1. **Terms of Agreement**

These Standard Terms and Conditions of Purchase shall be made a part of and incorporated into each purchase order issued by Control Components, Inc. (aka IMI CCI) ("Buyer") (the "Purchase Order"), and the Purchase Order is subject to these terms and conditions. Any reference herein to the Purchase Order shall include these Standard Terms and Conditions of Purchase. No waiver, alteration, or modification of the terms and conditions set forth herein shall be valid unless expressly agreed to in writing by Buyer. Any different, additional or conflicting terms or conditions set forth in Seller's invoice or any other document issued by Seller are expressly objected to by Buyer and the terms and conditions set forth herein shall exclusively govern the purchase and sale of the goods covered by the Purchase Order. The Purchase Order is accepted by Seller upon Seller's written acceptance or its delivery of goods pursuant to the Purchase Order.

2. **Delivery Terms**

2.1. If delivery of goods is not made in the quantities and/or at the time(s) specified in the Purchase Order, Buyer reserves the right, without liability to take either or both of the following actions: (a) direct expedited routings of goods (the difference in cost between the expedited routing and the order routing costs shall be paid by the party selling the goods and any related services pursuant to the Purchase Order ("Seller"); (b) cancel this order or balance by notice effective when delivered to Seller; to purchase substitute goods elsewhere and charge Seller with any loss incurred, including the difference between the cost of substitute goods and the goods that would have been provided by Seller.

2.2. Seller shall use the means of delivery and the carrier specified and set forth by Buyer in the Purchase Order. All deliveries of goods ordered by Buyer shall be CIP the delivery point specified in the Purchase Order in accordance with the ICC Incoterms 2000, with the modification that all title and risk of loss shall pass to Buyer when the goods are offloaded by the carrier specified by the Buyer at the CIP delivery point specified in the Purchase Order, unless otherwise mutually agreed by Buyer and Seller in writing. Prior to delivery at the shipping point, Seller will insure all goods at Seller's sole risk and expense.

2.3. **Required Documents at Delivery**

**Packing List.** Each shipment of tangible goods shall be accompanied by a packing list stating, at a minimum: (a) Buyers’ Purchase Order number; (b) Buyer’s part number and revision level for each goods shipped, if applicable; (c) a description of the goods; (d) individual serial numbers of the goods, if applicable; (e) the quantity of each item shipped; (f) country of origin declaration.

**GSP Form A.** A completed GSP Form A shall be provided for each shipment of qualifying tangible goods originating and shipped directly from least developed beneficiary countries as defined by the Generalized System of Preferences.

**Quality Assurance Certifications.** Quality assurance certifications must be provided for each shipment of tangible goods in accordance with Buyer’s specifications.

**Radiation Certification.** Each shipment of metal castings, forgings or components shall be accompanied by a statement certifying that all such goods comply with the following Radioactivity Prevention Policy:

- No goods supplied to Buyer may emit any of the following non-natural radioactive isotopes in any amount (zero tolerance): Americium (Am 241), Barium (Ba-133), Cesium (Cs-137), Cobalt (Co-57), Cobalt (Co-60), Iridium (Ir-192), Radium (Ra-226), Thorium (Th-232), Plutonium (Pu-239), Enriched Uranium (U235), Uranium (U-233), Neptunium (Np-237).
- In addition, no goods supplied to Buyer may emit any type of radiation that is greater than 1.2 times that of natural background levels.
- In addition, if any goods supplied to Buyer are deemed inadmissible by customs or other government authorities, Buyer will not accept the order and Supplier will be responsible for covering all resulting costs including but not limited to, fees, fines, interest, storage, brokerage, insurance and freight.
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Packaging. Seller shall package the goods in a manner that will prevent damage during shipping and ship the goods in accordance with Buyer’s instructions. Seller shall be liable for any loss or damage incurred as a result of improper packaging, crating and/or routing, including additional transportation costs due to improper routing.

