General Terms and Conditions
JQL Technologies

1. **CONTRACT ACCEPTANCE -** No contract shall exist between Buyer and Seller until (a) Buyer receives the Acknowledgement copy of this Purchase Order executed by Seller or (b) the initiation of performance under this Order by Seller. The receipt by Buyer of the executed Acknowledgement copy of this Purchase Order or the initiation of performance under this Order shall constitute acceptance of the Order by Seller including all of the terms and conditions herein This Purchase Order expressly limits acceptance to the terms and conditions herein, Buyer hereby gives notice that it objects to an additional or different terms in any of the Seller's documents.

2. **AMENDMENTS -** (The Purchase Order, together with such additional documents as are expressly referred to herein by Buyer, constitute the entire Agreement between the Buyer and Seller and no amendments, modifications or additions to the terms and conditions of this contract, including the General Conditions Of Purchase, shall be binding upon Buyer unless in writing and signed by Buyer's authorized purchasing representative buyer is not otherwise bound by any provisions which vary or add to the terms and conditions of this contract.

3. **SPECIFICATIONS -** All specifications (including drawings, technical and other data) submitted to Seller by Buyer relating to the items or services ordered herein are hereby incorporated into and made a part of this contract.

4. **CHANGES -** Buyer reserves the right at any time to make changes in any one or more of the following (a) Specifications, drawings, and data incorporated in this contract where the items to be furnished are to be specially manufactured for the Buyer; (b) Methods of shipment or packing; (c) Place of delivery and ; (d) Time of delivery.
   If any such change causes an increase or decrease in the cost of or the time required for the performance of this contract, an equitable adjustment shall be made in the contract price or delivery schedule, or both. Any claim by Seller for adjustment under this Section shall be deemed waived unless asserted in writing within ten (10) days from receipt by Seller of the change. Price increases or extensions of time for delivery shall not be binding on Buyer unless evidenced by a Purchase Order Change Notice issued and signed by Buyer.

5. **PRICES -** Unless otherwise agreed to by Buyer, the price stated includes all charges and expenses of Seller, such as packing, boxing, cartage and any and all applicable taxes of Federal, State or local governments, including but not limited to duties, excise taxes, sales and use taxes, occupational taxes, manufacturing taxes, import and export taxes. Seller agrees to accept in lieu of any tax that may be included herein a tax exemption certificate or other evidence acceptable to the Federal, State or local government, and to reduce the prices as stated herein by the amount of such exempt tax. Any discount terms provided herein shall date from the date of delivery at destination or the date of receipt of invoices or date of settlement of disputes or claims, whichever is later. Buyer shall not be billed at prices higher than stated in this contract unless authorized by a Purchase Order Change Notice issued and signed by Buyer. Seller represents that the prices charged for the Items or services herein are the lowest prices charged by Seller to Buyers of a class similar to Buyer under conditions similar to those specified herein and that such prices comply with applicable government regulations in effect at the time of quotation, sales, or delivery. Seller agrees that any price reductions made for items or services similar to those herein subsequent to the placement of this order will be applicable to this contract.

6. **DELIVERY -** Time is of the essence in this contract. If delivery of items or rendering of services is not completed by the time specified herein, Buyer reserves the right, in addition to its other rights and remedies, to terminate this contract without liability to Buyer by notice effective when received by Seller, as to stated items not yet delivered or services not yet rendered, and to purchase substitute items or serves elsewhere and charge Seller with any loss incurred. Seller shall also pay Buyer's reasonable attorney's fees and other litigation expenses. Any provisions herein for delivery of items or rendering of services by installments shall not be construed as making the obligations of Seller severable. Shipment sends C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk. Delivery will not be deemed completed until the items or services have been actually received and accepted by Buyer. If all of the items or services are not delivered by the time specified herein, Buyer also reserves the right to terminate all or any part of this contract without liability. Acceptance of payment for any of the items or services shall not bind Buyer to accept further shipments nor deprive Buyer of its right to return times or services previously accepted. Neither acceptance nor payment shall constitute a waiver of default or damages for delay. Notwithstanding any agreement to pay transportation charges, the risk of loss or damage in transit shall be borne by Seller.

