



## UNIQUE ELECTRONICS TERMS AND CONDITIONS

### **Section A: General Conditions**

#### **1. Acceptance of Contract Terms and Conditions**

The terms and conditions (the "Terms and Conditions") shall apply to all purchase orders (each a "Purchase Order") executed by Unique Electronics, Inc. ("UEI") and submitted by UEI to material suppliers, fabricators, or subcontractors (collectively or individually the "Suppliers") as follows:

- (a) The Purchase Order and these Terms and Conditions integrate, merge, and supersede any prior offers, negotiations, and agreements concerning the subject matter hereof and constitutes the entire agreement between UEI and Supplier.
- (b) Supplier's acknowledgement, acceptance of payment, or delivery of goods and materials purchased under this Purchase Order, shall constitute Supplier's unqualified acceptance of a Purchase Order and its Terms and Conditions.
- (c) Unless expressly accepted in writing by UEI, additional or differing terms or conditions proposed by Supplier in any form are objected to by UEI and have no effect.
- (d) In the event of a conflict, the terms of the Purchase Order shall take precedence over the Terms and Conditions. Unique Electronics, Inc. reserves the right to amend the Terms and Conditions from time to time, which amendment shall apply to all purchase orders issued on or after the date of the amendment. This document is uncontrolled when printed. Verify the latest version at: <http://uniqueelectronics.com>.

#### **2. Warranty**

Supplier hereby warrants to UEI, its affiliates and its customers that for a period of two (2) years from UEI's acceptance of the goods: (a) all goods are free from defects in design, material and workmanship; (b) all goods are new and unused, and are not counterfeit; (c) all services are performed in a good and workmanlike manner; (d) Supplier has good title to the goods and has conveyed such title to UEI free and clear of all liens, claims, charges and encumbrances; (e) the goods or services conform to the applicable original manufacturer's specifications or drawings, samples or descriptions referenced herein; (f) the goods are merchantable and fit for the purposes intended; and (g) the goods or services do not infringe upon the intellectual property rights of a third party. Without limiting UEI's right to pursue any remedies available to it at law or in equity, any goods or services which fail to comply with the warranty in this Section may be rejected by UEI and returned to Supplier at Supplier's risk and expense for credit, rebate of paid purchase price, or replacement, at UEI's option. Supplier shall be liable for all costs, fees, expenses or damages of any kind incurred by UEI as a result of breach of this Section by Supplier. UEI may return any such non-conforming goods to Supplier without invalidating the remainder of such shipment or any other shipment under this Purchase Order. The warranties and remedies set forth in this Section are fully transferable and assignable to third party purchasers, subsidiaries and affiliates of UEI. The warranties and remedies contained in this Purchase Order supplement the warranties and remedies provided by the Uniform Commercial Code, which warranties and remedies shall not be disclaimed or limited in any way by Supplier.

**3. Inspection, Acceptance, and Rejection of Non-Conforming Goods**

- (a) UEI is not obligated to accept those items that do not conform to the requirements of this Purchase Order. Neither delivery of the goods and materials or payment shall constitute acceptance of such goods and/or materials by UEI. All goods and materials shall be subject to inspection and acceptance by UEI after delivery to the location specified on the Purchase Order or at UEI's location if no point of delivery is specified. Material failing to meet the requirements of this Purchase Order will be held at Supplier's risk and may be returned at Supplier's expense.
- (b) UEI shall accept or reject the goods or materials within a reasonable time after delivery. UEI will not be obligated to accept substitutions, untimely deliveries, deliveries in quantities other than those ordered by UEI, or deliveries of goods or materials failing to conform to UEI's specifications or Supplier's warranties described in this Purchase Order and Terms and Conditions. Acceptance by UEI of substitutions, untimely deliveries, partial deliveries or non-conforming goods or materials shall not waive the delivery schedule or other requirements of this Purchase Order.
- (c) If Supplier delivers non-conforming goods or materials, UEI may upon its option:
  - (i) accept all or part of such goods or materials;
  - (ii) return the goods or materials for credit or refund;
  - (iii) require Supplier to promptly correct or replace the goods or materials;
  - (iv) correct, or have a third party chosen by UEI correct, the goods or materials; or
  - (v) provide, or have a third party chosen by UEI provide, replacement goods or materials.
- (d) UEI shall be entitled to an equitable adjustment for all costs, expenses, and loss of value incurred resulting from inspection, return, correction or replacement of non-conforming goods or materials consistent with the indemnification against loss provisions set forth in Section 7 herein.
- (e) Supplier shall not redeliver corrected or rejected goods or materials without disclosing the corrective action taken. In the event non-conforming goods or materials are re-delivered subsequent to corrective action, UEI may require Supplier, at Supplier's expense, to include an inspection report from a third-party inspector acceptable to UEI with any subsequent redelivery.

