase order, the Seller shall promptly rectify any defects at the Seller's expense. If the Seller fails to take prompt action to correct any such defects and actively pursue such action, Belcan shall have the right and sole decision to receive a full and prompt refund for such non-conforming goods, or have the defects in the goods rectified at the Seller's expense.

**F. BELCAN AND/OR CUSTOMER-OWNED PROPERTY**

All tooling, equipment, materials, hardware, drawings or other documented data of every description furnished to the Seller that is specifically paid for by Belcan or Belcan's Customer is considered "Belcan-owned" or "Customer-Owned" property. Such property shall

remain under the ownership of Belcan or its' Customer and shall be readily identifiable as such. At the written request of Belcan or its' Customer, Seller shall prepare for shipment and return property to its owner.

Seller shall assume all risk of loss or damage to Belcan-Owned or Customer-Owned property while in seller's possession and control. Seller shall keep and maintain adequate insurance to cover the full replacement cost of the owner's items while under Seller's control. Seller's liability remains in effect when item(s) are provided to Seller's subcontractors while performing work against the work statement reflected in Belcan's Purchase Order with Seller.

**G. CONFIDENTIALITY**

Seller covenants and agrees that it shall not, and shall cause its officers, directors, employees, agents and representatives not to disclose or communicate, directly or indirectly, to any person or entity any information of Belcan disclosed hereunder or in connection with this order. Seller shall be responsible for the compliance of this nondisclosure obligation by Seller's officers, employees, agents and representatives. This nondisclosure covenant has no geographic, territorial or time limitation and applies no matter where Seller may be located or conducts business in the future.

**H. CHANGES**

Belcan shall have the right to make changes in purchase orders, but no additional charges will be allowed unless authorized in writing by a representative of Belcan. If such changes affect delivery or the amount to be paid by Belcan, the Seller shall notify Belcan immediately and negotiate an adjustment in accordance with this clause (H). In any event, the maximum liability of Belcan for obsolescence, scrapage, and/or rework resulting from any change shall be limited to the materials and parts in process at the time of the change which shall not exceed the original order in quantity of numbers.

**I. TERMINATION**

Belcan shall have the right to terminate this order in whole or in part at any time without cause or breach by giving the Seller notice in writing whereupon all work on the specified purchase order(s) shall be discontinued. Belcan shall pay a fair and reasonable price for all work in progress at the time of the termination and the Seller shall afford Belcan every assistance to ascertain the extent of such work in progress. Belcan shall not be liable for loss of anticipated profits or for any consequential loss whatsoever. In the event of termination, the Seller shall submit a claim within 1 month of such termination after which time claims will only be met in exceptional circumstances. Any obligations or duties which, by their nature, extend beyond the expiration or termination of the order shall survive the expiration or termination of the order.

**J. COVERAGE/WORK ON BELCAN PREMISES**

If Seller's work under the Belcan purchase order involves operations by the Seller on Belcan premises, Seller shall take all necessary precautions to prevent the occurrences of any injury to person or property during the progress of such work and, except to the extent that any such injury is due solely and directly to Belcan's negligence, shall indemnify Belcan against all loss which may result from any act or omission of the Seller, its agents, employees or subcontractors.

The Seller shall maintain such General Liability, Automobile Liability, and Employer's Liability, all with minimum coverage of \$1,000,000, and Workers Compensation Insurance as will protect Belcan from said risks and from any claims under any applicable Worker's Compensation and Occupational Disease Act. If requested, Seller must provide Certificates of Insurance for such policies within 30 days of Belcan's request.

**K. SUBCONTRACTING**

Quotations must identify any subcontracted work. After receipt of Purchase Order any additional subcontracted work, in whole or in part, must have prior written consent of an authorized Belcan representative.

#### L. WARRANTY

Seller warrants all goods provided hereunder to be of good merchantable quality, fit for the purpose for which they are intended, in compliance with the specifications set forth on this purchase order, and free of all defects, design defects, liens, encumbrances and liabilities whatsoever; that Seller has good and marketable title thereto capable of being transferred to Belcan; and that the goods have been delivered to Belcan in good condition with any special packaging requirements having been complied with. Seller warrants that all services provided hereunder shall be performed in a competent and workmanlike fashion, and with a degree of professionalism and expertise typical of a professional providing services of the type and nature offered. Such warranties shall be in addition to any other warranties, express and implied, given to Belcan by Seller. Nothing contained in this order shall be deemed a waiver of warranties implied by law.