2.4 Late Delivery. In the event of Late Delivery from Seller for Tangible Goods or a Services, Buyer may apply a late delivery fee equal to the following:

- From 7 to 14 days late after Buyer due date the purchase order amount will be reduced by 2.5%
- From 15 to 21 days late after Buyer due date the purchase order amount will be reduced by 7.5%
- From 22 to 28 days late after Buyer due date the purchase order amount will be reduced by 12.5%
- From 29 to 35 days late after Buyer due date the purchase order amount will be reduced by 17.5%
- Above 36 days after Buyer due date the purchase order amount will be reduced by 20%

2.5 Buyer will have no liability for payment of goods delivered to Buyer in excess of quantities specified in the Purchase Order or prior to the delivery schedule specified. Such goods may be subject to rejection and returned at Seller’s expense, including transportation charges both ways. Buyer will not be liable for any material or production costs incurred in excess of the amount or in advance of the time necessary to meet Buyer’s delivery schedules.

3. Prices. If a price is not stated in the Purchase Order, Buyer and Seller agree that the goods shall be billed at the lesser of (a) the price last quoted to Buyer by Seller and (b) Seller’s prevailing customary market price. The Purchase Order may not be filled at a price higher than that which was last quoted or charged to Buyer without Buyer’s specific written authorization. Buyer shall not be charged for taxes, transportation, boxing, packing or returnable containers in connection with the Purchase Order, unless such charges have been previously specifically agreed to in writing by Buyer. All sales, use, excise and similar taxes to be paid by Buyer, if any, must be itemized separately on the applicable corresponding invoice.

4. Seller’s Warranties

4.1 AN EXPRESS WARRANTY FROM SELLER IS CREATED BY ANY AFFIRMATION OF FACT OR PROMISE MADE BY SELLER WHICH BECOMES PART OF THE BASIS BY WHICH THE AGREEMENT RELATING TO THE GOODS WAS MADE. ANY SAMPLE OR MODEL PROVIDED BY SELLER AS A BASIS FOR AN AGREEMENT BETWEEN THE PARTIES CREATES AN EXPRESS WARRANTY THAT THE GOODS SHALL CONFORM TO THE PROVIDED SAMPLE OR MODEL. AN IMPLIED WARRANTY THAT THE GOODS SHALL BE FIT FOR A PARTICULAR PURPOSE EXISTS WHERE SELLER HAS REASON TO KNOW OF SUCH PARTICULAR PURPOSE AND HAS ASSIGNED IN SELECTION AND/OR APPROVAL OF ITS USE FOR A PARTICULAR PURPOSE.

4.2 WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE EXIST BETWEEN THE TWO PARTIES, WITHOUT LIMITATIONS, AS SET FORTH AND DESCRIBED IN SECTION 5 BELOW. ANY EXPENSES, CHARGES OR LIABILITY ASSOCIATED WITH DEFECTIVE PRODUCT IN CASES OF ABOVE STATED WARRANTIES WILL BE BORNE BY SELLER. IN CASES WHERE A DESIGN CHANGE IS MADE TO AN EXISTING APPROVED PRODUCT WITHOUT KNOWLEDGE AND CONSENT BY BUYER, SELLER WILL BE ACCOUNTABLE FOR ANY INCREMENTAL CHARGES INCURRED. SELLER ABIDES BY THE WARRANTY OF MERCHANTABILITY, WHEREBY SELLER HAS OBLIGATION TO RELAY KNOWLEDGE AND SAMPLE OF REVISED PRODUCT FOR LAB TESTING TO BUYER FOR APPROVAL(S), AS APPLICABLE. WHERE PERFORMANCE SPECIFICATIONS HAVE BEEN THE BASIS FOR PRODUCT DEVELOPMENT, SELLER IS LIABLE FOR ANY AND ALL WARRANTY ISSUES REGARDING FITNESS FOR USE IN BUYER’S PRODUCT.
4.3 SELLER WILL BEAR RISK OF INCIDENTAL AND CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR LOSS OF MARKET SHARE RESULTING FROM SELLER'S BREACH OF PERFORMANCE. BUYER MAY RECOVER FROM SELLER THE DIFFERENCE BETWEEN THE COST OF COVER OR CHARGES INCURRED FOR SUBSTITUTE GOODS AND THE CONTRACT PRICE.