7. **ACCEPTANCE OF ITEMS OR SERVICES -** Items or services purchased hereunder are subject to inspection at any time prior to delivery by the Buyer or its customer, and to acceptance by Buyer, Buyer reserves the right to reject items or services which are not in accordance with Buyer's instructions, specifications, drawings and data or which do not comply with Section 8, WARRANTIES herein Buyer will charge Seller for the costs of inspection rejected items or services and of returning the same to Seller, Payment for an item or service shall not be deemed an acceptance thereof.

8. **WARRANTIES -** Seller warrants that (a) the items or services to be furnished hereunder will be free from defects and in full conformity with Buyer's specifications, drawing, technical and other data. Seller's samples or other descriptions furnished or adopted by Buyer; (b) the items will be new and of good material and workmanship and the services will be performed in a good and workmanlike manner; and (c) the items or services will be fit for the use intended by Buyer. The warranties provided herein shall be in addition to any warranties of additional scope given to Buyer by Seller whether express, implied or by operation of law. All warranties shall survive acceptance or payment by Buyer. If any items or services are unsatisfactory to Buyer, Buyer may reject the same at any time and, if Buyer has paid for the same, they may be returned and charged back to Seller. If such a return is made, Seller shall, on receipt, allow full credit or pay the charge back and pay Buyer's' inspection and handling expenses plus transportation charges both ways. No replacements are to be made except upon Buyer's written instructions. Neither acceptance nor payment for all or any items or services shall be deemed to be a waiver of Buyer's rights under this contract or applicable law. In addition to the foregoing rights and remedies, Buyer shall be entitled to recover any damages allowed by law, including special or consequential damages, for breach of warranty together with reasonable attorney fees and other litigation expenses.

9. **TERMINATION -** Buyer may, at any time, terminate this contract in whole or in part by notice to Seller, which may be written, telegraphic or oral with subsequent written confirmation. If buyer terminates solely for its convenience and not for reasons which are beyond Buyer's reasonable control or because of Seller's breach or default of any obligation to Buyer, any claim or Seller shall be settled by mutual agreement on reasonable costs actually incurred as of the termination date. However, if Buyer's termination is occasioned by Seller's said breach or default including breach of warranty of by Seller's delay unless solely caused by considerations beyond Seller's reasonable control and without Seller's fault or negligence. Seller shall not be entitled to any costs and Buyer shall have against Seller all rights and remedies provided by law and equity. In addition, to any damages or other relief allowed by law and equity. Buyer shall pay Seller's reasonable attorney's fees and other litigation expenses.

10. **ADVANCE MANUFACTURE AND SHIPMENT -** Seller shall not manufacture in advance of Seller's normal flow times or deliver any items in advance of the schedule set forth in this contract without Buyer's written permission. Buyer reserves the right to return, shipping charges collect, all items received at Buyer's plant in advance of the schedule shown in this contract. Seller may request Buyer's written consent to advance manufacture or delivery at the time of returning acknowledgment of this contract.

11. **THIRD PARTY PROPERTY RIGHTS -** Seller shall (a) indemnify and save harmless Buyer and its successors, assigns, distributors, dealers, customers, users, and parties for whom Buyer acts as agent from all loss, damage or liability arising out of any alleged or actual infringement of third party property rights (including but not limited to U.S. or foreign patents, trademarks, copyrights, rights in data, trade secrets and rights protected by fair competition laws) resulting from the manufacture, sale or use of any items purchased hereunder (except infringement directly resulting from strict adherence to specifications or drawings originally submitted to Seller by Buyer may participate in and be represented in such defense or a settlement through counsel of its own choice at Buyer's expense. Buyer shall notify Seller of all infringement claims of which Buyer has to acknowledge and shall furnish at Seller's expense all available information as necessary for preparation of such defense. Seller shall pay and discharge all judgments and decrees rendered in such suit, action or proceedings against all defendants therein.

