

MAURY MICROWAVE QUALITY CLAUSES

Suppliers to Maury Microwave Corporation must comply with these basis Quality Clauses. Additional Quality Clauses will be noted on the Purchase Order as required.

- Any delay in shipment for any reason must be conveyed to Maury Microwave Corporation Purchasing as soon as supplier knows the delay.
- Any changes to the contract requirements by the supplier must be approved by Maury Microwave Corporation in writing.
- The supplier must hold all information in the contract in confidence and no third party request for information will be authorized unless instructed in writing by a Maury Microwave Corporation representative.
- In addition to Maury Microwave Corporation right of entry, the supplier agrees to right of entry for our customers, or regulatory agencies, to all facilities and records in the performance of this contract.
- All applicable requirements must be flowed down to sub-tier suppliers.
- Suppliers are required to notify Maury Microwave Corporation quality department prior to transferring any Maury Microwave Corporation work to a new facility. Maury Microwave Corporation's Q.A. Manager will determine prior to the transfer if suppliers may perform the transfer of work.
- Suppliers are required to notify Maury Microwave Corporation quality department of nonconforming product and to make proper arrangements for approval.
- The supplier shall maintain adequate records of all inspections and tests. Records shall be kept for a period of ten (10) years after final payment for supplies or services.
- Machining Suppliers must furnish inspection report, certificate of conformance, and as applicable Material and Processing Certifications for the parts they submit.
- First Article Inspection Reports shall be submitted to Maury Microwave Corporation prior to the beginning of production. The supplier assumes all financial responsibility for replacement, rework and material when production of parts has begun without First Article Inspection approval from Maury Microwave Corporation.
- Processing suppliers must furnish processing certifications to the purchase order requirements, and shall not process any parts for which they are not certified or approved.
- Material suppliers must furnish material certifications to the purchase order requirements, and shall not supply material for which they are not certified or approved.



STANDARD TERMS & CONDITIONS OF PURCHASE

This Order is Subject to the Following Conditions

1. SHIPMENTS AND ADVANCE COMMITMENTS: Each container, and accompanying packing lists, must show this order number. No charge shall be made for packaging, delivery or similar costs unless expressly authorized by this order. All items shall be suitably prepared for shipment to secure the lowest transportation and insurance rates, and to meet carrier's requirements. Buyer may, at its option, either retain items received in advance of the delivery schedule or return them to Seller at Seller's risk and expense, if retained, time for payment and discounts shall be based upon scheduled delivery dates. Seller shall place all orders for and schedule deliveries of materials and parts necessary for its performance under this order at such times as will enable Seller to meet, but not unreasonably anticipate, the schedule of deliveries set forth herein. In the event of termination of or changes to this order, Buyer shall not be liable for any changes or costs arising out of commitments by Seller for the acquisition of said materials and parts, or out of work performed hereunder, in advance of the time necessary to meet the delivery schedules hereunder, unless Buyer has given its prior written consent to such advance commitments or work.

2. PAYMENT: Invoices in triplicate shall be mailed to Buyer's Accounting Department when items are shipped. The time for payment of Seller's invoices shall commence with date of actual receipt of items in complete accordance with the requirements of this order. Any adjustments in Seller's invoices due to shortage, late delivery, rejection or other failures to comply with the requirements of this order may be made by Buyer before payment.

3. WARRANTIES AND INSPECTION: Seller expressly warrants that all items will conform to applicable specifications, drawings and samples, that they will be free from defects in material and workmanship, and that they will be fit for their intended use. Upon final inspection and acceptance, Seller's liability under said warranties shall be limited to liability for latent defects, fraud, or such gross mistakes as amount to fraud. Said warranties, however, shall not be deemed to limit any warranties of additional scope given to Buyer by Seller. Unless otherwise specified, all items will be subject to final inspection and acceptance at Buyer's plant. Buyer may, at its option, either hold rejected items for Seller's instructions and at Seller's risk, or return them to Seller at Seller's expense and Seller shall promptly reimburse Buyer for any and all damages sustained by Buyer as a result of Seller's breach of warranty. No replacement of rejected items shall be made unless otherwise specified on Buyer's returned material orders.

