



PURCHASE ORDER TERMS AND CONDITIONS

1. **ACCEPTANCE:** This Purchase Order (“Order”) by TECH GLOBAL, INC., an Illinois corporation, or any of its purchasing divisions or segments, or by any subsidiary (“Buyer”) becomes a binding contract, subject to the terms and conditions hereof, when accepted by acknowledgement or performance of the supplier to which this Order is directed (“Seller”). Any different terms or conditions in Seller’s quotation or acknowledgement of this Order shall constitute a counteroffer and no contract shall exist unless accepted in writing by Buyer, or which are waived by Seller upon Seller’s intervening shipment. The provisions of any existing written contract between Buyer and Seller for the same goods take precedence over any inconsistent terms or conditions of this Order. These terms and conditions may be changed or supplemented only by written agreement between Buyer and Seller. Buyer reserves all rights to inspect and reject any full or partial shipments of goods made hereunder which do not conform with the specifications of this Order, in which case Seller shall bear all costs of inspection and return of any nonconforming goods. Buyer may reject goods and services not in accordance with Buyer’s instructions, specifications, drawings, data, or Seller’s warranty (expressed or implied), or for untimely delivery. Buyer may return rejected goods to Seller at Seller’s expense and Buyer shall have no further obligation for such goods. Payment for any goods or services shall not be deemed acceptance and in no event shall Buyer incur any liability for payment for rejected goods or services. Seller shall be responsible for proper packaging, loading, and tie-down to prevent damage during transportation. Packing lists must be included with every shipment and marked clearly with Buyer’s purchase order number issued and packing lists must contain any item numbers in the order issued on Buyer’s Purchase Order. All subcontractors who directly receive raw material, components or parts from third parties on behalf of Buyer, such as a drop shipment, must forward a copy of the packing list and bill of lading to Buyer upon receipt. No charges for extras or for cartage or boxing or storage will be allowed unless the same has been agreed upon in writing by Buyer. All goods must be forwarded in accordance with Buyer’s shipping instructions; otherwise the difference in freight rate will be charged to Seller.

2. **PRICE AND PAYMENT TERMS:** The prices herein shall not be increased without Buyer’s written consent. If price is not stated on this Order, Seller agrees to invoice at lowest prevailing market price. Seller agrees that if at any time during the life of this Order, Seller shall quote or sell at lower net prices similar goods and/or services under similar conditions and in similar quantities, such lower prices will be substituted for prices named herein. Invoices shall be dated no earlier than date of shipment or delivery of service. The discount period begins upon receipt of invoice, required delivery date, or date any applicable discrepancy is resolved, whichever date is later. Buyer will pay non-discountable invoices no earlier than sixty (60) days after receipt of invoice, required delivery date, acceptance, or the date any applicable discrepancy is resolved, whichever is later.

3. **TIME:** Time is of the essence and the Seller agrees to deliver the performance of the Order within the time and in the manner specified or within the time of such extensions as may be granted

and Seller shall be liable for any damages suffered by Buyer due to failure of Seller to deliver within the time specified, including but not restricted to that portion of liquidated and/or special damages asserted against Buyer by the Buyer's end-customer for such delay period as Buyer finds is attributable to the Seller's late performance.

4. **CHANGES AND TERMINATION:** Buyer reserves the right at any time to issue a written change order or amendment to the Order for any reason or for Buyer's convenience concerning any of the following: (a) specifications, drawings, and data incorporated in the Purchase Order where the items to be furnished are to be specially manufactured for the Buyer; (b) quantity; (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery; or (f) any other matters affecting this Order. And in such case, Buyer shall have no liability to Seller for any quantity reduction or cancellation. Seller shall promptly notify Buyer of any change in product, sourcing or service, either planned or unplanned, which may affect form, fit or function, so that Buyer may determine whether the changes may affect the quality of a finished product. Buyer may terminate the Order for its convenience, in whole or in part, at any time prior to shipment by written or electronic notice to Seller. Upon receipt of such termination notice, Seller shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate the portion of the Order as provided in the notice, mitigate any Seller costs, and (b) continue the performance of any part of the Order not terminated by Buyer. Any unauthorized changes of any type made by Seller shall constitute material breach of Seller's obligations under this Order.