12. **BUYERS PROPERTY -** All designs, sketches, drawings, blueprints, patterns, models, tools, dies, jigs, molds, fixtures, special appliances and any other property of Buyer to Seller or paid for by Buyer for use in performance of this contract shall be (a) the property of Buyer or, when applicable, the U.S. Government and remain so, (b) held at Seller's risk, (c) subject to removal upon Buyer's instructions, (d) used only in filling Buyer's orders under this contract, and for no other purpose, (e) maintained by Seller in good condition, ordinary wear and tear excepted at Seller's expense, and (f) kept insured by Seller at its expense in an amount equal to the replacement cost thereof, with loss payable to Buyer. Copies of insurance policies or certificates will be furnished to Buyer on its demand. Seller shall pay Buyer for all such property spoiled, damaged, or otherwise not satisfactorily accounted for at Buyer's cost plus Buyer's other charges applicable thereto including but not limited to transportation charges. When applicable, Seller's invoices for any such property shown as a separate item in this contract will not be paid by Buyer until production quantities of samples are received and accepted by Buyer. Seller shall not make any copies or furnish or disclose blueprints, any other data, or copies thereof to any person unless authorized in writing by Buyer. Where payment is made for experimental, development or research work to be performed hereunder, Seller shall disclose and does hereby assign to Buyer all inventions or discoveries resulting therefrom and the right to use all data specified to be and/or actually delivered to Seller under this order.

13. **RIGHTS IN DATA -** Buyer retains ownership of all property data disclosed to Seller by Buyer in connection with this contract. Seller shall not disclose proprietary data to others, except where prior to disclosure to Seller by Buyer (a) proprietary data is already known to the general public, or (b) Seller had knowledge of proprietary data. For the purpose of this contract, "Proprietary data" means all design engineering technical information (whether patentable or not) and other information concerning Buyer's trade secrets; such other information includes but is not limited to secrets of manufacture contained in Buyer's manufacturing methods or processes, treatments and chemical composition, plant layout and tooling, to the extent that such other information is not disclosed by inspection or analysis of the items covered by this contract.

14. **ASSIGNMENT -** This contract shall not be assigned or transferred in whole or in part by Seller without Buyer's prior written consent.

15. **QUANTITY VARIATION -** Quantities may not be less than those specified in this contract and over shipments of such specified quantities are subject to Buyer's return at Seller's expense.

16. **CONTAINER REFUNDS -** Seller agrees to refund to Buyer an amount equal to the price charged for any returned spools, reels, barrels, drums, or other types or containers upon their return by Buyer.

17. **RESALE CERTIFICATION -** If this contract is marked "Resale", Buyer certifies that the property purchased hereunder is purchased for purposes of resale

18. **NOTICE OF DELAY** - Whenever Seller has knowledge that any actual or potential labor dispute or another event of force majeure is delaying or threatens to delay its timely performance under this contract, Seller will immediately give written notice thereof to Buyer.

19. **COMPLIANCE WITH LAWS -** By accepting this order Seller represents and warrants to Buyer that it has complied and will continue during the performance of this order to comply with all applicable federal state and local laws, executive orders, rules, and regulations, including but not limited to the Occupational Safety and Health Act of 1970 as amended ("OSHA"); Toxic substances Control Act as amended ("TOSCA"); the Equal Employment Opportunity Act and the Regulations and Standards issued pursuant thereto ("EEOC"); and the Fair Labor Standards Act of 1938 as amended ("FLSA"). Additionally, the Seller represents and warrants that it shall supply the Buyer with such information as may be necessary to permit Buyer to comply with the Federal Hazard Communication Standard as set forth in 29 CFR 1910, 1200. Seller shall supply such data to Buyer at the time of making its first delivery pursuant to this order, and shall revise or amend such data as necessary during the course of fulfilling this order. Failure of Seller to supply such data shall be conclusively presumed to mean that such data is not required for the products supplied.

20. **GOVERNING LAW -** This Purchase Order shall be governed by the substantive laws of the State in which it has been issued by the Buyer. Any dispute shall be resolved exclusively by an appropriate State or Federal Court within said state and the parties hereby consent to the jurisdiction thereof. Any services furnished hereunder shall be deemed to be "Goods" within the meaning of Section 1-105 of the Uniform Commercial Code.