#### M. INSPECTION

1. All goods (including without limitation, raw materials, components, intermediate assemblies and end products) shall be subject to inspection and testing by Belcan to the extent practicable at all places and times including the period of manufacture and in any event prior to final acceptance by Belcan.
2. The representatives of Belcan shall have the right to visit the Seller's premises at all reasonable times to inspect the goods and to monitor the progress of the work but such inspection shall not constitute acceptance. The inspection will be performed in such a manner as not to unduly delay the work.
3. Belcan shall be notified when hardware is complete and ready to ship. Inspection records shall be sent to Belcan for final review and acceptance/rejection prior to shipment of hardware. Final acceptance or rejection of the hardware shall be made within thirty (30) working days after completion of the hardware and receipt of all required inspection and certification records, except as otherwise provided in Belcan's purchase order(s). All Terms and Conditions stated on the actual Purchase Order must be met. Failure to inspect and accept or reject hardware, by Belcan, shall neither relieve Seller from responsibility for such goods that do not fully comply with order requirements nor impose liabilities on Belcan.
4. Copies of all the inspection records prepared by Seller must be included with the delivered hardware.

#### N. INFRINGEMENT LIABILITY

Seller shall defend, indemnify and hold harmless Belcan from any claim, suit or proceeding alleging that the manufacture of goods or the furnishing of services under this order, or the use or sale of such goods, constitutes infringement of any intellectual property or other proprietary rights of any third party in any country, including but not limited to any patents or copyrights. Belcan shall provide appropriate notice of such claim, and offer reasonable assistance and such authority as is afforded by applicable laws, rules or regulations for the handling or defense of such claim, suit or proceeding (all at Seller's expense). In case said goods are enjoined, Seller shall, at its own expense and option, procure for Belcan the rights to continue using said goods, or modify them so they become non-infringing, or with the written approval of Belcan, remove said goods and refund the purchase price and the transportation and installation costs thereof. The foregoing patent and copyright indemnity and warranty obligations shall be inapplicable where the alleged infringement results from detail designs supplied by Belcan, unless goods embodying such designs are normally sold or advertised for sale to others by Seller.

#### O. INDEMNIFICATION

Seller agrees to indemnify, defend and hold harmless Belcan from and against all claims, demands, actions, penalties, fines, damages, losses, expenses (including but not limited to reasonable attorneys' fees and costs), known or unknown bodily and personal injuries or death or property damage and the consequences thereof, and liabilities of any kind (together, "Claims") related to any goods sold to Belcan by Seller or any services performed by Seller for Belcan, except to the extent such Claims arise out of Belcan's sole negligence. This indemnification obligation will survive Seller's delivery of goods or furnishing of services to Belcan. The amount of Seller's insurance in no way limits Seller's indemnification obligations.

#### P. PRICE AND PAYMENT

The price specified in each Belcan Purchase Order shall remain fixed and binding, unless amended by a written change order, which is signed by an authorized representative of Belcan. Invoices should be mailed to the Belcan address shown on the purchase order no earlier than the day in which goods are delivered or the services are accepted as complete by Belcan.

Belcan is not obligated to pay invoices submitted more than twelve (12) months from shipment of goods or completion of services.

Belcan has the right to offset any loss or damages it suffers as a result of (a) Seller's breach of any representations, warranties, or other obligation under this Agreement, (b) Seller's overcharge of any amounts to Belcan, or (c) any Claims made against Belcan for which Seller has an indemnification obligation to Belcan, by withholding an amount equal to the alleged loss or damage from any amounts due or owing to Seller under this Agreement or any other agreement or transaction between Seller and Belcan.

PAYMENT TERMS ARE NET 45 DAYS FROM THE INVOICE DATE.

#### Q. TAXES

Unless expressly provided on the face of this order, all taxes of any type or sort assessed, imposed or charged on the production, delivery, or sale of goods or services hereunder shall be paid by Seller.