**4. Work Stoppage or Suspension**

UEI may at any time by written notice to Supplier stop or suspend all or any part of the work called for by this Purchase Order. Upon receipt of such notice, Supplier shall take all reasonable steps to eliminate the incidence of cost (including, without limitation, halting fabrication of new products or ordering raw materials) during such period.

**5. Termination for Cause**

- (a) In addition to any other rights which UEI may have, and consistent with the indemnification against loss provisions set forth in Section 7 herein, UEI may terminate this Purchase Order, or any part hereof, for cause in the event of any failure by the Supplier to comply with these Terms and Conditions or with the requirements of the Purchase Order, or if Supplier fails to provide UEI, upon request, with adequate assurances of future performance. Supplier shall have ten (10) days, or such longer period as UEI may authorize in writing, to cure any such failure after receipt of notice from UEI. However, Supplier shall not be entitled to a cure notice for a default involving delivery schedule delays.
- (b) As provided in Section 7 – Indemnification Against Loss, herein, Supplier shall be liable for any damages or costs incurred by UEI as a result of Supplier’s failure to comply with these Terms and Conditions or the requirements of the Purchase Order, unless nonperformance is caused by an occurrence beyond the reasonable control of the Supplier or its subcontractors and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. Supplier shall notify UEI in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith. Supplier shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to UEI of the cessation of such occurrence.
- (c) In the event of termination for cause, UEI shall not be liable to the Supplier in any amount, except for supplies or services accepted by UEI, but the Supplier shall be liable to UEI for any and all rights and remedies provided by law.
- (d) In the event of a termination for cause, payments due Supplier may be offset against sums owed by Supplier to UEI.
- (e) If it is determined that UEI improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

**6. Termination for Convenience**

- (a) In addition to any other rights which UEI may have, UEI reserves the right to terminate this Purchase Order, or any part hereof, for its sole convenience. In the event of such termination, Supplier shall immediately stop all work hereunder and shall immediately cause any and all of Third-Tier Suppliers to stop work.
- (b) Subject to the terms of this Purchase Order, Supplier shall be paid such percentage of the Purchase Order price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges Supplier can demonstrate (to the satisfaction of UEI) using its standard record keeping system, for custom raw materials and other “hard” Supplier costs which cannot be appropriated for other purposes. Supplier shall not be paid for any work performed or costs incurred which could have been avoided through reasonable Supplier diligence. Upon any termination of this Purchase Order by UEI, for any reason, in no event shall Supplier be entitled to consequential or special damages, lost opportunity costs, unabsorbed overhead or anticipated profits as a result of such termination.

- (c) UEI's maximum liability for canceling this Purchase Order shall not exceed the sale price of the Purchase Order.

**7. Indemnification Against Loss**

To the fullest extent permitted by law, Supplier shall defend, indemnify, and hold harmless UEI against all damages, liabilities, claims, losses and expenses of any nature; including direct, indirect or consequential damages, expenses or costs (including attorneys' fees and costs), arising out of or related to any act or omission of Supplier (or its employees, officers, contractors, agents, subcontractors or suppliers), failure to comply with the Terms and Condition or Purchase Order, or defect in goods shipped by Supplier to UEI. Notwithstanding the foregoing, this provision shall not apply to such damage caused by UEI's own negligence.

Supplier shall indemnify, defend and hold UEI harmless for any damages claims and/or chargebacks by UEI customers which may be attributable to acts or omissions of the Supplier or Third-Tier Supplier and/or Supplier's failure to comply with the Purchase Order and/or Terms and Conditions. This indemnity obligation of Supplier shall survive the expiration or termination hereof.

**8. Set-Offs**

UEI shall have the right at any time to set off any amount owing from Supplier to UEI, against any amount due and owing to Supplier pursuant to this Purchase Order, Terms and Conditions, or any other contractual agreement between UEI and Supplier, or their respective subsidiaries or affiliates. If delivery is not made within the time specified in the Purchase Order, UEI may purchase such goods elsewhere and charge Supplier the difference in price and/or UEI may cancel the entire Purchase Order or any undelivered portion thereof. In the event of any chargeback or other assessment by any UEI customer attributable to the Supplier or Sub-Tier Supplier and/or legal fees and costs incurred by UEI which are attributable to Supplier's negligence or failure to comply with these Terms and Conditions or the Purchase Order; UEI shall have the right to set-off such amount against sums due and owing to Supplier.

