

## IDC GENERAL TERMS AND CONDITIONS

For

### "Supplies and Services"

This document constitutes the Terms and Conditions for the Purchase of Goods and Services between the parties, and acceptance is limited to the terms and conditions herein unless otherwise specified on the Purchase Order (PO). Terms, Conditions or limitations of liability proposed by Seller, in a quotation, acceptance or delivery document are not applicable unless accepted in writing by IDC. Acceptance of IDC Terms and Conditions constitutes, performance, delivery of goods/services or acceptance of payment.

#### 1. Agreement

a) Supplier's acceptance of this Purchase Order (PO) is limited to the Terms and Conditions of this document in less otherwise noted on the face of the PO. By such acceptance, payment or by Supplier's shipment of all or any part of the goods or performance of any of the services specified in the PO, Supplier agrees to the PO Terms, and Conditions.

b) IDC' Procurement Representative is the authority to issue or change a PO. All changes shall be documented in writing and executed by the IDC Procurement Representative and Seller. Engineering and/or technical support resulting in a change in scope provided by IDC personnel does not authorize or fund Seller to incorporate any such change unless IDC' Procurement Representative has modified the PO or provided a written authorize to proceed.

#### 2. Price

a) Prices stated in the PO are fixed unless otherwise expressly stated therein. No taxes or additional charges (including but not limited to packing, handling or change in currency) shall be applicable unless otherwise specified. All taxes, if applicable, shall be listed as a separate line item on the invoice. Invoices shall include the number of each delivery item and the PO reference.

#### 3) Payment, Duties and Taxes

a) IDC shall make payment for goods and services within sixty (60) days after receipt of invoice, delivery and acceptance of the goods or complete performance of the services, unless different terms have been stated on the face of the PO. Payment of an invoice shall not constitute acceptance of goods or services and shall be subject to adjustment for errors, shortages, defects in the goods or services, damage to IDC for which Supplier is partially or wholly responsible or other failure by Supplier to meet the requirements of the PO.

b) All applicable federal, state and local taxes, duties, tariffs/fees shall be identified on the invoice

c) Payment will be in United States (US) dollars.

#### 4. Change

a) From time to time changes to a Purchase Order may be necessary, if the change causes an increase or decrease in cost and/or time required for performance the Seller shall notify IDC within seven (7) business days of the change/impact and assert its claim for an equitable adjustment or reduction in the PO price.

#### 5. Invoices

a) All invoices shall be submitted in duplicate and be accompanied by a copy of the bill of lading if on collect freight shipments or if otherwise required by law, and by a prepaid freight bill if all or any part of the freight is included on the face of the invoice. In addition

to any other information specified elsewhere herein, invoices and packing slips shall contain the following information: PO number, item number, description of goods and services, sizes, quantities, weight, unit prices and extended totals.

## 6. Delivery

a) Time is of the essence in performance of the PO. The Seller shall notify IDC immediately of any potential impact to meeting the PO delivery date and immediately modify the method of shipment to be delivered overnight at the Suppliers expense. If delivery of goods or services are not complete within the time specified on the PO or an agreed too delivery date, IDC may, without liability and in accordance with its other rights and remedies, terminate the PO for any goods not delivered or services not yet rendered by notice effective when received by Supplier. IDC may purchase substitute goods or services elsewhere and charge Supplier for additional expense incurred (re-procurement costs). Acceptance of any part of the PO shall not bind IDC to accept any future shipments, overrun, or quantity allowance shipments nor deprive IDC of the right to return goods already accepted.

## 7. Termination for Convenience

- a) IDC may, at any time, terminate this PO in whole or in part, without cause, upon written notice to Supplier. In such an event, IDC shall have all rights to title and possession of the goods and/or materials paid for.
- b) Seller shall immediately stop work and limit costs on the terminated work.
- c) Charges for any such termination of this PO shall be limited to actual non-recoverable costs incurred by Seller that Seller can demonstrate were properly incurred prior to the date of termination.
- d) In no event will IDC reimburse Seller for goods, inventory or services in excess of those required to meet IDC's delivery schedule for binding forecasts, anticipated profits or revenue

or other economic loss for undelivered goods or unperformed services.

e) Termination cost shall not exceed the value of the PO.

## 8. Termination for Default

- a) By written notice of default to Seller IDC may terminate this PO in whole or in part if the Seller fails to deliver the goods or to perform the Services within the time specified in the PO or any extension, fail to make progress resulting in impact to the Buyer or perform any other provisions of the PO.
- b) Seller may be required to provide IDC all completed goods, raw material, parts, tools, drawings produced or acquired for the performance of the PO.
- c) If Seller is terminated for default Seller is liable for re-procurement costs incurred in acquiring goods and/or Services similar to those terminated, and for damages, despite the effect on re-procurement of goods and/or services.

