



MANUFACTURING AGREEMENT TERMS AND CONDITIONS

1. Definitions. The term "QMS" means Quality Manufacturing Services, Inc. or "Seller." The term "Buyer" means the individual, corporation, or other legal entity submitting an order to QMS as identified on the Sales Order Acknowledgement. The term "Terms" means these Terms and Conditions. The term "Purchase Order" or "Order" means Buyer's expressed desire, whether written or oral, to purchase Goods from QMS. The term "Goods" means all of the products, materials, and related services that the Buyer desires to purchase from QMS. The term "Sales Order Acknowledgement" shall mean the Sales Order Acknowledgement form issued by QMS acknowledging any Order by Buyer. "Landed Cost" means the manufacturer's unit cost in addition to any tariffs, export fees, licenses, or other ancillary documentation required to enter the domestic market. The term "Brokered" means any commodity, components or materials not sourced from original equipment manufacturer. The term "Blanket Purchase Order" means a multiple delivery scheduled purchase order longer than 30 days. The term "Kit" means that Buyer has provided some or all of the materials required in connection with the Order and the term "Turnkey" means that QMS shall purchase all materials to Buyer's specifications or bill of materials all as set forth in the Sales Order Acknowledgement.

2. Acceptance. These Terms and the Sales Order Acknowledgement are the only terms which govern the sale of the Goods by Seller to Buyer and such terms comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase regardless whether or when Buyer has submitted its Purchase Order or such terms. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.

3. Price. Unless specified otherwise in a written, signed QMS communication, the prices and charges stated in the Sales Order Acknowledgement will not be adjusted. The prices and charges stated in the Sales Order Acknowledgement do not include any sale or other similar taxes that QMS is required to pay under applicable laws and regulations in respect of the Goods, excluding taxes based on QMS' income. In the event commodity prices change during the processing of an Order, Buyer shall be solely responsible for all such price increases and the prices set forth in the Sales Order Acknowledgement shall be adjusted upon written notice by QMS to Buyer.

4. Payment. Payment terms are Net 30 days, FOB Lake Mary, Florida. QMS will establish a credit limit and periodically evaluate account status. Limit shall be updated accordingly. Buyer agrees to pay amount shown on invoices within the 30 day period. Unpaid amounts beyond 90 days from invoice date shall be considered delinquent. Any payment not made when due shall be subject to interest to be paid by Buyer at the lesser of 1.5% per month or the highest rate permissible under applicable law. Accounts with unpaid amounts exceeding 60 days from the invoice date shall be subject to credit hold and/or termination. In addition to the late charge, Buyer agrees to pay all out-of-pocket collection expenses incurred by QMS (including any attorney's fees and other costs) in any legal process collection fee requirement should Buyer fail to make timely payments or if Buyer breaches any of Buyer's other contractual obligations. In addition, QMS reserves the right to fee assessment for returned checks covering administrative costs and bank charges.

5. Force Majeure. QMS will not be liable for delays in filling this Order or failure in the performance of any of its obligations caused by accidents, labor disputes, shortages of labor, materials, fuel or power, or fires, floods or other acts of God, acts or omissions of Buyer, priorities required, requested, or granted for the benefit of the national or any local government, restrictions imposed by national or local legislation or regulations, or any cause, whether similar or dissimilar to those enumerated in this section, including without limitation cease of production/operation by a company due to economic hardship, which is beyond the control of QMS.

6. Quality. Workmanship shall be performed to IPC-A-610, latest revision, and appropriate Buyer specification level. QMS personnel have been trained and third party certified to both IPC-A-610 and J-STD-001 requirements. Quality System requirements are compliant to ISO-9001:2015 and the Electrostatic Discharge Prevention System in compliance to ANSI/ESD S20.20.

7. Delivery Schedule. From date of Sales Order Acknowledgement, QMS will require an approximate manufacturing period after receipt of the longest material lead time, or complete Kit receipt, for initial shipment. Delivery schedules remain established on a 90 day basis. Buyer SHALL NOT be allowed to delay scheduled delivery within a 30 day window from either the established date agreed in the Sales Order Acknowledgement or 30 days from delivery of the longest lead item. In the event the Buyer requests delaying the schedule after 30 days beyond the original scheduled ship date, request shall be submitted by an authorized Buyer representative with a signed document requesting delay and the Buyer agrees to prepay material cost impacted by such schedule change upon QMS request and invoice delivery. All Purchase Orders delivery shall not be delayed by more than half of the original delivery period. In the event of any request for quantity increase in connection with any Order, the Buyer must contact QMS in writing. QMS may increase the quantity and make adjustments in regard to cost, lead time, delivery, and other purchase order processing impacts with the option of requesting the Buyer issue a new unique purchase order with mutual understanding that processing conditions may not be identical to the original Purchase Order for the same Goods. QMS shall be considered in completion of Purchase Order commitment with a $\pm 3\%$ delivery variance.

8. Warranty. Goods are warranted free from workmanship defect(s) for a period of 90 days from the date of invoice. Buyer agrees that Goods shall not be characterized as defective if operated within the intended parameters of

application and design. Any electrical or physical alteration of Goods beyond original specification and without QMS written certification agreeing to such alteration to in the Sales Order Acknowledgement shall cause the warranty to become null and void. For Turnkey assemblies, QMS offers a pass through warranty on components based on the component manufacturer's warranty, for any defective components. QMS will repair or replace, free of charge, any defective Goods due to workmanship, or issue a credit for the sale price of the unit at QMS discretion. QMS makes no other warranty regarding parts or components supplied by Buyer in connection with Kit assemblies and QMS makes no warranties related to Brokered components or materials. No Goods shall be returned to QMS without QMS issuing a written Returned Material Authorization number.