**9. Governing Law and Venue**

- (a) This Purchase Order and Terms and Conditions shall be governed in accordance with the laws of the State of Florida. Any dispute arising out of or related to the Purchase Order or Terms and Conditions shall be filed in a State or Federal Court of competent jurisdiction located in Florida. Supplier further agrees that the substantive law of Florida shall apply in such lawsuit without regard to the conflict of law rules of Florida. Supplier hereby consents to the jurisdiction and venue of both the Civil Circuit Court located Orange County, Florida and the United States District Court for the Middle District of Florida located in Orlando, Florida.
- (b) Any provision in this Purchase Order and Terms and Conditions that is (i) incorporated in full text or by reference from the Federal Acquisition Regulation (FAR); or (ii) incorporated in full text or by reference from the Defense Federal Acquisition Regulation Supplement (DFARS) or any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contract appeals, and quasi-judicial agencies of the Federal Government.

**10. Disputes**

All disputes under the Purchase Order that are not disposed of by mutual agreement must be decided by recourse to an action at law or in equity. Until final resolution of any dispute hereunder, Supplier shall diligently proceed with the delivery of the goods and materials purchased under this Purchase Order as directed by UEI. Supplier agrees to provide UEI with prompt written notification of any legal action, subpoena, claim, notice, demand or other legal proceeding brought against Supplier relating to or arising out of the goods or materials purchased under this Order.

**11. Payment**

Unless otherwise set forth on the face of the Purchase Order, Supplier shall issue invoices only upon delivery of the goods or completion of services ordered by UEI hereunder. Unless different payment terms are specified on the face hereof, UEI shall issue payment within ninety (90) days end of month of its receipt of a correct and conforming Supplier invoice. Payment by UEI is contingent upon delivery and acceptance by UEI of conforming goods or satisfactory completion of services. Payment made for rejected goods or services shall be refunded by Supplier to UEI within five (5) business days of UEI's request. In no event shall UEI be obligated to pay interest or penalties on any amounts due under Supplier's invoices. Unless otherwise set forth on the face of the Purchase Order, all shipments are Freight On Board ("F.O.B.") Orlando. Any attempt by Supplier to create a security interest in goods delivered hereunder in its favor is expressly rejected by UEI and shall be without effect. Unless otherwise provided by UEI, the prices appearing in the Purchase Order include all Federal, State and Local taxes.

**12. Change Orders**

- (a) UEI may at any time, by written notice, make changes within the general scope of this Purchase Order.
- (b) Within the general scope of this Purchase Order, a UEI representative may at any time, by written change order, and without notice to sureties or assignees, make changes within the general scope of this Purchase Order in any one or more of the following:
  - (i) drawings, designs, or specifications;
  - (ii) method of shipping or packing;
  - (iii) place of inspection, acceptance, or point of delivery;
  - (iv) delivery schedule, and
  - (v) terms and conditions of this Purchase Order required to meet UEI's obligations under its Subcontract.
- (c) If Supplier contends any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of this Purchase Order, such change may be eligible (subject to the terms hereof) for a potential equitable adjustment in the Purchase Order price and/or delivery schedule. Changes by UEI to the time of performance will be subject to a price adjustment only.
- (d) Supplier must assert its right to an equitable adjustment under this clause within thirty (30) days from the date of service of the written change order from UEI. If Supplier's proposed

equitable adjustment includes the cost of property made obsolete or excess by the change, UEI shall have the right to prescribe the manner of disposition of the property. Failure to submit a request for an equitable adjustment shall constitute a waiver by Supplier of any right to an adjustment in price or schedule as a result of the change order.

- (e) UEI personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with Supplier's personnel concerning the items hereunder. No such action shall be deemed to be a change and shall not be the basis for equitable adjustment.
- (f) For changes outside the general scope of the Purchase Order, the parties shall mutually agree to make changes.
- (g) Failure to agree to any adjustment shall be resolved in accordance with the "Disputes" clause of these Terms and Conditions. However, nothing contained in this "Changes" clause shall excuse Supplier from proceeding without delay in the performance of this Purchase Order as changed.

**13. Record Retention**

All records pertaining to the manufacture of the product or service ordered under this Purchase Order shall be retained for a minimum of 10 years and be made available to UEI and/or regulatory agencies upon request.

**14. Right of Access**

The supplier and their sub-tiers shall allow right of access to their facilities and applicable records by UEI, UEI customers, and the U.S. Government for items noted in this Purchase Order.

**15. Supplier's Attempted Limitation of Liability**

Any attempt by Supplier to disclaim any theory or grounds upon which UEI, or UEI's customers of the goods and services covered hereby, might recover against Supplier is expressly rejected and is ineffective. Any attempt by Supplier to limit its liability by means of a "Force Majeure" or similar argument or terms is expressly rejected and is ineffective. Any attempt by Supplier to disclaim any kind or class of damages which UEI, or successive purchasers of the goods and services covered hereby, might recover against Supplier is expressly rejected and is ineffective. Any attempt by Supplier to establish by contract time limitations periods within which UEI, or successive purchasers of the goods and services covered hereby, are obligated to assert claims against Supplier is expressly rejected and is ineffective.

