



Prime Technology LLC Purchase Orders Terms and Conditions

1. **COMPLETE AGREEMENT:** The terms and conditions below and any attachments hereto, contains the complete agreement between the Buyer (Prime Technology LLC) and the Seller, and no change in, addition to, or modification or revision of this order shall be valid unless it is in writing and signed by the Buyer. This order supersedes all other correspondence, quotations, or other documents of any kind relating to the sale of the goods and services identified hereto.

2. **DELIVERY:** Deliveries are to be made both in quantities and at times specified herein. If Seller's deliveries fail to meet schedule, Buyer, without limiting its other rights or remedies, may direct expedited routing, and excess costs incurred thereby shall be debited to Seller's account. Buyer may in accordance with Clause 16 "Default Cancellation" may cancel all or any part of this order in the event Seller fails to deliver goods as scheduled herein. Unless otherwise provided in writing on the face hereof, Buyer shall not be liable for Seller's commitments or production arrangements, and in no event shall Buyer be liable for any such commitments or production arrangements in excess of the amount, or in advance of the time necessary to meet Buyer's delivery schedule. Goods which are delivered in advance of schedule may, at Buyer's option, either (a) be returned at Seller's expense for proper delivery. (b) have payment therefore withheld by Buyer until the date that payment otherwise would be due based on the scheduled delivery date identified in this order, or (c) be placed in storage for Seller's account until delivery date specified herein. All remedies available to Buyer under this Paragraph 2 shall be in addition to any other remedies allowed or provided by law.

3. **SHIPPING INSTRUCTIONS:**
 - (A) **MARKING.** Exterior of containers shall be marked with the following.
 - (1) complete buyer name and;
 - (2) purchase order number;
 - (3) Buyer part number;
 - (4) different parts that are shipped in one container must be identified with Buyer part number(s);
 - (5) items shall be shipped as a completed unit whenever possible;
 - (6) where applicable, Seller serial numbers shall be shown on container(s); and
 - (7) special markings as specified on purchase order. Do not ship hardware separately.

 - (B) **BILL OF LADING:** Bill of lading shall reference the purchase order number. When delivery point is F.O.B. origin, make no declaration of value on bill of lading. Use the applicable freight classification that will result in the lowest transportation cost to Buyer. When freight charges are prepaid and added to the invoice, Seller shall send to Buyer a



priced copy of the carrier's freight bill. The original copy of bill of lading shall be retained by Seller for one (1) year for delivery to Buyer's traffic department, is so requested.

(C) ROUTING: On orders where Buyer either pays for or reimburses Seller directly for shipping costs, ship in accordance with routing Instructions furnished by Buyer. If such instructions are not received, ship via least expensive method.

(D) PACKING SLIPS: Seller shall include a packing slip with all shipments which adequately identify all goods shipped. The packing slip shall include the following information: (1) Buyer purchase order number; (2) Buyer part number; (3) exact quantity shipped; (4) number of packages or containers; (5) Seller serial number(s), where applicable; (6) Buyer debit numbers(s)

4. WARRANTIES: Seller warrants that all goods and services to be furnished under this order shall conform to the requirements hereof, shall be fit and serviceable for the purpose intended, and shall be merchantable and free from defects in workmanship and materials. If the goods ordered herein do not meet the specifications or otherwise do not conform to the requirements of this order, Buyer shall have the right to reject such goods without any further liability to Buyer hereunder. Goods which have been delivered and rejected may be returned to the Seller for reimbursements, credit, replacement, or correction, as Buyer may direct, or may be corrected or replaced by Buyer with cost of correction or replacement at the expense of Seller. Any goods rejected by Buyer shall be at Seller's risk and expense and shall not thereafter be tendered for acceptance unless Seller discloses the prior basis for rejection and the action taken to correct all defects. Buyer shall have all other rights allowed or provided by law.
5. PRICES: Where price is not specified in this order, Seller's price shall not be higher than last quoted or charged to Buyer unless otherwise agreed in writing. Prices shall include packaging and handling.
6. TAXES AND OTHER COSTS: Seller's prices shall be exclusive of any federal, state, or local taxes, use, or excise taxes, and Seller shall list separately on its Invoice any such tax lawfully applicable to this transaction and payable to Buyer, if any, with respect to which Buyer does not furnish evidence of exemption. Seller must without additional charge, suitably package, box, or crate all shipments. No charge shall be made by Seller for handling, drayage or insurance, or if items are F.O.B. destination, for transportation to destination. Seller shall pay all duties, levies, or other charges imposed by any sovereign with respect to import of any goods identified herein.