## 9. Inspection

- a) Goods purchased hereunder shall be subject to and in accordance with an acceptable inspection and test plan during and at final inspection at Suppliers facility to ensure, validate and certify during the manufacturing process all goods meet the requirements of the design specification, data sheet, statement of work and/or PO prior to shipment to IDC. Acceptance will be subject to inspection and approval by IDC.
- b) Supplier shall provide reasonable facilities and assistance for the safety and convenience of inspection personnel.

## 10. Warranty

- a) Unless stated otherwise in the PO Seller warrants goods delivered to Buyer shall (i) be new; (ii) contain materials obtained directly from the OEM or an authorized OEM reseller or distributor (iii) contain authentic, unaltered

OEM labels and markings (iv) traceability to the OEM (v) free from defects, (vi) shall conform to the specifications, drawings, samples or other description furnished to Seller by Buyer and shall meet the performance requirements of the PO

b) In the event of non-compliance, IDC may, at its option (i) retain the goods with an equitable adjustment in the price; (ii) have the goods repaired or replaced at the F.O.B. delivery point; or (iii) return the goods at Supplier's expense for refund or replacement. Repairs and/or replacements will ship to IDC at the Sellers expense.

c) Warranties shall survive inspection, test, final acceptance and payment of Goods and/or Services.

d) Seller warrants that firmware, software and hardware Goods delivered do not contain any viruses, codes, damaging computer programs, copy write infringements that could directly or indirectly impact IDC and IDCs Customer. The Seller shall hold IDC harmless from damage, lose, or expense that IDC may incur resulting from Sellers warranty.

#### 11. Shipment

a) Goods shall be shipped FOB DESTINATION or in accordance with IDC's written instructions. IDC PO number and part number must be plainly marked on all invoices, packages, bills of lading and shipping orders. Shipping memos or packing list must accompany the goods. Bills of lading or shipping receipts shall accompany each invoice. Quantity or weight shall be final and conclusive on shipments. Supplier's shipping charges (if applicable) shall reflect discounts received by Supplier from freight transporters. Goods delivered under this PO more than the quantity specified may be retained by IDC at no additional cost to IDC.

#### 12. Confidential Information

a) Supplier agrees that information furnished by Buyer or which is developed by Supplier in

response to this PO is confidential and the exclusive property of IDC. Supplier agrees not to disclose such information without the prior written approval of Buyer and to limit internal dissemination on a "need to know" basis. All IDC drawings, technical drawings or specifications contain proprietary information owned by IDC, or developed at its own expense may not be used, duplicated or disclosed in whole or in part for any purpose including design, manufacturing or procurement without the written permission of IDC.

#### 13. Non-Recurring Engineering (NRE)

a) Payment for NRE constitutes the transfer of any title of any manufacturing or assembly, tooling of equipment to the IDC unless specifically stated otherwise in writing between IDC and Seller.

#### 14. Indemnification

a) Seller shall defend, indemnify and hold harmless IDC, its officers, customers, directors and employees, against all claims, liability, loss, damage, costs and expenses, including attorneys' fees which IDC may hereafter suffer itself or incur because of injury (including death) to any person or damage to any property arising out of any defect in the goods or services received from the Supplier. Seller further agrees to defend, indemnify and hold harmless IDC, its officers, customers, directors and employees from all actions, claims, liability, loss, cost and expenses arising from allegations or claims of infringement of the goods or their use upon any patents, copyrights or trademarks. Seller agrees to notify IDC in writing within five (5) business days of any such allegation or claim. Supplier shall, at its expense, either procure for the Buyer or Buyer's customer the right to continue using the goods, replace with non-infringing goods, modify the goods so they are non-infringing or fully refund IDC for any infringing goods paid to Seller.

#### 15. Compliance with Law and Regulatory Orders

a) Supplier warrants the goods were produced in and conform with all applicable, Federal, State, and local laws, ordinances and regulations, including but not limited to the Fair Labor Standards Act, as amended, and Occupational Safety and Health Act as amended. Where goods ordered hereunder are chemical substances, Buyer shall not be obligated to make payment until Supplier has furnished a MSDS (Material Safety Data Sheet) for each chemical substance. Supplier shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish the fact that Supplier has furnished, or contracted to furnish to Buyer the goods ordered hereunder. This contract shall be governed by the laws of the state where the Order is issued. The invalidity of one clause or portion of this PO shall have no effect on the validity of any other clause or portion hereof. The remedies of Buyer shall be cumulative and in addition to any other remedies afforded by law or equity. No waiver of a breach of any provision of an Order shall constitute a waiver of any other breach.

b) Seller must have standards of conduct and internal controls reasonably capable of reducing the probability of improper behavior.