4.4 SELLER AGREES TO INDEMNIFY, DEFEND (AT BUYER'S REQUEST), PROTECT AND HOLD HARMLESS BUYER FROM AND AGAINST ALL (A) CLAIMS AND LIABILITIES OF THIRD PARTIES INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES, ARISING IN CONNECTION WITH OR RESULTING FROM A MATERIAL BREACH BY SELLER, OR ITS EMPLOYEES, REPRESENTATIVES OR OTHER AGENTS, OF SELLER'S OBLIGATIONS OR REPRESENTATIONS SET FORTH HEREIN; (B) PERSONAL INJURIES, PROPERTY DAMAGES, COMMERCIAL OR ECONOMIC LOSSES, INCLUDING, WITHOUT LIMITATION, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES, ARISING IN CONNECTION WITH SELLER'S PERFORMANCE HEREUNDER OR UNDER THE PURCHASE ORDER, OR CONTRIBUTED TO BY GOODS OR ITEMS FURNISHED BY SELLER TO BUYER IN CONNECTION HEREWITH OR WITH THE PURCHASE ORDER; AND (C) CLAIMS (INCLUDING DIRECT AND THIRD PARTY CLAIMS) AND LIABILITIES RESULTING FROM THE ACTS or OMISSIONS OF SELLER, ITS AGENTS, OR EMPLOYEES IN CONNECTION WITH ITS PERFORMANCE HEREUNDER OR UNDER THE PURCHASE ORDER.

4.5 SELLER AGREES TO SECURE AND MAINTAIN ADEQUATE INSURANCE WITH REPUTABLE INSURERS COVERAGE FOR THE PROTECTION OF BUYER IN ACCORDANCE WITH THIS SECTION 4. SELLER WILL NAME BUYER AS AN ADDITIONAL INSURED UNDER ITS INSURANCE POLICIES FOR THE SERVICES OR GOODS PROVIDED UNDER THE PURCHASE ORDER.

4.6 Seller shall disclose and get agreement from Buyer of any changes in his suppliers (Tier 2 suppliers for Buyer) or changes in his internal processes so that Buyer has the opportunity to assess risks linked to process changes.

5. Specifications. Seller hereby warrants that Seller will supply or manufacture the goods in accordance with the specifications, if any, provided by Buyer, and that such goods will be (a) free from defects in material and/or workmanship, (b) merchantable and fit for the particular purpose for which such goods were intended; and the parties hereby agree that this warranty shall survive the delivery, inspection and acceptance of, and payment for, the goods. All goods rejected by Buyer shall be returned to Seller for full credit at the price charged, plus transportation charges. Buyer, in its sole discretion, may require Seller to replace rejected goods at the purchase price stipulated in the original Purchase Order. Buyer may, in its sole discretion, accept a part of any shipment that fulfills Buyer’s specifications, and reject any part that does not fulfill such specifications, and consider the order breached to the extent of the amount of the rejected goods. Seller will not make any changes in such specifications or make any changes in any components or processes used in manufacturing the goods previously agreed to by Buyer without Buyer’s prior written consent.

6. Inspection and Acceptance.

6.1 For Tangible Goods: Payment for any goods under this contract shall not constitute acceptance. All goods purchased hereunder are subject to inspection at Buyer’s destination either before or after payment or before or after acceptance at Buyer's option. Buyer reserves the right to reject and refuse acceptance of goods which are not in accordance with the instructions, specifications, drawings, or data as furnished to Seller before or during the Purchase Order process. Items not accepted or goods whose acceptance is revoked will be returned to Seller for full credit or replacement at Buyer’s option and at Seller's risk and expense, including transportation charges both ways; provided, however, that such goods may be held at Buyer’s discretion for Seller’s instructions and stored at Seller’s risk. If within 48
hours after receipt of notice of rejection or revocation of acceptance, Seller gives no instructions for the
disposition of the goods, Buyer may, at its discretion, return for full credit at Seller’s expense. Seller shall
not replace rejected goods or goods whose acceptance has been revoked unless specified by Buyer.
Buyer shall not be liable for failure to accept any part of the goods if such failure is the result of any cause
beyond the control of Buyer. Such causes include, but are not limited to, fires, floods, acts of God,
strikes, differences with employees, casualties, delays in transportation, or total or partial shutdown of
Buyer’s plant for any cause.

