



## HARCOSEMCO TERMS AND CONDITIONS OF PURCHASE

**ACCEPTANCE OF ORDER:** Placement of this order constitutes an offer to purchase the products and services described herein. Supplier's acceptance of this order shall form a contract and is expressly limited to the instructions, terms and conditions stated herein. Supplier's commencement of performance under this order shall constitute Supplier's acceptance of this order.

Seller is responsible for reviewing and communicating material availability and end of life dates timely, to ensure risk mitigation for Buyer.

If purchase order bears a Government prime contract number, Seller agrees that manufacturing records may be subject to inspection and audit by an authorized representative of any Department of the United States Government.

**DELIVERY:** Delivery of goods shall be made pursuant to the applicable purchase order. In the event Seller fails to deliver the goods within the time specified, Buyer may, at its option, decline to accept the goods and terminate the agreement. Seller shall package all items in suitable containers to permit safe transportation and handling. Buyer's purchase order number and part number must appear on all applicable documents.

**PRICING:** Prices for goods or services shall remain fixed during the Agreement period. Any change must be authorized during the Agreement period. Any change must be authorized by Buyer. Prices include all charges and applicable taxes except sales, use and other such taxes imposed upon the sale of goods or services for which the Buyer is solely responsible.

**WARRANTY:** Seller warrants that all goods furnished under this purchase order shall be free from defects in materials, workmanship and shall conform to all specifications, descriptions, and drawings.

Buyer shall have the right to reject after inspection any of such goods which are defective. All such rejected items shall be returned to Seller, transportation collect, for credit, repair or replacement at no cost to Buyer.

**FORCE MAJEURE:** Neither party shall be liable for failure to perform any of its obligations under this Agreement during any period in which such party cannot perform due to matters beyond their control, including, but not limited to strike, fire, flood, other natural disasters, or war provided that the party delayed immediately notifies the other party of such delay. Failure of subcontractors and inability to obtain materials or labor, shall not be considered as a force majeure delay.

**COMPLIANCE WITH LAWS:** Seller shall comply fully with all applicable federal, state, and local laws in the performance of this order including but not limited to all applicable employment, tax, export control and environmental laws.

This contract is subject to the requirements of Title VII of the Civil Rights Act of 1964 and 1991, Section 503 of the Rehabilitation Act of 1973 as amended by the Civil Rights Restoration Act of 1987, 29 C.F.R. part 470 Executive Order 13201 of February 17, 2001, Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 as amended by the Veterans Employment Opportunities Act of 1998 and Executive Order 11246 and all other civil rights related laws and regulations that has or may be enacted as amended. All requirements under the aforementioned statutes, orders and applicable regulations including but limited to paragraph 1-7 of Executive Order 11246, as amended, are incorporated herein by reference.

Hazardous Materials will be packaged, marked and shipped by Seller to comply with all present federal, state and local regulations. Seller certifies that all products have been manufactured in compliance with the Fair Labor Standards Act of 1938 as amended.

Seller certifies that goods shall be designed, manufactured and assembled to comply with Occupational Safety Health Act of 1970.

**LIMITATION OF LIABILITY:** Buyer shall not be liable for any direct indirect or consequential damages or for seller's lost profits resulting in any way from this order even if Buyer has been advised of the possibility of such damages.

**INDEMNIFICATION:** In case of a material, product or article Manufactured by Seller according to a design furnished by Buyer, Buyer shall indemnify and hold harmless the Seller from any claim against the Seller that such material, product or article sold to Buyer under this order in and of itself infringes a US patent or patent right. In case of a material product or article manufactured to a design not furnished by Buyer, Supplier shall indemnify and hold harmless Buyer from any claim against such material, product or article under this order infringes a US Patent.

**ASSIGNMENT:** Seller may not assign any rights or obligations under this order without prior written consent of Buyer. Any assignment or transfer without such written consent shall be null and void.

**TERMINATION:** Buyer may terminate this order upon written notice to Seller if Seller fails to perform or otherwise breaches this order, files a petition for bankruptcy, becomes insolvent, or dissolves. In the event of such termination, Buyer shall pay Seller for those conforming goods delivered to Buyer through the date of termination. Seller may terminate this order or any Service(s) for any other reason upon thirty (30) days written notice to Seller.

**RISK OF LOSS:** Title to goods shipped under this Order shall pass to Buyer in accordance with the shipping terms specified on the face of the Order.

**WORK ON BUYER'S PREMISES:** If Seller's performance of this order involves work on Buyer's premises, Seller shall provide all necessary and sufficient safeguards and take all proper precautions against the occurrence of injury to any person or damage to any property, and shall be responsible for and shall indemnify and hold harmless Buyer from any and all loss, suit action or claim including costs and attorney's fees. Seller shall provide Buyer Certificate of Liability and Property Damage insurance prior to beginning authorized work.

**INTELLECTUAL PROPERTY:** The parties expressly acknowledge and agree that at no time shall either party acquire or retain, or appropriate for its own use, any right, title or interest in or to any of the other party's intellectual property.

**CONFIDENTIALITY:** Seller shall maintain, as confidential, and shall not disclose to any person outside its employees, use for purposes other than performance of this order, any specifications, drawings, data, business information or other confidential information which is exchanged or obtained, except where required by law.

**REMEDIES:** Rights and remedies herein reserved to Buyer shall be cumulative and additional to any other rights and remedies provided in law or equity.



**CONFIRMED ESCAPE:** Delivery of a confirmed non- conforming product or service resulting in a Corrective Action may be subject to a \$500 penalty per incident.

**BLANKET ORDERS:** Quantities listed on the purchase order are forecasts only. The quantities and exact time frame of this agreement will be determined by the Buyer's market and ability to sell finished goods into that market. Both parties to this agreement accept the fact that estimates, forecasts and projections of demand quantities and time frames are for reference purposes only, and are not guarantees of specific quantities to be purchased.

**EXPORT LAWS:** The parties acknowledge that any information provided or received may be subject to export laws and regulations and each of the Parties agree that they will strictly comply with all applicable requirements under such laws and regulations. As such, each Party warrants that it will not export or transfer information by any means, electronic or otherwise without complying to export Laws.

**ECCN:** Export Control Classification Number – Commercial commodities shall be supplied with the applicable ECCN.

**COUNTERFEIT MATERIAL:** All product provided to Buyer shall consist of genuine materials only. Buyer must be contacted if Seller becomes aware of Non-Conforming or Counterfeit Product. If Non-Conforming or Counterfeit Products are furnished and are found in any of the goods delivered hereunder, such items will be impounded by Buyer. The Seller shall promptly replace such Non-Conforming or Counterfeit Product with parts acceptable to the Buyer at Sellers expense. A Counterfeit part is defined by the Buyer as a part that is one or more of the following - an illegal or unauthorized copy or substitute of an original equipment manufacturers item; an item that does not contain the proper materials or components as required by the OEM specifications; an item that is used, refurbished or reclaimed and represented as new; an item that has/does not successfully pass all OEM testing requirements; or an item with labeling, marking or design (with or without intent) that could mislead one into believing an item is something that it is not. Seller must have an applicable Counterfeit protection plan in place consistent with the appropriate industry standards such as AS5553B or AS6174A.

Rev - 06/06  
Rev A – 02/08  
Rev B – 09/08  
Rev C – 04/10  
Rev D – 08/11  
Rev E – 07/12  
Rev F – 07/16  
Rev G – 05/17  
Rev H – 10/17