



Standard Terms & Conditions of Purchase

1. **ACCEPTANCE & CANCELLATION OF ORDERS:** Any contract for the sale of goods made between Buyer and Seller may be cancelled by the Buyer only upon the advanced written consent of Seller (which it may withhold at its sole discretion). As a condition to receiving Seller's written consent, Buyer shall pay all reasonable cancellation and restocking charges incurred by Seller due to Buyer's cancellation of the order. Upon acceptance of the purchase order, the seller accepts fulfillment of delivering the goods and/or services by the specified delivery date. Any additions, alterations, or deletion of items listed on the purchase order must be approved by an authorized Buyer. The Buyer's acknowledgement of changes in price, quantity, delivery method or dates does not change any other terms of this agreement.
2. **ATTACHMENTS.** Documents designated by Buyer in the body of the Purchase Order, including supplemental terms and conditions, if any, are incorporated by reference the same as if set out in full therein.
3. **DELIVERY, TITLE AND RISK OF LOSS:** Seller may not assign, transfer, or subcontract this Purchase Order or any right or obligation hereunder without Buyer's written consent. Passing of title will not constitute the acceptance of goods by the Buyer. The Seller will deliver the products and/or services by the delivery date. Shipment will be made F.O.B. Destination to the Buyer's designated location. Delivery is not complete until the goods are received in accordance with shipping instructions on the face of the purchase order. Seller warrants title to all goods sold and bears the risk of loss or damages to the items purchased under this purchase order.
4. **EXCUSABLE DELAY:** Fires, floods, strikes, accidents, shortages, or other causes beyond the reasonable control of the parties, which prevent Seller from delivering, or Buyer from receiving, any of the goods and services covered by this Purchase Order, shall suspend deliveries until the cause is removed, subject, however, to Buyer's right of termination for convenience.
5. **CHANGES:** The Buyer reserves the right at any time to issue a written change order or amendment to the Purchase Order concerning any of the following: (a) specifications, drawings, and data incorporated in the Purchase Order where the items to be furnished are to be specially manufactured for the Buyer; (b) quantity; (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery; or (f) any other matters affecting this Purchase Order.
6. **TERMINATION:** The Buyer may terminate the Purchase Order for its convenience, in whole or in part, at any time prior to shipment by (written or electronic) notice to Seller. Upon receipt of such termination notice, Seller shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work, and (b) continue the performance of any part of the work not terminated by Buyer.
7. **SHIPMENT, INSPECTION, ACCEPTANCE, REJECTION OF GOODS:** All items must be properly prepared for shipment at no additional expense. All goods and services furnished hereunder are subject to inspection and testing. It is the supplier's responsibility to ensure that all product, assembly, material and process specifications reflect the latest revision levels. If Seller delivers non-conforming goods, Buyer may at its option and at Seller's expense: (i) reject and return the goods for credit or refund; (ii) require Seller to promptly correct or replace the goods; (iii) correct the goods; or (iv) obtain replacement goods from another source. Seller shall not redeliver corrected or rejected goods without disclosing the former rejection or requirement for correction. Seller shall disclose any corrective action taken. Repair, replacement and other correction and redelivery shall be completed within the original delivery schedule or such later time as Buyer may reasonably direct. All costs, expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this Purchase Order or another. The Buyer shall notify the Seller if any items delivered are rejected; and, at the Buyer's election and the Seller's risk and expense, shall be returned to the Seller. Replacement of rejected items shall be made by the Seller upon the Buyer's approval. The Purchase Order number and Reference Designators must appear on all correspondences, invoices, packages, and shipping documents.
8. **RETURNS:** Buyer may return to Seller any goods that are damaged, defective, or unusable due to customer changes by obtaining a Return Material Authorization ("RMA") from Seller within 60 days of receipt of the goods. Buyer must return to Seller the damaged, defective, and/or unused goods within the period set forth in the RMA. The RMA number must be listed on all packaging containing goods returned to Seller. If Buyer does not request from Seller an RMA within 60 days of receiving the goods to be returned, or requests an RMA for goods that are not damaged or defective, Seller may, at its sole discretion refuse to issue an RMA for return of the goods, or may require that the Buyer pay the Seller a reasonable restocking fee as a condition of issuing a RMA to the Buyer.