#### R. SALES TAX EXEMPTION

Items for remanufacture and/or resale will be exempted from Sales Tax. Seller will be notified if such is the case, and will be advised to obtain a Tax Exemption Certificate for their files from Belcan as required.

#### S. SUSPECT/COUNTERFEIT PARTS

Seller represents and warrants that it has policies and procedures in place to ensure that none of the supplies or materials furnished under this Purchase Order are "suspect/counterfeit parts" and certifies, to the best of its knowledge and belief, that no such parts have been or are being furnished to Buyer by Seller. "Suspect/counterfeit parts" are parts that may be of new manufacture, but are misleadingly labeled to provide the impression they are of a different class or quality or from a different source than is actually the case. They also include refurbished parts, complete with false labeling, that are represented as new parts or any parts that are designated as suspect by the U.S. Government, such as parts listed in alerts published by the Defense Contract Management Agency under the Government-Industry Data Exchange Program (GIDEP). If Buyer reasonably determines that Seller has supplied suspect/counterfeit parts to Buyer, Buyer shall promptly notify Seller and Seller shall immediately replace the suspect/counterfeit parts with parts acceptable to Buyer. Notwithstanding any other provision contained herein, Seller shall be liable for all costs incurred by Buyer to remove and replace the suspect/counterfeit parts, including without limitation Buyer's external and internal costs of removing such a counterfeit parts, of reinserting replacement parts and of any testing necessitated by the reinstallation of Seller's goods after counterfeit parts have been exchanged. In addition, Buyer may unilaterally terminate this order for Convenience depending on the impact of the delivery of Suspect/Counterfeit parts on the Seller's overall performance on this



**TERMS AND CONDITIONS OF PURCHASE**

order. Seller’s warranty against suspect/counterfeit parts shall survive any termination or expiration of this Purchase Order.

Buyer reserves the right to seize and quarantine any / all suspected counterfeit products it receives from seller on this Purchase Order. Suspect counterfeit products may be forwarded to the Original Component Manufacturer and / or the appropriate Federal or State authorities for final analysis, possible confiscation and / or destruction. If products furnished by the Seller are determined to in fact be counterfeit, Seller agrees to reimburse Buyer on the full purchase price paid as well as any shipping or 3rd party testing charges incurred by Buyer.

**T. GOVERNING LAW, VENUE AND WAIVER OF JURY TRIAL**

Seller and Belcan agree that these terms and conditions and the performance thereof shall be governed by Ohio law and that the venue of any causes of action related to this document shall be in Hamilton County, Ohio. SELLER AND BELCAN WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY MATTER ARISING OUT OF THESE TERMS AND CONDITIONS OR ANY AGREEMENT OR PURCHASE ORDER RELATED HERETO.

**U. ASSIGNMENT**

Seller may not assign these terms and conditions or any agreement or Purchase Order related hereto without Belcan’s prior written consent.

**V. CONFLICT MINERALS**

Seller warrants that, to its knowledge, no tantalum, tin, tungsten and/or gold (“Conflict Minerals”), contained in any products subject to this order, originated from the Democratic Republic of the Congo or an adjoining country. Seller agrees to communicate to its sub-suppliers its own commitment to responsible sourcing and legal compliance. Seller agrees to cooperate and work with its sub-suppliers in an attempt to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Belcan upon request.

**W. FCPA COMPLIANCE.**

Seller shall not, and shall not permit any of its subsidiaries and Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents (collectively, “Representatives”) to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. government official, in each case, in violation of the U.S. Foreign Corrupt Practices Act (“FCPA”) or any other applicable anti bribery or anti-corruption law. The Seller shall, and shall cause each of its subsidiaries and Affiliates to, cease all of its or their respective activities, as well as remediate any actions taken by the Seller, its subsidiaries or Affiliates or any of its or their respective representatives in violation of the FCPA or any other applicable anti bribery or anti-corruption law. The Seller shall, and shall cause each of its Affiliates and subsidiaries to, maintain systems or internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti bribery or anti-corruption law.

**X. EMPLOYEE AWARENESS.**

Seller shall ensure that Seller’s employees and representatives are aware of their contributions to product and service conformity, product safety and the importance of ethical behavior.