**16. Relationship Between the Parties**

The Parties are independent contractors with respect to each other. The transaction entered into between the parties pursuant to this Purchase Order does not create any partnership, joint venture, or agency between the Parties, and nothing in this Purchase Order shall be construed as creating any such relationship.

**17. Severability**

If any provision of this Purchase Order is adjudged to be unenforceable in whole or in part, such adjudication shall not affect the validity of the remainder of this Purchase Order. Each provision of this Purchase Order is severable from every other provision and constitutes a separate, distinct and binding

covenant.

**18. Notices**

All notices shall be in writing and delivered either by hand, facsimile, electronic mail or certified mail, return receipt requested at the addresses set forth herein. Notice shall be deemed to have been given upon receipt if delivered by hand; upon receipt if given by facsimile but only if such receipt is confirmed by written confirmation produced by the transmitting machine; upon receipt if given by electronic mail; and upon expiration of three (3) days after mailing, if given by certified mail.

**19. Remedies**

Rights and remedies provided to UEI herein shall be cumulative and not exclusive of, any other rights or remedies that UEI may have at law or equity. Failure by either party to enforce any term will not be deemed a waiver of future enforcement of that or any other term.

**20. Assignment**

Supplier shall not assign its rights or obligations under this Purchase Order without the advance written consent of UEI. UEI may assign its rights under this Purchase Order to a subsidiary, affiliate or customers upon written notice to Supplier.

**21. Survival**

The provisions of the Purchase Order and Terms and Conditions shall survive and remain in force after termination or expiration of the Purchase Order, unless otherwise agreed by UEI and Supplier.

**22. Timing of Deliveries**

All products must be delivered in accordance with the schedule outlined in the Purchase Order. Early deliveries are not acceptable unless authorized in writing by UEI. Supplier shall indemnify UEI for any damages resulting for untimely delivery, including any chargebacks to UEI from third-parties proximately caused by Supplier failure to adhere to timely deliver in accordance with the Purchase Order.



## **UNIQUE ELECTRONICS ADDENDUM TO TERMS AND CONDITIONS**

### **1. Certificate of Conformance**

#### **A. In General**

A Certificate of Conformance is required with each shipment (unless otherwise specified herein). It will certify that the specified quantities of parts or materials are in full conformance with all referenced specifications, drawings, and purchase order requirements. Supplier's certificate of conformance shall, at minimum, include the following:

- Supplier's name and address
- Supplier's and UEI's part number and dash number
- Batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications
- Signature or stamp with title of seller's authorized personnel signing the certificate
- (Distributors Only) In addition to the above, include the actual original equipment manufacturer's ("OEM") certificate of conformance for each item shipped.
- Upon UEI request, certification of compliance with J-STD-004 (FLUX)
- Upon UEI request, certification of compliance with J-STD-006 (SOLDER)
- Certification that non-use of ozone depleting substances
- Certification with the Buy America Act

Verification by UEI shall not be used by the Supplier as evidence of effective control of quality by the Supplier and will not absolve the Supplier of the responsibility to provide acceptable product, nor will it preclude subsequent rejection by UEI.

#### **B. Special Certificate of Compliance requirements (Plexus only)**

CFC will contain the following information at a minimum.

- (1) Name of supplier (if different than the actual Manufacture/OEM/OCM)
- (2) Name of Manufacture/OEM/OCM
- (3) Manufacture's/OEM's/OCM's Part Number
- (4) The Manufacture's/OEM Lot # or Date (only one per CFC)
- (5) Location of Manufacture



- (6) Shelf life or batch date and expirations date
- (7) Plexus Part number and PO number

**2. Source Control Drawings**

Suppliers or distributors providing material with a Honeywell part number produced from a drawing designated by Honeywell as a “Source Control Drawing,” shall additionally comply with Honeywell “Supplemental Purchase Order Conditions (SPOC)” – SPOC 002. The SPOC manual is available at <https://hasp.honeywell.com>. It is incumbent on the supplier or distributor to register with HASP to gain access to the website.

**3. False Statements**

Supplier warrants that the representations made in connection with the provisions of products and services under the Purchase Order are true and accurate. Supplier acknowledges that the recording of false, fictitious, or fraudulent statements or entries in connection with this transaction may be punishable as a felony under federal statute.

**4. Sales Tax Exemption**

This purchase may be exempt from Florida sales tax under blanket Certificate of Resale No. 58-12-055579-80.

**5. Notification of Changes to Product Fabrication Processes**

Supplier agrees that for any products provided to UEI under a Purchase Order (whether supplied by a Subcontractor directly or a Sub-Tier Supplier): (i) fabrication work shall not be moved to another production facility after the date of the Purchase Order; and (ii) no changes shall be made to the design, manufacturing processes, materials, or activities that affect fit, form, or function of the products.

For Aerojet Suppliers, Supplier agrees to maintain strict controls of design, material, part, process, procedure, tooling, production tools, software, and test equipment.