6.2 For Services:

6.2.1 The Seller shall carry out the services for the period and/or in accordance with the timelines set out
in the Purchase Order. In the event that the Purchase Order does not specify any timelines, the
contractor shall comply with any reasonable timelines communicated by the Buyer. The Seller shall notify
the Buyer immediately if it becomes aware of any event that it believes may result in delay or impede the
performance of the Services.

6.2.2 The Buyer may at any time reject the Services or anything delivered as part of the Services which in
the reasonable view of the Buyer does not comply with the Purchase Order. The Buyer will provide the
Seller with notice of the rejection and the reason for the rejection.

- After receipt of the notice of rejection, the Seller shall have five (5) working days (or such other period
  as the parties may agree in writing) to correct the problem that caused the rejection.
- If the Seller fails to correct the faults which caused the notice of rejection to the reasonable satisfaction
  of the Buyer within five (5) working days, the Buyer shall be entitled to terminate the Purchase Order
  or any part of the Purchase Order as it judge it necessary.

6.2.3 The Seller shall remove and/or re-execute, at the Buyer discretion, any work that has been rejected
by IMI CCI.

6.2.4 The Buyer shall be entitled to withhold payments or deduct amounts invoiced by the Seller without
liability or interest until the Buyer is satisfied as to the quality and performance of the Services;

7. Invoices. Seller’s invoices shall, at a minimum, include: (a) Buyer/s Purchase Order number, against
which the goods were shipped; (b) the date of shipment; (c) Buyer’s part number and revision level for
each of the goods shipped, if applicable; (d) a description of the goods; (e) the total quantity of goods
shipped; (f) the per unit price of the goods shipped; (g) the amount of taxes, if any; (h) the total invoice
price; and (i) Country Of Origin declaration. Unless otherwise specified on the Purchase Order, payment
terms are net 90 days from Buyer’s acceptance of the Tangible Goods or Services.

8. Confidential Information. Seller acknowledges and agrees that any specifications and all related
writings, drawings, designs and similar works provided to Seller by Buyer shall be deemed “Confidential
Information.” Seller further acknowledges and agrees that any other information which is disclosed by
Buyer in any tangible form and is clearly labeled or marked as confidential, proprietary or its equivalent,
or information which is disclosed orally or visually, is designated confidential, proprietary or its equivalent
at the time of its disclosure and is reduced to writing and clearly marked or labeled as confidential,
proprietary or its equivalent within 30 days of disclosure shall be deemed “Confidential Information.” All
Confidential Information shall be the exclusive property of Buyer, and Buyer retains all right, title and
interest, including copyright, relating to “Confidential Information.” Seller agrees not to use any
Confidential Information for any purpose other than as permitted or required for performance by Seller
under the Purchase Order and not to disclose or provide any Confidential Information to any third party
and to take all necessary measures to prevent any such disclosure by its employees, agents, contractors
or consultants. Upon request of Buyer or completion of the Purchase Order, Seller shall return all such
Confidential Information to Buyer and shall certify to Buyer that it has returned all such Confidential
Information. The return of Confidential Information shall be complete in every respect, so as to permit an
experienced manufacturer to manufacture, assemble, maintain and service the goods and shall include a
full drawing package in reproducible form and any revisions or updates, including but not limited to, CAD files, fabrication drawings, approved supplier list, test specifications, tooling specifications and drawings, manufacturing assembly instructions, routings, quality assurance protocols, test equipment, specifications and drawings and engineering change notice history.

