



Purchase Orders from Electron Energy Corporation (Buyer) are subject to the following terms and conditions. Seller accepts these terms and conditions by commencing performance or by written acknowledgment of this order. These terms and conditions supersede and replace any and all terms and conditions contained in oral or written communication between Buyer and Seller or any documentation delivered to Buyer by Seller. Changes to the Purchase Order not made in writing and agreed to by the Buyer are invalid.

- Invoices:** Seller shall invoice at the price shown on the Purchase Order. In cases where the Seller is not the original producer of the purchased item, Seller is required to identify the origin of the purchased product on their invoice. The Buyer assures that this information will not be used to circumvent the Seller on subsequent purchase orders. Purchase order numbers, part numbers, and quantities must appear on each invoice. Payment terms are listed on the Purchase Order. Excess, unauthorized shipments are subject to rejection by the Buyer. Invoices may not include costs in excess of the Purchase Order amount unless agreed to in writing by the Buyer.
- Packaging and Shipment:** Seller shall comply fully with shipping instructions provided by the Buyer, unless alternate arrangements are requested by Seller and mutually agreed upon at the time of order placement. Seller shall package all items as appropriate to protect against hazards of shipment, handling, storage, and exposure. All packages must be accompanied by a packing slip listing Purchase Order Number, part numbers, and quantities. If required, inspection data, test data, or other inspection information shall be included within the carton containing the purchased product. If multiple boxes are used to ship the product, then each box shall be numbered (1 of _, 2 of _, etc.) and the required inspection or test information shall be enclosed in the first box. Seller shall ship to the destination listed as the “Ship To” location as designated on the Purchase Order.
- Warranty:** Seller warrants to Buyer that at the time of delivery the purchased product is free from defects in material and workmanship and conforms in its entirety to the requirements of all applicable drawings and specifications as required by the Purchase Order. The Buyer, at its discretion, has the right to return the product for credit, including shipping charges, and the parts shall not be replaced without the written permission of the Buyer.
- Supplier Nonconformance Recovery:** The Seller is responsible for complying with the quality system requirements noted in this document and on the Purchase Order. Failure to comply with requirements or to achieve an acceptable performance may result in an on-site audit or source inspection. Buyer reserves the right to debit or invoice supplier accounts to compensate for inspection, rework, or related activities that take place as a result of supplier responsible nonconformance. All potential back charges will be negotiated with the Seller prior to action.

5. **Changes/Cancellation:** The Buyer may at any time, by written order, make changes to this Purchase Order. If any changes cause an increase or decrease in the cost or delivery of any part of this Purchase Order, an equitable adjustment shall be made by the Buyer by written Purchase Order amendment to the price or delivery schedule or both. The Seller may claim an adjustment within 15 days of the receipt of said change provided that the Buyer has adequate time to react to such claim prior to final payment.
6. **On-time Delivery:** Seller is responsible to meet their commitment dates for delivery. Seller will give prompt written notice when delivery delays will occur. If such a delay or default is determined by the Buyer to affect its ability to meet delivery schedules for its product, Buyer will provide notice to Seller of such a determination and may cancel any portion of the Purchase Order such affected. If the Buyer determines that the Seller is not at fault for the delay, the Purchase Order will not be cancelled. The Buyer by written notice may terminate this Purchase Order in whole or in part if the Seller: (a) fails to deliver product within the Purchase Order schedule, (b) fails to make progress towards the completion of the product thus endangering the product schedule, (c) fails to provide written assurance when it appears that the Seller may not perform in accordance to the Purchase Order and such assurance is requested by the Buyer. If the Buyer cancels a portion of the Purchase Order, the Seller shall continue performance of the remainder.
7. **Labor Disputes:** The Seller shall immediately notify the Buyer of any threatened or actual labor dispute or other matter that may delay the completion of the Purchase Order beyond the scheduled shipment date. This notification shall include the duration of the delay. Excusable delays are those delays beyond the control and without fault of the Seller, including acts of God or the Government, fires, floods, strikes, embargoes, or similar acts affecting the Seller's subcontractor(s). Upon notification, the Buyer may terminate this Purchase Order in whole or in part without additional cost to the Buyer.
8. **Proprietary/Confidential Information:** Neither, the Seller nor the Buyer may use proprietary or confidential information of the other party for any other purpose except as is necessary to fulfill the obligations of the Purchase Order. This information includes confidential or proprietary information obtained through drawings, emails, phone conversations, faxes, written specifications and technical papers, other media, or observation from access to manufacturing facilities. Seller is required to exercise tangible action and controls to ensure confidentiality of relevant documents and information.
9. **Export/Import Controls:** If the Seller is a U.S. company that engages in the business of manufacturing or exporting defense articles or provides defense services subject to International Traffic in Arms Regulations (ITAR), the Seller certifies that it is registered with the U.S.



Department of State's Directorate of Defense Trade Controls (DDTC) and understands its obligations to comply with the regulations. Seller shall control the disclosure of and access to technical data, information, and other items under this Purchase Order in accordance with U.S. export control laws, including but not limited to the ITAR. Seller agrees that no export-controlled technical data, information or other items provided by the Buyer in connection with this Purchase Order shall be provided to any foreign person or to a foreign entity, including a foreign subsidiary of the Seller, without first obtaining the appropriate export license or technical assistance agreement. The Seller shall indemnify the Buyer for all liabilities, penalties, expenses, damages, or costs that may be imposed on the Buyer in connection with any violations of such laws and regulations on the part of the Seller.

10. **Counterfeit Policy:** By accepting this Purchase Order, the seller acknowledges its counterfeit risk mitigation obligations in accordance to the DoD 4140.67 Counterfeit Policy. All goods being delivered shall be and only contain materials obtained directly from the original component manufacturer (OCM) or the original equipment manufacturer (OEM).
11. **Subcontracting:** This Purchase Order may not be subcontracted in part or in its entirety without the written permission of the Buyer. Once established for a given product/application, the subcontractor may not be changed without the written approval of the Buyer. Seller will flow down applicable quality requirements to supply chain.

In addition to these clauses, other clauses may be incorporated depending on the requirements of the Buyer's customers. Any additional clauses will be incorporated into the Purchase Order.