4. CHANGES: Buyer may, at any time before completion of this purchase order, by written order, make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, and in methods of shipment and packaging. If any such change causes an increase or decrease in the price of this purchase order or in the time required for its performance. Seller promptly shall notify Buyer thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and equitable adjustments shall be made. Changes shall not be binding upon Buyer unless evidenced by a purchase order Change Notice issued and signed by Buyer.

5. TAXES: Federal manufacturers' and retailers' excise and state or local sales or use taxes, when applicable, shall be billed as separate items on Seller's invoices. Any and all tax exemption certificates shall be accepted by Seller.

6. PATENTS: Seller shall, with respect to any device or composition or design submitted by Seller or of Seller's standard manufacture, indemnify and hold harmless Buyer, its customers and agents, from costs and damages, as finally determined by any court for infringement of any United States Letters Patent by reason of the sales or normal use of such device or composition, provided that Seller is promptly notified of all such actual or potential infringement suits, and is given full and exclusive control of the defense thereof by Buyer.

7. BUYER'S USE: Buyer, its successors and assigns, may subject all items to further manufacture, may combine them with other articles, or sell or put them to any use whatsoever, and no claim for royalties or additional compensation may be made by Seller by reason of such manufacture, combination, sale or use. All unpatented ideas, information, designs, devices, prints, drawings and technical data concerning Seller's products, methods or manufacturing processes, which Seller discloses or furnishes to Buyer in connection with this order shall, except only to the extent as may be otherwise specifically agreed to in writing by Buyer and Seller, be deemed to have been disclosed or furnished as part of the consideration for this order, and Seller agrees not to assert any claims (except claims for patent infringement) by reason of Buyer's use, duplication or disclosure thereof.

8. PROPERTY FURNISHED TO SELLER BY BUYER: All designs, tools, patterns, drawings, specifications, information relating to Buyer's proprietary processes, and any other information, materials or equipment, etc., furnished by Buyer to Seller for use in the performance of this order, shall remain Buyer's or the Government's property, as the case may be, and Seller shall not use or divulge any such property or information for any other purpose whatever, without first obtaining Buyer's written consent thereto. Seller shall be fully responsible for all such property and information upon delivery to Seller until redelivery thereof to Buyer and shall promptly upon completion of the work hereunder, or sooner if Buyer so demands, deliver same to Buyer in accordance with Buyer's instructions.

9. CANCELLATION: Buyer reserves the right to cancel all or any part of the undelivered portion of this order without any liability by Buyer to Seller if Seller does not make deliveries as provided in this contract or if Seller breaches any of the terms hereof, including the warranties of Seller. Buyer shall also have the right to terminate this order or any part thereof in the event of the happening of any of the following: insolvency of Seller; filing of a voluntary petition in bankruptcy; filing of an involuntary petition to have Seller declared bankrupt, provided it is not vacated within thirty (30) days from the date of filing; the appointment of a receiver or trustee for Seller, provided such appointment is not vacated within thirty (30) days from the date of such appointment; the execution by Seller of an assignment for the benefit of creditors. The remedies provided in this section shall be cumulative and additional to any other further remedies provided in law or equity.

10. TIME: Time shall be of the essence hereunder.



11. PUBLICITY AUTHORIZATIONS: In the event, that Seller wishes to disseminate the fact that Seller has furnished, or has contracted to furnish to Buyer any or all of the items under this Purchase Order, or should Seller at any time desire to make use of Buyer's name in connection with any of Seller's advertising or publicity, prior written approval shall be obtained from Buyer's Public Relations Department; otherwise, Seller shall not, except as necessary for performance of this order, disclose any of the details connected therewith to third parties.

12. CONDITIONS APPLICABLE TO ORDERS PLACED UNDER U.S. GOVERNMENT CONTRACTS OR SUBCONTRACTS: The conditions of this Article 12 shall apply, unless otherwise stated, in addition to the other terms and conditions of this order, if U.S. Government contract number is noted on the face of this order:

(a) **Audit and Inspection:** Seller's manufacturing plant and books, or such part of the plant as may be used in furnishing the items ordered, will at all times be subject to inspection and audit by any person designated by the head of any executive department of the Government. If any inspection or test is made by the Government on Seller's premises, Seller shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. Seller agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three (3) years after final payment under this order, have access to and the right to examine any directly pertinent books, documents, papers, and records of Seller involving transactions related to this order; the preceding part of this sentence shall not apply if this order (1) does not exceed \$1,000.00 or (2) is for public utility services at rates established for uniform applicability to the general public.