9. Ownership of Tooling and other Material/Equipment. All jigs, dies, fixtures, special cutting tools, special gauges, special test equipment, computer programs, patterns, other special equipment and manufacturing aids and drawings and any replacements of the foregoing, ("Equipment") furnished to Seller by Buyer or specifically paid by or created by Seller for Buyer be and remain the property of Buyer. Seller will provide separate and distinct storage for any such Equipment and maintain an appropriate marking on the same and on the separate storage area to clearly and permanently identify Buyer as the owner. Such Equipment while in Seller’s custody or control, will be maintained in good working condition, reasonable wear and tear excepted, by Seller at Seller’s expense, held at Seller’s sole risk and will be kept insured by Seller at Seller’s expense in an amount equal to the replacement cost with loss payable to Buyer. Such Equipment will be delivered in good working condition, reasonable wear and tear excepted, to Buyer immediately upon request by Buyer. Buyer shall also have the right to enter Seller’s facility without notice during Seller’s normal business hours and remove or repossess the Equipment without cost or expense to Buyer. Equipment shall not be disposed of without prior written approval by Buyer. No use of Buyer’s Equipment shall be permitted without prior written approval by Buyer. Seller shall not publish or display Buyer’s product manufactured by Buyer’s Equipment, without prior written approval by Buyer.

10. Termination

10.1 Buyer may, by notice in writing to Seller, terminate the Purchase Order or work there under, in whole or in part, at any time and such termination shall not constitute default. In such event, Buyer will pay Seller contract price for finished goods covered by this agreement held in Seller’s inventory provided product is completed to specifications and accepted by Buyer. Buyer will reimburse Seller verifiable costs associated with components in manufacture of incomplete Buyer’s proprietary products covered by this agreement.

10.2 Buyer shall have the right to cancel for default all or any part of the Purchase Order upon the occurrence of any of the following events: (a) Seller does not make deliveries or furnish services according to the terms specified, (b) Seller repudiates this contract, (c) Buyer rightfully rejects or revokes acceptance, (d) Seller breaches any of the terms hereof including warranties of Seller, (e) Seller makes an arrangement, extension or assignment for the benefit of creditors, (f) Seller dissolves or otherwise ceases to exist or liquidates all or substantially all of its assets, (g) Seller becomes insolvent or generally does not pay its debts as they become due or (h) Seller is adjudicated as bankrupt or files a voluntary petition in bankruptcy. Buyer may, at its option, request that Seller provide adequate written assurance of future performance pursuant to the Uniform Commercial Code as enacted in the State of [California, USA]. In such a case, Seller must provide said written assurance of performance within 10 days of Buyer’s written request (excluding the date of mailing). This right of cancellation and the right to request an adequate written assurance of future performance are in addition to and not in lieu of any other remedies which Buyer may have in law or equity.

11. Intellectual Property Infringement Indemnity. Seller warrants the goods purchased hereunder do not infringe upon any patent, trademark, service mark, trade name, copyright or other similar third party intellectual property right and covenants and agrees to defend (at Buyer’s request) and hold harmless Buyer, its customers, agents and subsequent owners from any claim that any product or article sold by Seller hereunder (except goods specifically of Buyer’s design), infringes any letters, patent, copyright or trademark, or from any claim of unfair competition, by reason of its use or sale by Buyer, its customers or agents. Seller further agrees to indemnify (and as incurred, reimburse) Buyer against any and all expense, loss, royalties, profits and damages, including court costs, attorneys' fees and reasonable value.
of time expended by Buyer’s employees (as determined by Buyer in its sole discretion), in connection with or resulting from such suit or proceedings, including, without limitation, any settlement or decree of judgment therein. Seller’s obligations hereunder survive acceptance of goods and payment delivered by Buyer.

12. **Arbitration.** Any controversy or claim arising out of or relating to these Terms and Conditions or the Purchase Order, or the making, performance or interpretation thereof, including without limitation alleged fraudulent inducement thereof, shall be settled by binding arbitration in [Orange County, California, USA] by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any arbitration award may be entered in any court having jurisdiction thereof.

13. **Changes.** Buyer reserves the right at any time to make written changes in any one or more of the following: (a) specifications, drawings and data incorporated in this contract where the items to be furnished are to be specially manufactured for Buyer; (b) methods of shipment or packing; (c) place of delivery; (d) time of delivery; (e) manner of delivery; or (f) quantities.