5. **APPLICABLE LAWS:** Seller shall comply with the provisions of the Fair Labor Standards Act of 1938, as amended, the Occupational Safety and Health Act of 1970, and all other applicable Federal, State and local laws, regulations, rules, and ordinances. Buyer is an Equal Opportunity Employer and in accordance with all applicable laws and Executive Orders does not discriminate against any employee or applicant for employment because of race, religion, sex, or national origin, with which Seller shall comply. Unless this Order is otherwise exempt, Seller must comply with the following regulations: Executive Order 11246; Section 503 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (42 U.S.C. 12111 et seq.); and the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) of 1974 (38 U.S.C. 4212 et seq.). Further, Seller certifies by acceptance of this Order that to the extent applicable, Seller complies with the equal opportunity, affirmative action, and employee notice requirements specified in the Equal Opportunity Clauses at 41 CFR 60-1.4 and the Employee Notice Clause at 29 CFR 471 Appendix A to Subpart A, and all related regulations of the Secretary of Labor. Also to the extent applicable, Seller and any of Seller's and subcontractors shall abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41CFR 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

6. **WORKMANSHIP AND MATERIALS:** Selection of materials, processes, and parts utilized in design and construction shall meet best commercial practices. Materials shall be of uniform quality and condition, free from any defects that may adversely affect appearance, strength, endurance,

wear resistance, and/or serviceability. Components and assemblies shall not exhibit defective material, out of tolerance dimensions, or under rated materials. Defects such as: seams, laps, laminations, cracks, fins, extraneous material, visible steps or irregularities, sharp edges, nicks, scratches, burrs, tool scores, and gouges shall be avoided. Deformations, improper assembly, missing parts, stains, corrosion, non-specified oxidation (rust), and unauthorized salvaging operations (e.g., hammering to shape, repair by welding, repair by fiberglass compound, straightening, bending, etc.) shall also be avoided. Used, rebuilt, or remanufactured components, pieces, and parts shall not be incorporated. Changes of any kind to or substitutions of any component/part are strictly prohibited without prior written acceptance of such changes by Buyer.

7. SELLER WARRANTIES AND INDEMNIFICATION: Seller warrants that the goods and services furnished will be free from defects in materials and workmanship, merchantable and in full conformity with Buyer's specifications, drawings, and data, and Seller's descriptions, promises, or samples, and that such goods will be fit for the Buyer's intended use, provided Seller has reason to know of such use, and that Seller will convey good title to the goods, free and clear from all liens, claims, and encumbrances. Upon Buyer's request, Seller shall furnish Buyer with a formal waiver or release of all liens by Seller and/or Seller's suppliers. In the event of Seller's breach of any warranty, Buyer may (without limitation of any other remedies) exercise its right to setoff or holdback payment to Seller of any amount due to Seller under this Order or under any other contract between Buyer and Seller. Seller agrees to indemnify, defend, and hold Buyer harmless from and against all losses, damages, liability, actions, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees and other expenses of litigation), suffered, incurred, or asserted by or against Buyer (a) by reason of Seller's breach of a warranty, (b) by reason of Seller's breach of any term of this Purchase Order, or (c) by reason of personal injury, including death, or property damage sustained by a third party, resulting from or arising out of an act or omission of Seller, or Seller's agents, employees, or contractors in fulfillment of this Order. Seller agrees to secure suitable products and contractual liability insurance coverage providing for the investigation, defense, and settlement of any such claims and, upon request of Buyer, to furnish Buyer with certificates evidencing such insurance. Seller warrants that goods or services covered by this Order shall not infringe any patent, design, mask work, copyright or trademark, of any third party, either directly or contributory. Seller agrees to indemnify Buyer and hold Buyer harmless from and against all liability, loss, damage and expense, including reasonable counsel fees and costs of litigation, resulting from any claim of infringement and any litigation relating thereto. In the case where goods or a part thereof are held to constitute infringement and the use of the goods or a part thereof is enjoined, Seller shall, at the expense of Seller, either (a) procure for the Buyer the rights to continue to using the goods, (b) replace the goods so that the goods become non-infringing, or (c) retake the goods and refund the purchase price and transportation and installation cost of the goods to Buyer. Such obligations shall survive acceptance of the goods or services and payment therefore by Buyer. Where applicable, the Seller warrants that the goods covered by this Order are in compliance with all laws, regulations, rules, and orders relating to the importation of goods into the United States, the exportation of goods out of the country of origin, the transit of goods through intermediate countries and the sale and use of foreign made goods in the United States, and Seller certifies that Seller and any person or firm in Seller's supply chain is in full compliance with the California Transparency in Supply Chains Act. Seller further warrants that it has obtained all permits, licenses, and certifications necessary for the goods to be exported out of the country of origin, imported in the United States, delivered to Buyer and used or sold within the

United States. The remedies herein reserved to Buyer shall be cumulative, and additional to any other or further remedies provided in law or equity. No waiver by Buyer of any term or condition of this Order shall be construed as a permanent waiver of such term or condition or of any other term or condition. Seller's warranties shall survive the completion or cancellation of this Order.