A Supplier may request a waiver of the requirements of this Section by submitting a written change request to a designated UEI procurement representative, at least 30 days prior to implementation of the requested change. Supplier shall provide a fit, form, or function analysis with any request for waiver under this Section. A waiver shall only be valid if expressly provided in writing by a designated UEI procurement representative to the Supplier.

**6. ISO9001 or AS9100 Quality System Required**

The Supplier shall maintain a quality control system that fully complies with the requirements of ISO9001 at a minimum (AS9100 certification is preferred). This system is subject to review and approval by UEI at all times. Maintenance of the system does not relieve the Supplier of the responsibility for meeting all other requirements of this purchase order and obligation to deliver an acceptable product.

**7. Identification per MIL-STD-130**

The supplier shall identify, per MIL-STD-130, the parts and/or materials shipped against each Purchase Order.

**8. Acceptance Test Procedure Required**

When specified in the Purchase Order, all materials supplied by Supplier shall be evaluated against an acceptance test procedure approved by UEI and objective evidence of acceptable performance supplied.

**9. Revision Level of Purchase Order Items**

The supplier shall use the latest revision of all standards, specifications, or drawings unless the UEI Purchase Order specifies a different revision level (in which case the Supplier's certification shall reflect such revision level).

**10. Certificate of Traceability**

Supplier shall issue a certificate to UEI with each shipment containing the name of the manufacturer, and manufacturing date and location (a "Certificate of Traceability"). Each Certificate of Traceability shall be accompanied by a Certification of Conformance and must show traceability to a specific log, by lot and/or date code reference. If the material was not manufactured by the Supplier, then the fabricating Sub-Tier Supplier must be identified by name and location. When required by the Purchase Order, the Certificate of Traceability must be verified by the signature and/or stamp of a cognizant government representative.

**11. Certificate of Composition**

When required by the Purchase Order, Supplier shall furnish a certificate identifying the composition of the products shipped under the Purchase Order ("a Certificate of Composition"). When required by a Purchase Order, Supplier shall timely furnish the results of physical or chemical tests (traceable to the material actually shipped must be furnished with each shipment), which may consist of a generic or typical batch or lot. All Certificates of Composition shall include data for all characteristics listed in the relevant MIL or federal specification, industry standard, or vendor catalog sheet.

**12. IPC 610/620 Inspection System Required**

The Supplier shall maintain an inspection system that fully complies with the requirements of IPC 610/620. This system is subject to review and approval by UEI at all times. Maintenance is in addition to (and not in lieu of) all other requirement under the Terms and Conditions and Purchase Order.

**13. Certificate of Calibration Specification Z540**

All equipment delivered against this Purchase Order will be fully and traceably calibrated by a system that is in compliance with the requirements of Z540, as reflected in a certificate ("Certificate of Calibration") which shall be furnished by the Supplier to UEI at the time of shipment. A Certificate of Calibration in full conformance with Z540 must be supplied.

**14. Military Specification Qualification**

Parts or materials will be processed in accordance with military specification shown on the Purchase Order. The manufacturer of this material must be qualified to this specification and listed on the current Department of Defense Qualified Products Database.

**15. Critical Process Certification**

When specified in the Purchase Order, the drawing, or other technical documents; fabrication of products under the Purchase Order shall comply with any specified “critical process” in its fabrication. Objective evidence of certification of the process and/or operators must be provided to UEI for inspection upon request.

**16. Test Data and Specimens**

When specified in the Purchase Order, test data must be furnished with the material shipped under a Purchase Order. Test specimens or coupons, as required by controlling specifications, drawing, or Purchase Order, must also be included in each shipment by the Supplier.

**17. Source Inspection Required**

When specified in the Purchase Order, Supplier shall make accommodation to allow products to be inspected/tested by a representative of UEI or government (as specified on the Purchase Order) at the Supplier’s facility prior to shipment. Evidence of inspection must be shown by inspector’s signature or stamp on shipping documents. Inspection of goods by UEI shall not constitute acceptance, or waiver of the right to reject goods in accordance with these Terms and Conditions.

For government inspections at Supplier’s facility, Supplier has the obligation to affirmatively contact the applicable government representative (UEI will provide assistance identifying such representative upon request). Shipment of products under a Purchase Order subject to government inspection, shall include documentation of such inspection in the form, including, without limitation, authorized government quality assurance representative signature and/or stamp.

**18. Shelf Life Identification**

Any products shipped by a Supplier with a limited shelf-life or expiration date, must conspicuously identify such expiration date on the packaging of the products. Each container shall bear a manufacture date (mix, batch, or cure date) and a “not to be used after” date. All storage condition limitations shall be clearly detailed on each label. At the date of receipt by UEI, at least 70% of such designated useful life must still be remaining, or UEI may, in its discretion, reject the goods.