14. **Notices.** Notices and communications under the Purchase Order shall be deemed given to either party at the address set forth on the Purchase Order (includes any electronic address, if so provided on the Purchase Order): (a) upon the expiration of 5 business days after the date of deposit in the government postal services if sent by registered mail, return receipt requested; (b) upon the next business day if sent by recognized overnight supplemental delivery service; (c) the same business date if notice is delivered personally; or (d) upon electronic confirmation of transmission if sent by facsimile or electronic mail.

15. **Assignment.** Seller may not assign, transfer or subcontract the Purchase Order or any interest herein or any rights or duties hereunder without the prior written consent of Buyer.

16. **Force Majeure.** Neither party shall be liable in damages for any failure due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to acts of God or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, or freight embargoes.

17. **Governing Law.** The Purchase Order shall be interpreted and construed in accordance with the laws of the State of [California, USA].

18. **Affiliates.** Any right, cause of action claim for relief or remedy granted to Buyer herein shall extend without exception to any entity that controls, is controlled by, or is under common control with Buyer.

19. **Entire Agreement.** These Terms and Conditions and the Purchase Order attached hereto, including all attachments hereto and thereto and specifications set forth herein and therein, constitute the complete and final agreement between the parties and supersede all prior negotiations and agreements between the parties concerning the subject matter hereof and thereof.

20. **Fair Labor Standards Regulations.** Seller agrees that all goods purchased hereunder will be produced in compliance with the fair labor standards regulations.

21. **Compliance with Applicable Law and the IMI Way.**

21.1 Seller represents that the goods purchased hereunder were manufactured and priced and are being sold in compliance with all applicable federal, state, and local laws, rules and regulations.

21.2 Seller represents that they comply with all applicable safety standards, specifications and practices. The Seller is responsible for the safety of the Seller’s staff and workmen. All safety appliances and personal protective equipment required shall be arranged by the Seller at no additional cost to the Buyer.

21.3 The Seller shall comply with all relevant anti-corruption legislation in connection with the Purchase Order and the Buyer’s business and shall immediately notify the Buyer if it discovers or suspects that any
of its officers, directors, employees or representatives are acting or have acted in a way which violates such legislation.

21.4 The Seller acknowledges that the Buyer has a code of responsible business (the “IMI Way”) which is available at www.imiplc.com and the Seller shall, at all times, conduct, and procure that its officers, directors, employees and/or representatives conduct, business ethically and in accordance with the relevant provisions of IMI Way. This clause shall apply whether or not the Seller is acting pursuant to the Purchase Order or its relationship with the Buyer.

21.5 The Seller agrees that it must be able to demonstrate its compliance with the requirements referred to in this clause 21 at the request of and to the satisfaction of the Buyer which includes, but is not limited to, the Buyer having the right to inspect any site involved in work for the Buyer. If the Seller fails to comply with this clause 21, the Buyer shall be entitled, in its sole discretion, to terminate the Purchase Order or any other agreements between the Seller and the Buyer, but with obligations for the Seller to remedy any damages suffered by the Buyer as a result of such termination or as a result of the breach of the Purchase Order by the Seller.

22. Independent Contractors. The relationship of Buyer and Seller under these Terms and Conditions and those set forth in the attached Purchase Order is one of independent contractors. Nothing in the Purchase Order or these Terms and Conditions shall be interpreted as authorizing either party to bind the other, to incur any liability on behalf of the other, or to act as an agent for the other.

23. Survival. All provisions herein or in the attached Purchase Order regarding warranty, indemnification, confidentiality, liability and limits thereon, or other provisions that survive by their terms, will survive any termination or expiration of the attached Purchase Order.

24. Severability. In the event that any provision of these Terms and Conditions is held to be illegal, invalid or unenforceable under any present or future law, rule or regulation, such provision shall be deemed stricken from these Terms and Conditions, but such illegality, invalidity or unenforceability shall not invalidate any of the other provisions of these Terms and Conditions and the remainder of these Terms and Conditions shall continue in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from these Terms and Conditions. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of these Terms and Conditions a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.