(b) **Military Security Requirements:** The military security requirements clause contained in paragraph 7-104.12 of the Armed Services Procurement Regulations, as in effect on the date of this order, is made a part hereof by this reference, provided, however, that whenever the word "Government" appears in said clause it shall be deemed to read "Government or Buyer," and whenever the word "Contractor" appears therein it shall be deemed to read "Seller."

(c) **Non-Discrimination:** In connection with the performance of work under this order, Seller agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause. The foregoing provisions of this subparagraph (c) shall not apply if this order is solely for standard commercial supplies or raw materials.

(d) **Notice to Government of Labor Disputes:** Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller shall immediately give notice thereof, including all relevant information, to the Buyer and the Contracting Officer at Buyer's plant.

(e) **Convict Labor:** In connection with the performance of this order, Seller agrees not to employ any person undergoing sentence of imprisonment at hard labor.

(f) **Laws:** All work hereunder shall be performed in accordance with all applicable laws, statutes, rules, regulation or orders of the United States Government, or any state or political subdivision thereof, and same shall be deemed incorporated herein by reference.

(g) **Patents:** Seller shall, prior to filing any patent application which discloses classified matter relating to this order, obtain permission from the Contracting Officer so to do.

(h) **Renegotiation Act:** If so stated on the face hereof, this order is subject to the Renegotiation Act of 1951 (P.L. 9, 82nd Congress), as amended, and shall be deemed to contain all the provisions required by Section 104 of said Act. Seller agrees to insert all the provisions of this subparagraph, including this sentence, in all subcontracts as required by Section 104 of the Renegotiation Act of 1951; provided that Seller shall not be required to insert said provisions in any subcontract of a class or type described in Section 106(a) of said Act.

13. OVERTIME: Seller shall not have performed overtime work in connection with this order unless prior written approval therefor is obtained from Buyer. In the absence of such approval, premium compensation payments shall not be recognized by Buyer for any purpose.

14. WAIVER: No waiver of a breach of any provision of this order shall constitute a waiver of any other breach, or of such provision.

15. ASSIGNMENTS AND SUBCONTRACTS:

(a) This order may not be assigned by Seller, nor may all or substantially all of this order be subcontracted by Seller without the prior written consent of Buyer.

(b) Seller may, without Buyer's consent, assign moneys due and to become due under this order upon the following conditions: (1) Buyer shall continue to have the right to exercise any and all of its rights under, settle any and all claims arising out of, and enter into amendments to this order, without notice to or consent of the assignee; (2) the entire amount of said moneys is assigned to a single assignee, and shall not be subject to further assignment; and (3) if Buyer is given notice of the assignment, all invoices shall refer to the assignment.

16. VALIDITY: The invalidity in whole or in part of any condition of this order shall not affect the validity of other conditions.

17. PRICES: Seller represents and warrants that the prices charged in this purchase order do not exceed the price charged by Seller to the United States Government or other customers in transactions involving substantially similar items, quantities and delivery schedules.

18. CONFLICTS: To the extent of Conflicts, if any, among the provisions of the foregoing printed terms and conditions and the typed provisions on the face of this purchase order, or any contract rider or patent rider, or any other purchase order attachment attached hereto, or any specifications attached hereto, such conflicting provisions shall prevail in the following order of precedence: (a) typed provisions on the face of the purchase order; (b) contract rider, patent rider, or any other purchase order attachment; (c) printed terms and conditions; (d) specifications.

19. ACCEPTANCE: Without relieving Seller of its obligation promptly to acknowledge receipt hereof, this Purchase Order becomes a binding contract on the terms set forth herein when it is accepted by Seller either by acknowledgment or the commencement of performance hereunder. No revisions to this Purchase Order shall be valid unless in writing and signed by an authorized representative of Buyer; and no condition stated by Seller in accepting or acknowledging this Purchase Order shall be binding upon Buyer unless expressly accepted in writing by Buyer.