7. **CHANGES:** Buyer may at any time by written order, make changes within the general scope of this order., in any one or more of the following: (1) drawings, designs, or specifications, where the supplies to be furnished are to be specifically manufactured for buyer in accordance therewith; (2) method of shipment or packing; (3) place of delivery; (4) the period of performance or work; (5) increase or decrease of quantities covered by this order, and (6) delivery schedules. Seller shall comply with such changes. In the event any change results in no incremental increase in any of Seller's costs, Seller agrees not to increase the price(s) stated herein on account of such changes. Any increase in any price(s) resulting from any change by Buyer shall be subject to prior approval by Buyer. Seller further agrees to credit Buyer's account or to reimburse Buyer any cost savings resulting from any change required by Buyer. Further, all cost savings resulting from any changes implemented by Seller shall be passed on to Buyer.

8. **INSPECTION AND TEST:** Prior to acceptance, all goods ordered hereunder shall be subject to inspection and test by Buyer, in the extent practicable, at all times and places, including the place of manufacture. Such goods shall be subject to final inspection and acceptance by Buyer after delivery to Buyer. Seller agrees to permit access to Seller's facilities at all reasonable times for inspection of goods by Buyer's agents or employees and will provide all tools, facilities and assistance reasonably necessary for such inspection. It is expressly agreed that inspection of payments prior to delivery will not constitute final acceptance. In all cases, Buyer shall have all rights to revoke acceptance as allowed or provided by law. Seller agrees to provide and maintain an inspection and quality control systems acceptable to Buyer. The system of quality control shall conform to the quality control requirements that are identified in this order (as amended or supplemented from time to time by Buyer). Seller further agrees to maintain adequate authenticated inspection and test documents which relate to work performed in this order. Such orders shall be retained by Seller for a period of three (3) years after completion of this order or as otherwise specified by Buyer and made available to Buyer upon request. Seller agrees to supply Buyer with inspection and test reports, affidavits, certifications, or any other documents as may be requested by Buyer. Payments for any goods or services shall not be construed as acceptance for the purposes of this order.

9. **DRAWINGS AND SPECIFICATIONS REVIEW:** If during the term of this order, Buyer's representatives review drawings, specifications, or other data developed by Seller in connection with the order and make suggestions or comments or approve such documents and data such action is only an expression of opinion by Buyer and shall not serve to relieve Seller of any responsibility for the reliability, quality, rate of output, cost, delivery, performance, or any other requirements or warranties included in this order.



