

Tekmos, Inc.
TERMS AND CONDITIONS

1. **Printed Provisions:** The following Printed Provisions of this Purchase Order shall apply in all cases except to the extent that the same are inconsistent with the provisions contained on the face and/or attached pages, sheets, schedules, etc., if any, of this Purchase Order and/or contained in a separate written agreement, signed by both parties, in which case such other provisions supersede and apply to this Purchase Order and shall be deemed a part of this Purchase Order.
2. **Purchase Order:** Irrespective of any prior offer of Seller, the contents of the Purchase Order shall be controlling and supersede any and all written or oral, express or implied, terms, conditions, provisions, or negotiations, to the contrary notwithstanding, to the end that this Purchase Order shall solely express the agreement reached between the parties. A failure to object to the provisions contained in any communication from the Seller shall not be deemed a waiver of these terms. Seller agrees that interactions will be communicated through the issuer of the Purchase Order.
3. **Assignment:** Seller's right under this contract may not be assigned, in whole or in part, without the written consent of the Buyer.
4. **Delivery:** All deliveries are to be completed to the Buyer shipping instructions and through the designated carrier. Title and risk of loss or damage shall not transfer to Buyer until delivery to the carrier. The purchase order number must appear on all shipping documents, bills of lading, invoices, correspondence, and must be marked on the outside of every shipping container.
5. **Schedule:** The Seller is responsible to ensure product is shipped on the scheduled shipment date. Any changes to schedule must be communicated to Buyer. Buyer reserves the right to cancel this Purchase Order in whole or in part if Seller should fail to make deliveries in accordance with the terms hereof.
6. **On-time Delivery:** On-time delivery is defined as 1 day early, zero days late.
7. **Over Shipments:** Buyer will pay for only quantities ordered and accepted. Over shipments will be held at Seller's risk and expense for a reasonable time awaiting shipping instructions. Return shipping charges for excess quantities will be at the Seller's expense.
8. **Rescheduling and Cancellation:** Buyer reserves the option of extending the date of delivery or canceling the order as business requirements dictate. In the event of cancellation, the Seller must take commercially reasonable efforts to minimize Buyer liability. In the event of any such extension or cancellation, if warranted, an equitable adjustment in price and/or delivery schedule shall be made, provided however, that under no circumstances shall Buyer be liable for any consequential damages or anticipated profits lost to the Seller, due to any such change and/or cancellation.
9. **Product Acceptance:** Purchased materials and services are subject to inspection and must conform to product specifications and may be monitored through statistical techniques. Buyer reserves the right to reject all nonconforming materials.
10. **Prices:** Prices will be consistent with Buyer's purchase order. No extra charges, of any kind, including charges for packing or cartage will be allowed unless specifically agreed to by Buyer in advance.
11. **Payment Terms:** Payment terms are net 30 days from invoice date. Payment for partial deliveries may be made when requested by the Seller, but only if and approved by the Buyer.
12. **Responsibility:** Unless otherwise specified by Buyer, the Seller shall be responsible for risk of loss for all items covered by this Purchase Order until title is transferred by delivery to the Buyer's carrier, and the

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Seller shall bear all risks as to the items rejected or requiring correction after notice of such rejection or correction is given.

13. **Seller:** The Seller shall indemnify and hold Buyer harmless from any expenses or damages that may arise out of the delivery of any items or the performance of any services by Seller including any damages to Seller's property or physical injury that may occur at the premises of Buyer to any officer, agent, employee, invitee or licensee of Seller.
14. **Non-Disclosure Agreement:** The Seller agrees that materials and information received from Buyer are considered confidential and proprietary. Supplier agrees to maintain in confidence such materials and information. No Changes Acknowledged without validating signatures from both Buyer and Seller.
15. **Patent and Trademark Protections:** Seller agrees to protect and hold Buyer harmless against any and all liability, loss, or expense (including attorney's fees) by reason of any claim of patent, copyright and/or trademark infringement or any litigation in connection therewith.
16. **Warranty:** Seller warrants that for a period of one year from delivery the services and products provided herein shall be free from defects in materials, workmanship and design and that any items delivered will perform in accordance with and specifications provided by Seller to Buyer. Seller shall, at its expense, repair or replace any defective service or items delivered within 30 days notification by Buyer of any defect.
17. **Governing Law:** These terms shall be construed and interpreted in accordance with the law of the State of Texas as though made by two parties residing in and fully performed within the State.
18. **Counterfeit Product and Safety:** Seller guarantees that the product or service is safe for use as specified and that product is not counterfeit or different in form, fit, or function as required by buyer.
19. **Ethical Behavior and Competence:** Any and all forms of illegal or inappropriate activity, including, but not limited to, corruption, misrepresentation, extortion, embezzlement or bribery, are strictly prohibited and may result in termination of any or all agreements with the Company and possible legal action. The seller further guarantees their competence to perform all specified actions stipulated in the Purchase Order Agreement.
20. **Documentation Requirements:** Seller is responsible for retaining documented information for a period of not less than 15 years. After the required document retaining period, the documented information will be dispositioned through shredding or complete deletion of the documentation.
21. **Performance Monitoring:** Ongoing process performance will be monitored buy buyer and communicated through WIP, and or written and verbal methods. Product will be measured through incoming inspection and testing processes.
22. **Verification and Validation:** Buyer reserves the right to perform verification and validation activities if warranted on Seller's premises with notice.
23. **Quality Requirements:** Seller shall be compliant to an ISO Quality Management System, and have processes and controls for approval of external providers and related flowdowns of customer requirements. The buyer shall be notified of any changes, or nonconforming product, processes or services related to the Purchase Order that may occur, including providing test specimens for design approval if needed.
24. **Right of Access:** The buyer, customer, and regulatory authorities have the right of access to applicable areas and documentation at all levels of the supply chain.