**19. Mercury Contamination**

Supplier warrants that all products furnished to UEI under a Purchase Order are free of metallic mercury, mercury compounds, and other mercury contamination. The supplies offered shall not have come in direct contact with mercury or any of its compounds, nor with any mercury containing devices employing only a single boundary of containment which is one that is not backed by a second seal or barrier to prevent contamination in event of rupture of the preliminary seal or barrier. Mercury contamination of the supplies will be cause for rejection of the material. Supplier is required to furnish a certificate stating that the supplies furnished under this order contain no metallic mercury or mercury compounds.

**20. Special Quality Provisions**

Special quality provisions, as listed on the face of this Purchase Order, shall apply. The UEI procurement representative will supply details.

**21. First Article Inspection Report Required (AS9102)**

Supplier shall produce a First Article Inspection report (“FAI”) conforming to the requirements of AS9102 for all items manufactured, assembled and tested to UEI control drawings and/or specifications and shall be provided with the first shipment or lot. Catalog and MIL-SPEC items are exempt from this requirement. Items out of manufacture for two years, or as specified by UEI, shall receive a new FAI. The FAI does not need to be performed multiple times, unless one or more of the change notification requirements in AS9102, paragraphs 5.3–5.3.4 apply. First Article Reports shall include a “bubbled” drawing, material C of C’s traceable to the OEM or raw material, and C of C’s for all special processes. Unique Electronics reserves the right to witness First Article inspections.

**22. Flowdown**

These Terms and Conditions shall be flowed-down by all UEI Suppliers to their respective suppliers and/or contractors (collectively or individually the “Sub-Tier Suppliers”) to the extent necessary to ensure conformance with all specifications, drawings, AS9100, SPOC, or other quality system requirements, regulations, laws and other requirements. If your purchase order references a Government contract number, DFARS 252.204-7012, “Safeguarding Covered Defense Information and Cyber Incident Reporting,” and all other referenced FARs/DFARS apply and shall be adhered to and flowed down to all subcontractors as provided in Section 42 of this Addendum.

**23. Subcontracts for Commercial Items**

FAR 52.244-6 (Nov 2016) applies to this purchase order. This FAR can be downloaded online at: <https://www.acquisition.gov/?q=browsefar>

**24. Item Identification and Valuation**

Supplier agrees to comply with requirements of DFARS 252.211-7003 (incorporated herein by reference as though fully stated herein) for all Purchase Orders.

Paragraph (h) of DFARS clause 252.211-7003 requires that the requirements of the clause be included in all subcontracts that will result in delivery under the prime contract of subassemblies, components, and parts embedded within certain identified items listed in the applicable prime contract. For some types of subcontracts, marking may be more efficiently performed by UEI. This DFAR can be downloaded online at: <http://www.acq.osd.mil/dpap/dars/dfarspgi/current/>

**25. Preference for Domestic Specialty Metals**

Supplier agrees to comply with requirements of 252.225-7009 Alt. 1 (incorporated herein by reference as though fully stated herein) for all Purchase orders, and to incorporate this requirement into a written agreement with any Sub-Tier Suppliers.

DFARS clause 252.225-7009 Alt. 1 requires that any specialty metals (as defined in paragraph (a) of the clause) included in any articles delivered under a Purchase must comply with this clause. In addition, Supplier must flow down this clause to all of your vendors supplying any articles delivered under this purchase order that include specialty metals. This DFAR can be downloaded online at: <http://www.acq.osd.mil/dpap/sitemap.html>

**26. Counterfeit Electronic Parts Prevention**

Supplier shall ensure that all electronic components are exclusively procured to fulfill UEI Purchase Order requirements are from the OEM (Original Equipment Manufacturer) or an authorized distributor. The Certificate of Conformance provided shall cite specifically the part number being procured on the UEI Purchase Order and not the vendor part number with an accompanying note or reference. A certificate from a franchise distributor must also establish traceability to the OEM. Honeywell SPOC 149 is invoked in full. Honeywell SPOC clauses are available at <https://hasp.honeywell.com>.

**27. Employment Eligibility Verification**

Supplier agrees to comply with requirements of FAR 52.222-54 (Oct 2015) (incorporated herein by reference as though fully stated herein) for all Purchase Orders. This FAR can be downloaded online at: <https://www.acquisition.gov/?q=browsefar>

**28. Reporting Executive Compensation and First-Tier Subcontract Awards**

Supplier agrees to comply with requirements of FAR 52.204-10 (Oct 2016) (incorporated herein by reference as though fully stated herein) for all Purchase Orders, and furnish any information reasonably requested for UEI's compliance with the same. This FAR can be downloaded online at: <https://www.acquisition.gov/?q=browsefar>

This regulation requires us to disclose required information regarding first-tier subcontractors to the public. In some instances, this required information may include executive compensation data.