#### 16. Labor

a) Where applicable, Supplier shall comply with all provisions of Executive Order 11246, as amended; and 41 CFR part 60-250 and 41-CFR Part 60-741 relating to the employment of (i) qualified disabled veterans and veterans of the Vietnam War as well as (ii) qualified disabled individuals, respectively. Supplier warrants it complies with the requirements of the Fair Labor Standards Act, as amended, and the rule and regulations promulgated thereunder.

#### 17. Insurance

a) Supplier shall, at its own expense, maintain with a reputable insurer (and provide certificate(s) of insurance to Buyer if and when requested) for a period of at least 2 years after the fulfillment of the PO reasonable and

customary insurance coverage, including, but not limited to, (i) worker's compensation statutory coverage as required by the laws of the applicable jurisdiction, and (ii) commercial general liability insurance including coverage for product liability in the minimum amount of \$5 million in respect of claims for any losses, costs and expenses arising out of or relating to Supplier furnishing the goods, deliverables and/or services under the PO. The certificate(s) of insurance will, if requested by Buyer, designate Buyer as "additional insured" under the commercial general liability policy and will include the agreement for the insurer to give Buyer written notice at least 30 days prior to the effective date of any cancellation, lapse or material change in the policy, and will contain a waiver of subrogation in favor of Buyer.

#### 18. Furnished Property

a) All data, tools, fixtures etc. furnished or paid for by IDC remain the property of IDC; seller shall be responsible for loss and damage to IDC property except for wear and tear.

b) It is the seller's responsibility to ensure that IDC property is clearly marked and stored in accordance with the manufacturers recommendation.

c) IDC furnished property shall only be used in performance of an IDC PO unless IDC consents otherwise.

#### 19. Release of Information

a) Seller shall not use IDC's name in promotional data or public announcements without prior written consent of IDC.

b) Seller shall not publish, confirm, deny or disclose any information related to this PO.

#### 20. Disputes

a) All disputes that are not resolved between IDC and the Seller may be decided in a court of law, IDC and Seller will bear its own costs for disputes.

b) Pending resolution of a dispute, Seller shall proceed with the performance of the PO and in

accordance with all Terms and Conditions herein.

#### 21. Assignment, Organization Change

- a) Without prior written consent from IDC Seller cannot transfer, assign, novate or delegate its responsibility herein.
- b) Seller shall notify IDC in writing of all Organization changes.

#### 22. Audit of records

- a) IDC has the right to audit Sellers records to ensure compliance with the Terms and Conditions of the PO.
- b) Seller shall provide all reasonable data to support an audit.

#### 23. Communication with Buyer's Customer

IDC shall be solely responsible for all communication with IDC' customer.

#### 24. Conflict of Interest

The Seller shall not provide materials or services to IDC that will create or could be perceived as a Conflict of Interest to Sellers Customers. It is the Sellers responsibility to notify IDC of any situation which could potentially be a Conflict of Interest.

#### 25. Government Contract

Purchase Orders in support of a U.S. Government Contract will identify the

applicable/mandatory requirements flowed to IDC and/or required by the FAR, DFAR or any Supplement. Seller and its lower level tier suppliers shall flow all applicable FAR/DFAR and mandatory by law clauses to its suppliers.

#### 26. Conflict Minerals

Seller is responsible to perform a due diligence inquiry in accordance with the guidelines of the Organization for Economic Cooperation and Development (OECD) to confirm no supply of minerals that could originate from Conflict affected and high-risk areas are used in the product manufactured for IDC (tin, tantalum, tungsten and gold minerals). This information shall contain source, chain of custody and origin of material.

Seller shall provide IDC with timely notification if Seller becomes aware of any Parts that contain Conflict Minerals and the purchase benefits armed individuals in the Democratic Republic of Congo or any adjoining country.

#### 27. Order of Precedence

In the event of conflict between the Terms and Conditions and the Purchase Order the following shall apply: (a) the T&C' referenced on the IDC PO (b) IDC General Terms and Conditions for Supply and Services (c) any other T&C' between the Seller and IDC (d) the Statement of Work (SOW) or Design Specification (DS).