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9. **TAXES:** The Buyer shall pay, in addition to the prices specified by Seller, all local, state and federal taxes, including all sales, use, excise, or other similar tax, payable with respect to the goods or the transactions contemplated therein, or alternately, provide Seller with tax exemption certificates acceptable to the applicable taxing authorities.
10. **INVOICE AND PAYMENT:** A separate invoice shall be issued for each shipment and for each purchase order number, with the purchase order number referenced on the invoice. No invoice shall be issued before the shipment of goods and no payment shall be made before the acceptance of goods and a correct invoice. Payment terms commence upon receipt of the invoice and payment shall be made upon terms agreed between Seller and Buyer.
11. **WARRANTY:** Seller warrants that it has title to the goods and that the goods generally conform to the descriptions, if any, on the contract. The term manufacturer refers to the original manufacturer of the product when identified. The term condition refers to the condition of the product. All product(s) must be new (Unused) and free from defects in materials and workmanship. Any product(s) with minor defects must not be reconditioned and requires the Buyer's approval. Seller's warranty will run to the Buyer, successors, customers, and users of products manufactured/sold by the Buyer. The Seller agrees to replace or correct defects promptly and without expense to the Buyer. **Where applicable, the Seller warrants that the goods covered by this Purchase Order are in compliance with all laws, regulations, rules, and orders relating to the importation of goods into the United States, the exportation of goods out of the country of origin, the transit of goods through intermediate countries and the sale and use of foreign made goods in the United States. Seller further warrants that it has obtained all permits, licenses, and certifications necessary for the goods to be exported out of the country of origin, imported in the United States, delivered to Buyer and used or sold within the United States.**
12. **INDEMNIFICATION:** Seller agrees to indemnify, defend, and hold Buyer harmless from and against all losses, damages, liability, actions, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees and other expenses of litigation), suffered, incurred, or asserted by or against Buyer (a) by reason of Seller's breach of a warranty, (b) by reason of Seller's breach of any term of this Purchase Order, or (c) by reason of personal injury, including death, or property damage sustained by a third party, resulting from or arising out of an act or omission of Seller, or Seller's agents, employees, or contractors in fulfillment of this Purchase Order.
13. **PATENTS AND TRADEMARKS:** The Seller warrants that all goods and/or services supplied shall not infringe on any third party's patents, copyright, trade secret, trade name, trademark, or other proprietary rights.
14. **CONFIDENTIALITY:** Any confidential and/or proprietary materials provided by Buyer to Seller in connection with Seller's performance of this Purchase Order, including but not limited to any drawings, masters, software, specifications, raw materials, components, data, business information or plans, customer lists or other customer information shall be kept confidential and undisclosed to any third party, unless otherwise agreed to by the Buyer in writing. Seller shall not make any copies of Confidential Information except as specifically authorized by Buyer in writing.
15. **INSURANCE:** The Seller will secure and maintain insurance providing coverage for liabilities to third parties for bodily injury and damage to property in a sufficient amount; and in compliance with all laws. Seller further will maintain such additional types and limits of insurance as is customary for a company of similar size and similar operations to the Seller.
16. **LIMITATION OF LIABILITY:** (a) Within 30 days after receipt of each shipment of goods, Advanced Assembly shall have the right to examine and test the goods to determine if there is any damage, defect, or shortage. All claims for any damages, defects, or shortage, or for any cause whatsoever (whether the claim is based in contract, negligence, strict liability other tort, or otherwise) shall be deemed "waived" unless made in writing and received by Seller within 30 days after Buyer's receipt of the goods, or if the claim is for non-delivery of goods, within 30 days after the date the goods were to be delivered. Provided, however, that any claim not reasonably discoverable within that 30-day period (including a claim discoverable only in processing, further manufacture, other use, or resale) must be made in writing and received by Seller within 30 days of Buyer's receipt of the goods, or within 30 days after Buyer learns of the facts giving rise to the claim, whichever occurs first.
(b) BUYER'S EXCLUSIVE REMEDY SHALL BE FOR COST OF GOODS OR SERVICES SUPPLIED BY SELLER AND SELLER'S TOTAL LIABILITY FOR ANY AND ALL LOSSES AND DAMAGES ARISING OUT OF ANY CLAIM WHATSOEVER (WHETHER THE CLAIM IS BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY) SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE GOODS IN RESPECT TO WHICH THE CLAIM ARISES OR, AT SELLER'S OPTION, THE REPAIR OR REPLACEMENT OF THE GOODS. IN NO EVENT SHALL BUYER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES RESULTING FROM ANY CLAIM (INCLUDING,