**29. Solderability/J-STD-002, Tin Whiskers and Gold Removal**

For any goods shipped to UEI, pails and parts in completed subassemblies shall meet the solderability requirements of ANSI/J-STD-2. Non-approved termination finishes include:

- Any solder containing tin (Sn) that does not contain at least 3% lead (Pb). Including:
  - Pure Tin (Sn)
  - Tin-Bismuth (SnBi)
  - Tin-Silver-Copper (SnAgCu)
  - Tin-Silver (SnAg), with the exception that Sn96 is approved for high temperature solder applications.

- Gold plating that is 100 microinches or greater on the surface to be soldered.

A double tinning or dynamic solder wave process is approved for gold removal.

**30. Foreign Object Debris/Damage Prevention**

The Supplier shall develop and maintain a foreign object debris ("FOD")/damage prevention program for manufacturing areas to prevent introduction of foreign objects into any item delivered under a Purchase Order including packaging material and shipping per NAS412.

The Supplier shall employ good housekeeping practices in accordance with industry standards to

assure timely removal of residue/debris generated, if any, during manufacturing operations and/or normal daily tasks. The Supplier shall determine if sensitive areas that may have a high probability for introduction of foreign objects should have special emphasis control in place appropriate for the manufacturing environment. The Supplier shall determine the need for, and implement, FOD prevention awareness training programs.

**31. Red Plague Control (Applicable to Silver-Coated Copper Wire and Braided Shields)**

Supplier shall develop and maintain a Red Plague control program; including, without limitation, production, handling, and packaging processes that will prevent the exposure of silver coated material to water or water vapor. Silver-coated copper wire and braided shield materials shall be packaged within a sealed polyethylene bag containing desiccant. Uninsulated material shall also be protected with Vapor Corrosion Inhibitor (VCI) paper. Continuous length of wire and cable shall have ends sealed in a manner that will prevent exposure to water or water vapor.

**32. Special Processes**

“Special processes” include but are not limited to: NDT, Heat treating, plating, coating, welding, paint, shot peen, and chemical processing, and all other processes denoted a “special process” on the Purchase Order. Special processes shall only be performed by sources that are accredited by the UEI customer. Special process providers who are NADCAP-certified, but are not pre-approved by UEI’s customer may only be utilized with customer’s written approval. This requirement applies whether the special processes are performed by the Supplier or a Sub-Tier Supplier.

**33. Ozone Depleting Substance**

Ozone depleting substances shall not be used in the design, test, manufacture, integration and assembly, handling, transportation, operations, maintenance or disposal of the hardware/components delivered under any Purchase Order. Supplier shall certify compliance with this Section in the Certificate of Conformance.

**34. Obsolescence Management**

The Supplier shall monitor the life cycle status and availability of parts and/or materials. Parts/material determined to be unavailable or identified as “unavailable for new designs” shall be promptly reported to UEI.

**35. Buy American Act**

Supplier shall comply with the buy America Act, FAR 52.225-2 & DFAR 252.225-7000, in fabricating and providing any goods under a Purchase Order, and certify compliance with the same in the Certificate of Compliance.

**36. Material Review Board Authority (Aerojet Only)**

The Supplier does not have disposition authority for any of these conditions: repair, rework, use-as-is or scrap, all of which require written authorization by UEI.

**37. Statement to Prevent Transactions with Denied Persons / Debarred Parties / SDN**

To ensure compliance of U.S. export laws, UEI does not conduct any business transaction with the



“Denied Persons List” published by the U.S. Department of Commerce, the “Denied Parties List” published by the Department of State and the “Specially Designated Nationals” list published by the Department of Treasury, Foreign Assets Control. Supplier shall comply with U.S. export laws and refrain from transacting business with entities or individuals on any of these lists during the term of any Purchase Order. Supplier shall include this requirement in lower-tier purchase orders and/or subcontracts.

**38. No Pure Tin material or finishes which are Lead Free**

No lead free tin may be used in electrical or electronic equipment, hardware or assemblies without approval by the UEI customer and, if necessary, its Government customer.

**39. DPAS Rated Orders**

If so identified by UEI, a line item is a rated order certified for national defense, emergency preparedness, and energy program use, and seller shall follow all the requirements of the Defense Priorities and Allocation System Regulation (15 C.F.R. Part 700). For all rated orders, Supplier shall provide written acceptance or rejection of this order to buyer within 15 days for a DO rated order and within 10 days for a DX rated order. Rejection of a DO or DX rated order must be in writing, giving the specific reason for the rejection.

**40. Electro-Static Discharge (ESD)**

For ESD Items, Supplier shall establish and maintain a written electrostatic discharge control program for the control of ESD during fabrication, handling and packaging of ESD sensitive parts and assemblies. The program must comply with the requirements of MIL-STD-1686 or ANSI/ESD S20.20.