10. COMPANY SENSITIVE INFORMATION: Seller and each of its subcontractors, agents, employees, and other representatives shall keep protected all information, drawings, specifications, and data furnished by Buyer or prepared by Seller specifically in connection with the performance of this order and shall not divulge or use this information, specifications, and data for itself or the benefit of any other party. All such information, drawings, specifications and data shall be property of Buyer, except as required for the efficient performance of this order. Seller shall not make use, either directly or indirectly, of such data or any information delivered therefrom without obtaining Buyer's prior written consent. Seller shall compensate Buyer for all losses and damages resulting from Seller's use of disclosure of such company sensitive data, including consequential damages and attorney fees. All such company sensitive data, and all copies of replicas thereof, shall be returned to Buyer within five (5) days of Buyer's demand thereof.
11. PATENT INDEMNITY: Seller shall indemnify and hold and save Buyer and each of its officers, directors, employees, agents, successors, customers, and users harmless from all losses of liabilities of any nature or kind arising out of or existing because of this infringement or alleged infringement of any patent for or on account of the manufacture, sale, or use of any goods or services furnished hereunder. Buyer shall notify Seller in writing of any suit or other proceeding filed against or its customers on account of any such infringement or alleged infringements and at Seller's request shall give Seller control of the defense of such suit. Insofar as Buyer has the authority to do so, and information and assistance for the same, et al Seller's expense. Buyer and any other party against whom suit is brought may be represented by their own counsel in any such suit. Furthermore, in the event that Buyer should be enjoined in such suit or proceeding from using any part of the goods or services furnished hereunder. Seller if its option shall promptly either (a) secure termination of the injunction of liability, or (b) replace said goods with non-infringing goods or modify them to become non-infringing, all at Seller's expense.
12. INDEMNIFICATION: To the extent Seller's agents, employees, of subcontractors enter upon premises occupied by or under the control of Buyer, or any of its customers or suppliers in the course of the performance of this order. Seller shall take all necessary precautions to prevent the occurrence of an injury (including death) to any persons, or of any damage to any property, arising out of acts of omissions of such agents, employees, or subcontractors, and, except to the extent that any such injury or damage is due solely and directly to Buyer's negligence, shall indemnify, defend and hold Buyer, its officers, directors, employees, agents, successors, assigns, and customers harmless from any and all costs, losses, expenses, damages, claims, suits, or any liability whatsoever, including attorney's fees, arising out of any act of omission of Seller, its agents, employees, or



subcontractors. Seller shall maintain and require its subcontractors to maintain (1) public liability and property damage insurance including contractual liability (both general and vehicle) in amounts satisfactory to Buyer to cover the obligations set forth above and (2) worker's compensation and employer's liability insurance covering all employees engaged in the performance of this order for claims arising under any applicable worker's compensation for occupational disease laws. Upon request, Seller shall furnish certificates evidencing such insurance which expressly provides that no expiration, termination, or modification shall take place without thirty (30) days written notice to Buyer.

13. **DISCLOSURE OF INFORMATION:** Seller and each of its subcontractors, agents, employees, and other representatives shall not in any manner advertise or publish the fact that it has furnished, or contracted to furnish Buyer the goods or services identified herein without prior written consent of Buyer, and shall not disclose any details in connection with this order to any party except as may be otherwise provided.
14. **TOOLING:** Unless otherwise specified in this order, all tooling and all other articles required for the performance hereof shall be furnished by Seller, shall be maintained in good condition, and shall be replaced when necessary, all at Seller's expense. Special Tooling paid by the Buyer required for the performance of Seller's obligations hereunder shall be the property of Buyer and Seller acknowledges that Buyer has the right to remove such tooling at any time.
15. **TITLE AND RISK OF LOSS:** Except as otherwise expressly provided herein, title to and risk of loss on all goods shipped by Seller to Buyer shall not pass to Buyer until Buyer has inspected and accepted such goods, and Seller shall insure Buyer's interest in such goods against all insurable risks of loss, including, without limitation, risks of loss by fire (including extended coverage), accident, vandalism, property damages, flood, or any natural cause.
16. **DEFAULT-CANCELLATION:** Buyer reserves the right to cancel this order, without liability to Buyer, in the event of insolvency of Seller, the filing of a voluntary petition in bankruptcy by Seller, the filing of an involuntary petition to have Seller declared bankrupt, the appointment of a receiver or trustee for Seller, or the execution by Seller of an assignment for the benefit of creditors. If Seller fails to perform as specified herein, or if Seller breaches any of the terms hereof, then without any liability to Buyer, and without waiver of any rights or remedies allowed or provided by law. Buyer reserves the right, upon giving Seller written notice and allowing Seller reasonable time to remedy such deficiency, (1) to cancel this order in whole or in part, or (2) to obtain the goods ordered herein from another source with any excess cost resulting therefrom charged to Seller.