21. **LIENS -** Seller hereby agrees to keep the premises of Buyer on which services may be performed hereunder and all material supplied in connection therewith free and clear of all security interests, liens or encumbrances of any nature whatsoever, including attorney's fees, which Buyer may incur or sustain by reason of the existence of filing of any such security interest, liens or encumbrances

22. **GOVERNMENT CONTRACT PROVISIONS -** If this Purchase Order indicates that any items or services purchased hereunder are to be used in the performance of a contract for the U.S. Government, the North Atlantic Treaty Organization or any agency thereof, then any provisions of the Federal Acquisition Regulations or their successor or related provisions (FARs) which the Buyer is required to include in its subcontracts are incorporated herein by reference as it set forth at length. Should there be any conflict between the foregoing provisions of these General Conditions of Purchase and those FARs applicable to this Purchase Order, then the latter shall govern. For purposes of applications of said FARs, the term "Contract" shall refer to this Purchase Order, the term "Contractor" shall mean the Seller, and the terms "Government" and "contracting Officer" shall mean the Buyer.

23. **LIABILITY -** All work performed by Seller in connection with the items or services described herein shall be performed by Seller as an independent contractor and not as the agent of Buyer. All persons furnished by Seller shall be considered solely Seller's employees, agents or representatives. Seller agrees to indemnify and save harmless Buyer from any losses, damages, liabilities, lawsuits, claims, demands (including the costs, expenses and reasonable attorney's fees on account thereof) that may be made (1) by anyone for injuries including death to persons or damage to property whether belonging to Buyer or another including theft, resulting from Seller's acts or omissions or those of persons furnished by Seller, its agents or subcontractors or resulting from use of Seller's items furnished hereunder or (2) by persons furnished by Seller, its agent or subcontractors under Worker's Compensation or similar acts. Seller agrees to defend Buyer at Buyer's request, against any such liability, claim, or demand. Buyer agrees to notify Seller promptly or any claims or demands against Buyer for which Seller is to be held responsible hereunder. Seller shall defend and settle such claims and demands at its own expense, however, Buyer shall have the option to participate therein at its own.

24. **INSURANCE REQUIREMENTS -** Seller, at Seller's expense, shall maintain during the term hereof all insurance and/or bonds required by law or this Purchase Order, including but not limited to:
   (1) Workers Compensation and related insurance as prescribed by the law of the State in which the work is performed.
   (2) Employer's liability insurance with limits of at least $1,000,000 for each occurrence; and
   (3) Comprehensive general liability insurance including contractual liability, products, and completed operations coverage and if the use of motor vehicles is required, comprehensive motor vehicle liability insurance each with limits of at least $1,000,000 for bodily injury, including death, to any one person and $1,000,000 on account of any one occurrence involving such bodily injury, and $1,000,000 for each occurrence of property damage.

   Seller shall be prepared to furnish if requested by Buyer, certificates or adequate proof of the foregoing insurance at any time during the term of the Contractor prior to the start of work.
   Seller shall also require its subcontractors, if any, who may enter upon Buyer's premises to maintain similar insurance and to agree to furnish Buyer, if requested, certificates or adequate proof of such insurance. Certificates furnished by Seller or Seller's subcontractors shall contain a clause stating that Buyer is to be notified in writing, at least, ten (10) days prior to the cancellation of, or any material change in, the policy.

25. **LICENSES -** No licenses, express or implied, under any patent are granted by the Buyer to the Seller hereunder except as is otherwise expressly mutually agreed in writing.

26. **SUPPLIER EVALUATION -** Each supplier providing products and services to JQL Technologies will be continuously evaluated by JQL Technologies based on that suppliers' on-time delivery and quality performance.

27. **PRODUCTION PROCESS VERIFICATION -** JQL Technologies holds the right to perform inspections, audits, and system surveillance at suppliers' and their sub-tier suppliers' facilities as part of verifying conformance to the JQL Technologies' quality requirements.

28. **QUALITY SYSTEM -** Suppliers shall maintain a quality system acceptable to JQL and its customers for the supplies and services requested. This system should include the identification, documentation, segregation, and disposition of nonconforming material and shall assure effective and positive corrective action is taken to prevent, minimize and/ or eliminate nonconformances.

29. **IDENTIFICATION AND TRACEABILITY -** JQL requires that all purchased products are clearly identified by part number, trade name, or chemical name and that lot numbers and/or batch numbers are clearly designated on the delivery paperwork. Date of Manufacture and Shelf Life/Expiration Date must be clearly labeled on all products that have a shelf life as well as on corresponding paperwork.