EXCEPT FOR THE WARRANTY SET FORTH HEREIN, SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (c) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

THE REMEDIES SET FORTH IN THIS SECTION SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN THIS SECTION.

9. Shipping and Freight; Title and Risk of Loss. Shipments are FOB Seller's place of business in Lake Mary, Florida unless provided otherwise in the Sales Order Acknowledgement. Freight charges may be pre-paid and charged at time of invoice, or QMS may ship Goods on Buyer's FedEx or UPS account. QMS shall take reasonable precautions in the application of standard commercial practice to prevent damage or loss prior to shipment. Title and risk of loss passes to Buyer upon delivery of the Goods FOB Seller's place of business and Buyer shall be solely responsible for maintaining any insurance against loss or damage in shipment. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accretions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Florida Uniform Commercial Code.

10. Excess and Obsolete Material (Turnkey assembly only). The Buyer is fully aware and will retain financial responsibility for excess material purchased by QMS in order to fulfill contractual obligations. This includes excess or obsolete material due to customer bill of material changes. QMS shall practice appropriate inventory control and material requirements planning (MRP) based upon purchasing practices for the established Sales Order Acknowledgement quantities, however, there will be an associated "overage". Overages are associated with any material not consumed within the Purchase Order period fulfillment and remain in "open" or partial containers or reels as determined by QMS. Unless otherwise agreed by QMS, excess or obsolete material shall be deemed to mean any such materials that are not subject to a Purchase Order by Buyer for a period of six (6) months after purchase by QMS. In addition, customer will be responsible for all Non-Cancelable/Non-Returnable (NCNR) materials placed on order by QMS. Any material overages not having additional Purchase Order coverage for future deliveries shall be invoiced at cost plus determined margin for acquisition and handling and shall be paid within 30 days of invoicing by QMS. Material overages shall then be sent to Buyer subsequent to Purchase Order fulfillment. Any foreign purchased material shall be factored as the Landed Cost in final pricing.

11. Indemnity. Buyer will release, hold harmless, indemnify and defend QMS from any liability (including without limitation liability for negligence or strict liability) claims, losses, suits and costs resulting from the design of Goods supplied under the Sales Order Acknowledgement. QMS will only purchase Brokered material if the Buyer agrees, in writing, that Buyer retains all immediate and extended costs of both component and assembly burden due, but not limited to, counterfeiting, dysfunctional performance not conforming to specification requirements, quantity variations, or any other characteristic not allowing order fulfillment.

12. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT [OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED [THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS SOLD PURSUANT TO ANY APPLICABLE SALES ORDER ACKNOWLEDGEMENT.]

13. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate any Sales Order Acknowledgement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under the Sales Order Acknowledgement and such failure continues for 10 days after Buyer's receipt of written notice of nonpayment; (ii)



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has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

Unless otherwise provided under this Sales Order Acknowledgement, Buyer may not terminate the Sales Order Acknowledgement without written consent from an authorized QMS representative. If QMS consents to such termination, reasonable termination charges, computed by QMS, will be assessed in connection with such termination. For the avoidance of doubt, QMS' termination charges include, but are not limited to, applicable price for the Goods QMS has completed manufacturing prior to the effective termination date, work in progress, materials purchased, and applicable labor costs.

14. Restriction of Hazardous Substances (RoHS). Purchase Order commodities requiring conformance to RoHS standards shall be the Buyer's sole liability including but not limited to component selection/identification, performance capabilities, design standards, and application reliability. The Seller shall manufacture Goods in accordance with Buyer's specification and processing requirements to fulfill RoHS status

15. Nondisclosure. In consideration of the disclosure of Proprietary and Confidential information by the parties to each other, both parties agree that the information relating to requirements, processes, specifications, schedules, materials, financial data and pricing exchanged between parties is hereby designated as Proprietary and Confidential whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Sales and may not be disclosed or copied unless authorized in advance by the other party in writing. Upon request, each party shall promptly return all Proprietary and Confidential materials received from the other party. Either party shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to the other party at the time of disclosure; or (c) rightfully obtained by the other on a non-confidential basis from a third party.

16. Inspection and Rejection of Nonconforming Goods. Buyer shall inspect the Goods within fifteen (15) days of receipt ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Seller. "**Nonconforming Goods**" means only the following: (i) product shipped is different than identified in the Sales Order Acknowledgement; or (ii) product's label or packaging incorrectly identifies its contents. If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion, (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Seller's facility located at Lake Mary, Florida. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point. Buyer acknowledges and agrees that the remedies set forth in this section are Buyer's exclusive remedies for the delivery of Nonconforming Goods.

17. Government Contracts. Buyer shall not resell Goods to any Governmental Authority or its respective agencies without Seller's prior written approval. Unless otherwise separately agreed in writing between Seller and Buyer, no provisions required in any US government contract or subcontract related thereto shall be a part of this Agreement or imposed upon or binding upon Seller, and this Agreement shall not be deemed an acceptance of any government provisions that may be included or referenced in Buyer's request for quotation, Purchase Order or any other document.

18. Compliance with Law. Buyer shall comply with all applicable laws, regulations and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.

19. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Sales Order shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

20. No Third-Party Beneficiaries. This Sales Order is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

21. Governing Law. All matters arising out of or relating to this Sales Order is governed by and construed in accordance with the internal laws of the State of Florida without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Florida

22. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or relating to this Sales Order shall be instituted in the federal courts of the United States of America or state courts in Orange County, Florida, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

23. Notices. All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth in the Sales Order Acknowledgement or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery,

nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Sales Order, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

24. Severability. If any term or provision of this Sales Order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Sales Order or invalidate or render unenforceable such term or provision in any other jurisdiction.