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WITHOUT LIMITATION, LOSS OF PROFITS, BUSINESS LOSSES, DAMAGE TO PROPERTY, OR ANY LIABILITY OF BUYER TO ITS CUSTOMERS OR THIRD PARTIES).

- 17. REACH COMPLIANCE:** Advanced Assembly is committed to compliance with the European Union's Registration, Evaluation, and Authorization of Chemicals Directive (REACH). The objective of REACH is to improve the protection of human health and the environment by placing greater responsibility on industry to identify and manage the risks from certain substances and to provide safety information on those materials. Its scope covers goods imported to or produced within the European Union (EU). In particular, REACH requires registration when certain materials, whether used alone or within an article, are imported into or produced within the EU to the extent that the amount of any such material exceeds 1 metric ton per year and the material is present in concentrations above 0.1% wt./wt. per article. At present, the materials subject to this directive are those that were identified by the European Chemical Agency (ECHA), on their list of substances considered "Substances of Very High Concern" (SVHC). Advanced Assembly has completed a preliminary evaluation and believes that none of our products contain any of the identified SVHCs in amounts that exceed those thresholds, thus NO REGISTRATION IS REQUIRED. However, as a responsible contributor we will continue to monitor our products, processes, and vendors for compliance on an ongoing basis, and are committed to meeting the spirit of this regulation for shipments worldwide, including shipments to countries beyond the EU. Should the Seller be aware of any products having registration or other reporting requirements specified in REACH, the Seller shall contact the Buyer with details. Otherwise we are taking the position Seller products are unaffected.
- 18. CONFLICT MINERALS COMPLIANCE:** Generally, Conflict Minerals collectively refers to cassiterite, columbite, tantalite, gold, wolframite, or their derivatives, including tantalum, tin, and tungsten. To determine if Advanced Assembly manufactured products contain Conflict Minerals, we have conducted a survey of our key suppliers to ascertain their use of any Conflict Minerals in the materials they supply to us. The results of that survey demonstrate that our Sellers do not use Conflict Minerals in the materials they supply to us. Consequently, we can in turn represent that, to the best of our knowledge, our products do not contain Conflict Minerals. We will continue to work with our Sellers to ensure that we are able to identify the use of Conflict Minerals in our supply chain, and the representations made in this compliance statement remain accurate. To that end, we reserve the right to amend this statement at any time based on subsequent developments or information. Should the Seller become aware of any products having Conflict Minerals, the Seller shall contact an Advanced Assembly buyer with details. For any other questions or concerns regarding this statement, the Seller shall contact Advanced Assembly without hesitation.
- 19. EXTERNAL PROVIDERS AWARENESS:** Providers are to ensure that they have a process in place to make persons aware of (a) Their contribution to product or service conformity (b) Their contribution to product safety (c) The importance of ethical behavior and (d) Seller shall allow customers to perform quality surveys and inspections at the supplier location where materials and services are rendered upon request.
- 20. COMMUNICATIONS:** Methods of communication for any means of acknowledgement, update, requesting change, correction, or addition shall be in writing (electronically). Additional criteria regarding communications is as follows:

 - Seller shall inform Advanced Assembly within 24 hours of suspected nonconforming product.
 - Seller shall inform Advanced Assembly of any changes in its certification, registration, or accreditation within 48 hours of receiving notification of the change.
 - The Seller must accept all flow down requirements determined by Advanced Assembly. Seller must then flow down Advanced Assembly-determined requirements to their own supply chain.
- 21. COUNTERFEIT AVOIDANCE/PART TRACEABILITY:** By accepting Advanced Assembly's Purchase Order, Seller agrees to provide only new and authentic products. Seller agrees to purchase parts directly from the Original Equipment Manufacturer(s) (OEM), Original Component Manufacturer(s) (OCM), or an OEM/OCM Authorized Distributor(s). Seller agrees to notify Advanced Assembly in writing if supply of product was not provided by these sources. Seller agrees to accept termination of the PO from Advanced Assembly without penalties should Advanced Assembly choose to do so on orders that do not have established and verifiable traceability.

 - (a) Seller shall flow the requirements herein to its subcontractors and suppliers at any tier for the performance of all orders.
 - (b) Seller shall establish and maintain a documented counterfeit parts awareness training program. Seller shall provide evidence of such program to the Buyer upon request.
- 22. PARTS TRACEABILITY:** If Purchase Order states "Parts Traceability", Seller agrees to maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and



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Electromechanical (EEE) parts being delivered for all orders. This traceability method shall clearly identify the name and location of all supply chain intermediaries from the manufacturer and shall include the manufacturer’s batch identification for the item(s) such as date codes, lot codes, and Certificate of Compliance documentation. If this traceability is unavailable or cannot be provided, the Seller must declare product as “not traceable” to Advanced Assembly in writing. **Product declared as “not traceable” by the Seller can be:**

a. **Approved by Advanced Assembly.**

i. Seller must receive the approval in writing from Advanced Assembly. Verbal or other non-written approvals are invalid and may result in rejection/cancellation at Sellers’ expense.

- 23. COMPLIANCE WITH APPLICABLE LAWS:** The Seller will comply with all applicable federal, state, and local laws. The Seller will operate in good faith to comply with other laws and regulations and best practices and will promptly act to correct any noncompliance once identified.
- 24. RECORDS RETENTION:** Seller shall retain verifiable objective evidence of inspection and tests performed. Sellers of electronic components shall hold records detailing original manufacturers and associated date code/lot number. Quality records shall be made available for evaluation for a contractually agreed upon period. Unless otherwise specified, this period shall be seven years.
- 25. SELLER CONTROL:** Sellers are responsible for insuring that the applicable requirements of this Purchase Order are in compliance with OEM’s and OCM’s.
- 26. ENTIRE AGREEMENT:** Unless superseded by a specific signed agreement between Buyer and Seller, this agreement shall include the Purchase Order, these General Terms and Conditions, and all attachments referred to in the Purchase Order, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein. All other prior or contemporaneous representations, warranties, covenants, or agreements between Seller and Buyer, or their representatives, with respect to the subject matter are hereby superseded. The term “Purchase Order” as used herein means the first and continuation pages of Advanced Assembly’s completed Purchase Order form, including any special provisions contained therein. This agreement may not be modified except by mutual written agreement of the parties.

Revision History				
Revision	Revision Date	Description	Revised by	Approved by
2	8/10/20	Original document, added revision history	C. Powell	C. Powell
3	8/10/20	Revised Terms and Conditions	C. Powell	Jorge Ramos
4	9/6/2023	Revised Terms and Conditions Added sections 19.d, 21.a and 21.b	C. Powell	Jorge Ramos