8. FORCE MAJEURE: Buyer reserves the right to cancel all or any part of this Order which has not actually been shipped by Seller, in the event Buyer's business is interrupted because of strikes, labor disturbances, lookout, riot, fire, Act of God, or the public enemy, or any other cause, whether like or unlike the foregoing, if beyond Buyer's reasonable control.

9. NON-WAIVER: The rights and remedies herein expressly provided shall be in addition to any other rights and remedies given by law.

10. DISPUTE RESOLUTION. In the event of any dispute, claim, or controversy between the parties, the parties shall consult with each other and attempt to reach a solution satisfactory to both parties. It is Seller's responsibility to comply with this Order and all referenced documents, and to clarify with Buyer any inconsistencies or conflicts in any parts of the Order or referenced documents. Should Seller fail to contact Buyer to resolve conflicts or inconsistencies, Seller will be solely responsible for errors resulting from said conflicts or inconsistencies. Where documents are referenced, the version in effect at the time of order placement shall apply. If the parties cannot resolve the dispute, claim, or controversy, it shall be subject to formal legal proceedings conducted in the circuit or federal courts located in Illinois in the English language, applying Illinois law. The prevailing party shall be entitled to its reasonable attorney fees and costs from the non-prevailing party.

11. FLOW DOWN. All material terms of any prime contract or government contract for which Buyer is supplying the goods purchased from Seller by this Order (the "Prime Contract"), including all product specifications, warranty terms and obligations, compliance guidelines, Statements of Work ("SOWs"), applicable Federal Acquisition Regulations ("FARs"), Defense Federal Acquisition Regulations ("DFARs") that apply to or are incorporated by reference or by law into the Prime Contract (all of which shall be included in the "Prime Contract Documents") that are applicable to or binding upon Buyer shall apply to and "flow down" from Buyer to Seller, and Seller agrees to perform all material obligations that Buyer is bound to perform, pursuant to the Prime Contract, a copy of which is either attached hereto or separately available to Seller, and which is incorporated herein and integrated by reference. No contrary terms in any Seller-generated purchase orders, confirmations, or correspondence shall operate to modify or revise any terms of any Buyer documentation, the Prime Contract Documents, or of this Agreement. In the event of any conflict, Buyer's documentation, the Prime Contract Documents and this Agreement will supercede and control any contrary documentation, and Seller agrees that it will not rely on any contrary representations in conflict with this rule of interpretation.

12. CONFIDENTIALITY: Unless otherwise agreed by Buyer in writing, Seller shall keep confidential and not disclose to any third party, any confidential and/or proprietary materials provided by Buyer to Seller in connection with Seller's performance of this Order or prepared by Seller specifically for Buyer pursuant to this Order, including but not limited to any drawings, masters, software, specifications, raw materials, components, data, business information or plans,

customer lists or other customer information (“Confidential Information”). Seller shall not make any copies of Confidential Information except as specifically authorized by Buyer in writing. At the completion of this Order, or upon Buyer’s request, Seller shall promptly return to Buyer all Confidential Information not consumed in the performance of this Order, together with any copies in Seller’s possession. Seller shall use Confidential Information solely for Seller’s performance of this Order for Buyer, and Seller shall not, without Buyer’s written consent, directly or indirectly use Confidential Information or information derived there from in performing services or providing goods for any other customer of Seller, or any other person or entity.

13. ENTIRE AGREEMENT: Unless superseded by a specific signed agreement between Buyer and Seller, this agreement shall include the Purchase Order, these Purchase Order Terms and Conditions, and all other documents or attachments referred to in the Purchase Order or in the Purchase Order Terms and Conditions, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein. All other prior or contemporaneous representations, warranties, covenants, or agreements between Seller and Buyer, or their representatives, with respect to the subject matter are hereby superseded. The term “Order” as used herein means the first and continuation pages Buyer’s completed Purchase Order form, including any special provisions contained therein. This agreement may not be modified except by mutual written agreement of the parties.