30. **WORKMANSHIP -** All products and services shall be completed by competent personnel, and match either the suppliers' advertised specifications or specifications provided and should be free of foreign material when received.

31. **NONCONFORMANCES -** JQL utilizes sample inspection methods for acceptance of product. If the sample is unacceptable, JQL may not accept nonconforming material and reserves the right to return all or part of the lot for credit or replacement.

32. **CERTIFICATE OF CONFORMANCE -** Suppliers shall include a Certificate of Conformance (CoC) with each shipment. This CoC shall certify that all items provided under each PO meet all applicable requirements. Must include the following information at a minimum:
    a. Date of Manufacture
    b. Purchase Order Number
    c. REC part number and revision level
    d. Government contract number (if applicable)
    e. Quantity
    f. Lot/Serial Number (if applicable)
    g. Any applicable heat #'s (if required)
    h. A clear and concise scope of work performed and certifying statement of conformance based on supplied requirements which includes any special processes (i.e., heat treatments, NADCAP plating etc.) and material/process certifications to the part drawing and/or applicable industry standard(s).
    i. Authorized Signature/Title
    j. Any other subcontract operation C of C's shall also accompany suppliers cert. Any subcontract C of C shall comply with the same minimum requirements stated above.

33. **DELIVERY PAPERWORK -** Delivery paperwork must include a packing slip and any other paperwork designated on the PO. All raw materials must be accompanied by a written Certificate of Analysis and/ or Material Safety Data Sheet regardless of whether the PO specifies these documents.

34. **COUNTERFIET MATERIAL -** Suppliers shall maintain a counterfeit material avoidance and mitigation process (e.g. AS5553) and be able to produce for review by JQL. If Suppliers find counterfeit components in the process of supplying components to JQL, Suppliers will immediately notify JQL. Suppliers shall purchase components directly from OEM, OCM, or from authorized distributors and have traceability records, test data to support documentation.

35. **PRODUCT SERVICE CONFORMITY, SAFETY, AND ETHICAL BEHAVIOR -** Suppliers acknowledge their awareness of their contributions to product and service conformity, product safety and ethical behavior listed below and shall communicate this information and requirements to all employees within the organization that have an impact on product conformity.
    a. The materials supplied to JQL may be used in aerospace products.
    b. The materials supplied to JQL may have safety impacts on the final products produced.
    c. The materials supplied to JQL shall be produced responsibly, sustainably and with socially aware business practices.

36. **ENVIRONMENT -** Suppliers shall comply with environmental regulations and employ environmentally responsible business practices appropriate for their business.

37. **RECORDS RETENTION -** All records, including certification as required under the terms of each PO and which document the quality of the items provided, shall be retained for a minimum of 5 years after the final shipment unless otherwise specified by purchase order or contract.

38. **FLOW DOWN REQUIREMENTS -** Suppliers shall flow down to their sub-tier suppliers any applicable JQL requirements as defined in the purchasing documents (PO, Terms and Conditions, etc.). Unauthorized material substitutions are not permitted. If this order has a DPAS Government flow down rating of DO-A2 then the rated order is certified for national defense use and is required to follow all provisions of the Defense Priorities and allocation System regulation (15 CFG 700). (Far 52.211-15) Where ever DRARS compliancy is requested, it should be adhered to and C of C should be submitted accordingly.

39. **CONFIGURATION CHANGE MANAGEMENT -** Seller shall formally submit all Change Orders (ECN'S) to the Buyer/Planner for written approval prior to implementation. The Buyer/Planners concurrence or disapproval will be granted within five (5) working days. Proceeding without the Buyer/Planners written response will be at the Sellers risk. Immediately upon discovery, Seller shall formally notify the Buyer/Planner regarding any changes to products, processes, suppliers and Seller facilities. The Buyer/Planner will formally respond to said notification within 5 working days. In the event of product discontinuation Seller to notify Analog Devices Federal, LLC for a last time buy opportunity of existing revision of the product procured in the last two years. DFAR Certificate must be CLEARLY listed on the packing slip or C of C. Submission of such PCNs can be provided to purchasing@jqltechnologies.com and qa@jqltechnologies.com