17. **ASSIGNMENT:** This order or any interest herein, including any claim for monies due or to become due with respect hereto, may be assigned only upon the written consent of Buyer. Any payment to any assignee of any claim under this order, in consequence of such consent shall be subject to set off, recoupment, or other reduction for any claims which Buyer may have against Seller.
18. **SET-OFF:** Buyer shall be entitled at any time to set-off any amount at any time from Seller to Buyer or any of its subsidiaries against any amount payable at any time by connection with this order.
19. **REMEDIES AND GOVERNING LAW:** The remedies provided by Buyer herein shall be cumulative and in addition to any other remedies provided by law or equity. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach. This order is governed by the laws of the State of Connecticut.
20. **LEGAL COMPLIANCE:** Seller warrants and certifies that in the performance of this order it will comply with all applicable statutes, rules, regulations, and orders of the United States and of any states and political subdivision thereof, including laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Each of Seller's invoices shall contain a certificate that the goods covered by the invoice were produced in compliance with all applicable requirements of the Fair Labor Standards Act, as amended, and all regulations and orders issued thereunder.
21. **GOVERNMENT CONTRACT PROVISION:** If in the Buyer's order it is stated that work or materials to be furnished are for use in connection with a government contract or subcontract, Seller agrees that all clauses required by the provisions of such government contract or subcontract shall be made a part of this order and that all other provisions required by law to be made applicable to this order are hereby incorporated herein.
22. **CLERICAL ERRORS:** Any clerical errors are subject to correction.
23. **EQUAL EMPLOYMENT OPPORTUNITY:** In performing this Purchase Order, Seller agrees to comply with Executive Order 11246, as amended, the Rehabilitation Act of 1973, and the Vietnam Era Veterans Readjustment Assistance Act of 1972, and the equal opportunity clauses contained therein are hereby incorporated into the Purchase Order.
24. **MERCURY CONTAMINATION PROHIBITED:** Functional mercury and mercury contamination prohibited notwithstanding any other provisions of this order or specifications referenced herein, material furnished by Seller under this order shall



not contain functional mercury unless specified written approval has been obtained from the Buyer.

25. **DELIBERATE MALPRACTICE PREVENTION:** This purchase order may be within the jurisdiction of the United States Government or an agency or entity thereof. Any knowing and willful act to falsify, conceal, or alter a material fact, or any false, fraudulent, or fictitious statement or representation in connection with the performance of work under this Purchase Order may be punishable as a felony under federal statutes.
26. **NEW AND AUTHENTIC:** The seller represents that only new and authentic components, subcomponents, parts, material and supplies are procured, used, incorporated into, and/or delivered in performance of this order. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Prime Technology LLC.
27. **PROHIBITION ON COUNTERFEITS:** Seller agrees and shall ensure that Counterfeit Parts or Counterfeit Work are not delivered to or incorporated into Prime Technology LLC and that the Work contains not Counterfeit Parts or Counterfeit Work. The intentional or unintentional use, incorporation, or delivery of Counterfeit Parts or Counterfeit Work is strictly PROHIBITED. This includes it being provided either as an end item deliverable or as a component or subcomponent of an end item deliverable under this subcontract/purchase order/letter contract. To further mitigate the possibility of the inadvertent use of Counterfeit Parts or Counterfeit Work, Seller shall only purchase authentic parts/components/products to be delivered or incorporated as Work to Buyer directly from the OCM/OEM or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by the Buyer. (See DFARS 252.246-7007 and 252.246-7008)
28. **TRACEABILITY:** The Seller shall maintain a system or method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical Electronic and Electromechanical assemblies and subassemblies being delivered per this order.
29. **DEFINITIONS:**
- (A) **AUTHENTIC:** Genuine, from the legitimate source claimed or implied by the marking and design of the product offered and manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.



- (B) COUNTERFEIT PARTS: a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (a) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (b) defective parts and/or surplus material scrapped by the original manufacturer, and (c) previously used parts pulled or reclaimed and provided as new.

 - (C) COUNTERFEIT WORK: Work consists of those parts delivered under this contract that are the lowest level of separately identifiable items. Counterfeit Work means work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.

 - (D) INDEPENDENT DISTRIBUTOR: A person, business, or firm that is neither authorized nor franchised by an original Component Manufacturer to sell or distribute the OCM products but which purports to sell, broker, and/or distribute such OCM products. They are also referred as unfranchised distributors.