**41. Government Contracts**

- (a) If this Purchase Order is placed in support of and charged to a U.S. Government (“Government”) prime contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (“FAR”) definition of a commercial item or non-commercial item (whichever is applicable to this Purchase Order), the clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (“DFARS”) in effect as of the date of the prime contract or higher-tier subcontract are incorporated herein by reference as if set forth in full text unless made inapplicable by its corresponding note, if any. The incorporated clauses are set forth below.
- (b) For all incorporated clauses the terms shall be revised to suitably identify the party to establish Supplier’s obligation to UEI and to the Government and to enable UEI to meet its obligations under its subcontract. Without limiting the generality of the foregoing, the term “Government” and equivalent phrases shall mean UEI; the term “Contracting Officer” shall mean UEI’s purchasing agent, employee or representative; the term “Contractor” or “Offeror” shall mean Supplier; “Subcontractor” shall mean a subcontractor of Supplier; and the term “Contract” shall mean this Purchase Order. If any of the referenced FAR or DFARS clauses do not apply to this Purchase Order, such clauses are considered to be self-deleting.

**42. Commercial Item Procurements Under Government Contracts**

Pursuant to FAR 52.244-6, Subcontracts for Commercial Items and DFARS 252.244-7000, Subcontracts for Commercial Items and Commercial Components (DoD Contracts), the following FAR and

DFARS provisions are incorporated herein by reference as applicable for all items being procured under this order that meet the definition of “Commercial item” found in FAR 2.101.

<b>All Orders</b>	
52.222-50	Combating Trafficking in Persons (Mar 2015)
52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving (Aug 2011)
52.225-13	Restrictions on Certain Foreign Purchases (Jun 2008)
52.232-39	Unenforceability of Unauthorized Obligations (Jun 2013)
52.232-40	Providing Accelerated Payments to Small Business Subcontracts (Dec 2013)
52.233-3	Protest After Award (Aug 1996)
52.233-4	Applicable Law for Breach of Contract Claim (Oct 2004)
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)
252.203-7002	Requirement to Inform Employees of Whistleblower Rights (Sep 2013)
252.204-7009	Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information (Oct 2016)
252.204-7012	Safeguarding of Unclassified Controlled Technical Information (Nov 2013)
252.223-7008	Prohibition of Hexavalent Chromium (Jun 2013)
252.225-7048	Export-Controlled Items (Jun 2013)
252.227-7037	Validation of Restrictive Markings on Technical Data (Jun 2013)
252.244-7000	Subcontracts for Commercial Items (Jun 2013)
252.246-7003	Notification of Potential Safety Issues (Jun 2013)
252.246-7007	Contractor Counterfeit Electronic Part Detection and Avoidance System (May 2014)
252.247-7023	Transportation of Supplies by Sea (Jun 2013)
252.247-7024	Notification of Transportation of Supplies by Sea (Mar 2000)
<b>All Orders that Exceed \$2,500</b>	
52.222-41	Service Contract Act of 1965 (Nov 2007)
<b>All Orders that Exceed \$3,000</b>	
52.222-54	Employment Eligibility Verification (Aug 2013)
<b>All Orders that Exceed \$10,000</b>	
52.222-22	Previous Contracts and Compliance Reports (Feb 1999)



52.222-26	Equal Opportunity (Sep 2016)
52.222-40	Notification of Employee Rights Under the National Labor Relations Act (Dec 2010)

<b>All Orders that Exceed \$15,000</b>	
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52.222-36	Affirmative Action for Workers with Disabilities (Jul 2014)
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<b>All Orders that Exceed \$100,000</b>	
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52.222-35	Equal Opportunity for Veterans (Oct 2015)
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52.222-37	Employment Reports on Veterans (Feb 2016)
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<b>All Orders that Exceed \$150,000 or Simplified Acquisition Threshold</b>	
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52.203-6 (Alt I)	Restrictions on Subcontractor Sales to the Government (Oct 1995)
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52.203-17	Contractor Employee Whistleblower Rights and Requirements to Inform Employees of Whistleblower Rights (Sep 2013)
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52.219-8	Utilization of Small Business Concerns (Jul 2013)
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52.225-8	Duty Free Entry (Oct 2010)
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<b>All Orders that Exceed \$650,000</b>	
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52.219-9	Small Business Subcontracting Plan (Jul 2013)
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252.219-7003	Small Business Subcontracting Plan (DoD Contracts) (Aug 2012)
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<b>All Orders that Exceed \$5,000,000</b>	
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52.203-13	Contractor Code of Business Ethics and Conduct (Oct 2015)
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**43. Supplier Awareness / Ethics Policies**

Supplier shall establish and maintain policies and programs within or in addition to their quality control system that ensures persons / employees are aware of their:

- contribution to compliance
- contribution to product safety
- the importance of ethical behavior.