 - (E) OCM: Original Component Manufacturer

 - (F) OEM: Original Equipment Manufacturer.
30. Compliance with DFAR 252.225 – 7014 preference for domestic specialty metals. This clause only when specifically invoked by purchase order.



EXTENDED QUALITY & TECHNICAL REQUIREMENTS FOR SAFETY RELATED AND LEVEL 1 APPLICATIONS (when specifically invoked on purchase order)

The terms included on the accompanying purchase order shall be furnished by the supplier in accordance with the requirements included in this document and any attachments thereto. Upon acceptance of this order, the supplier also agrees to supply all items in compliance with the regulations, codes, standards, and specifications referenced.

Quality Assurance & Technical Requirements

1. Rights to Access

The company's authorized representative shall have access to the supplier work locations and shall have the authority to stop work or refuse release of equipment if procurement requirements including those for documentation are not met. All manufacturing, testing, and inspection operations performed by the supplier or subcontractor are subject to QA surveillance by the company's representative. This surveillance shall not release the supplier of his supplies of any responsibility for product quality. Rights to access will be coordinated and agreed upon with the supplier and Prime Technology LLC.

2. Extension to Subcontractors/suppliers

The applicable requirements of the procurement document shall be extended to lower tier subcontractors and suppliers including Prime Technology LLC's right to access facilities and records.

3. Nonconformance Control

The supplier shall report all nonconformances which may adversely effect the reliability, performance, or interchangeability of any items furnished for this purchase order. The report shall include technical justification for the nonconformance dispositions. All dispositions which do not return an item to the conditions stated in an approved drawing or specification shall be approved by the company prior to shipment of the affected item.

4. Substitutions or Modifications

No substitutions or modifications are authorized. Should the supplier be unable to fill this purchase order exactly as written, notice shall promptly be given in writing



to Prime Technology LLC, prior to proceeding with the questionable item. Alteration or modification of the purchase order can only be made by a written change to the purchase order.

5. Certificate of Conformance

Certificate of Conformance to the quality assurance technical specification and identification requirements of the purchase order and attachments shall be provided for this item (any exceptions shall be itemized).

6. Certified Material Test Reports

Certified material test reports including test results if required by the applicable code or material specifications shall be provided for this item.

7. Required Documentation

All required documents shall identify the purchased items by the company's purchase order number, item number, and any other information necessary to uniquely associate a document with the item to which it applies. All documents shall be attested to by an authorized and responsible representative of the supplier who shall be identified by the supplier. The certification system including the procedures to be followed for completing a certificate of compliance and the administrative procedures for review and approval of the document shall be addressed in the supplier's quality assurance program.

Reports of tests, inspections, examinations, or processes shall indicate the procedure(s) used to control the activity acceptance criteria, specific results obtained, requirements met, and those not met.

The supplier shall be capable of verifying the validity of any certification or report furnished if so requested by the company at a later date. All documentation submitted for items or services herein shall be legible and of microfilmable quality.

8. Documentation Retention Requirements

Drawing documentation retention requirements for this purchase order shall conform to ANSIN45 2.9-1974 Appendix A. Documented records shall be maintained in accordance with the supplier's quality assurance program to show objective evidence of quality. No quality records shall be destroyed or disposed or prior to completion of the work. After completion of the work, the Buyer shall have the opportunity to acquire possession of such records prior to disposal. Documents shall be annotated with the purchase order number or other number system traceable to it for identification.



9. 10CFR50, Appendix B

Supplier shall implement as 10CFR50, Appendix B quality assurance program for all material services provided under this purchase order. All documentation provided in support of this purchase order shall be controlled in accordance with the supplier's quality program.

10. 10CFR21 Applicability

Part 21 applies to this purchase order. Under this regulation, you may be required to report defects on nonconformance to the NRC. Should you identify a potential defect or non-compliance as defined in 10CFR211.3(d) or other condition, you are requested to immediately notify the Quality Assurance Supervisor at:

Prime Technology LLC
P.O. Box 185
North Branford, CT 06471

11. Compliance with DFAR 252.225 – 7014 preference for domestic specialty metals.