



PURCHASE ORDER TERMS AND CONDITIONS

1. ORDER ACCEPTANCE

(A) This Purchase Order is limited to the terms and conditions contained on the face and the reverse herein. Any additional or different terms proposed by SELLER in any quotation, acknowledgement, or any other document are hereby deemed to be material alterations and notice of objection to them is hereby given. Any such proposed terms shall be void and the terms herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties.

(B) If this Order has been issued by BUYER in response to an offer and if any of the terms herein are additional to or different from any terms of such offer, then the issuance of this Order by BUYER shall constitute an acceptance of such offer subject to the express condition that SELLER assent to such additional and different terms herein.

2. ENTIRE AGREEMENT

This Order consists of all the terms contained on the face hereof, the specifications, documents and attachments referred to or attached hereto by BUYER together with the terms and conditions of purchase stated herein. This Order sets forth the entire agreement between the parties and is limited to the provisions contained herein. No amendments or modifications to its provisions will be binding upon BUYER unless in writing and signed by an authorized representative of Buyers Purchasing Department.

3. PRICE

(A) The price(s) set forth on the face of this Order are firm, or if no price appears thereon, than no higher than the last price quoted or charged by SELLER for the same goods or services. Unless otherwise provided herein, such prices include all costs for packing, insuring and transporting the goods ordered to BUYER's facility. BUYER shall not be liable for any taxes or governmental charges or fees with respect to this Order other than those which SELLER is required by law to collect from BUYER. All such taxes and fees shall be stated separately on SELLER's invoice.

(B) SELLER agrees to extend to BUYER any price reductions necessary to give BUYER the benefit of the lowest and most favorable prices and terms offered or given by SELLER to other purchasers of the goods and services described in this Order.

4. DELIVERY

(A) TIME IS OF THE ESSENCE OF THIS ORDER. If delivery is not made at the time specified, BUYER reserves the right to cancel the entire Order or that part of the Order not timely delivered, and to purchase elsewhere and hold SELLER liable for all costs and damages incurred by BUYER. Failure of a SELLER to deliver product on a timely basis may force BUYER to seek alternative suppliers and/or may result in expedited charges and additional freight costs. Any such increment in costs incurred due to failure of SELLER to deliver will be charged back to SELLER and may offset against outstanding payables.



SELLER shall not make any material commitment or production arrangement in excess of the amounts, or in advance of the time necessary to meet BUYER's delivery schedule for goods or services covered by this Order. Any excess commitments or arrangements shall be made at SELLER's own risk. BUYER shall not be liable for goods shipped in advance of or in excess of scheduled deliveries.

(B) SELLER assumes all risk of loss and damage to the goods until delivery to BUYER at its facility specified on the face of this Order. The term FOB in this Order refers to transportation charges only. 5. INSPECTION AND ACCEPTANCE All goods and services sold hereunder shall be subject to inspection and acceptance by BUYER after delivery notwithstanding any payment. After receipt of the goods or services, BUYER shall have a reasonable time (which time shall not be less than ninety (90) days) within which to inspect prior to BUYER's acceptance thereof. Nonconforming goods shall be returned freight collect, and SELLER shall be debited for the inbound transportation cost plus handling and packing expense.

6. WARRANTY

(A) SELLER warrants title to the goods described on the face hereof and warrants further that all goods and services furnished: (i) will be in full conformance with the specifications, drawings, samples or other descriptions set forth or referred to on the face hereof; (ii) will perform as represented by SELLER (even if such representations do not appear on the face thereof, notwithstanding the provisions of paragraph 2 hereof); (iii) will be new, merchantable and fit for the use intended by BUYER; (iv) will be free from defects in material, workmanship, manufacture and design (where design is SELLER's responsibility). SELLER's warranty shall be effective for a period of time set forth on the face of this Order. If no such period is stated, the warranty shall be effective for a period of one (1) year from the date of acceptance by BUYER. This warranty will run to BUYER, its customers and users of its products.

In addition to other remedies available at law or in equity, BUYER may, at its option, return to SELLER for full credit any goods which do not meet the warranties specified herein or required correction or replacement of such goods or services, all at SELLER's risk and expense. Packing and shipping shall be at SELLER's cost. BUYER also reserves the right to seek reimbursement for damages caused by SELLER'S workmanship, including the cost of the raw material.

(B)

7. CHANGES

BUYER may direct in writing changes to this Order. Equitable adjustments will be made in price or schedule where required. Any claims for adjustment shall be made by SELLER in writing not later than thirty (30) days from the date of SELLER's receipt of any such direction from BUYER. SELLER shall not be excused from proceeding with a change prior to negotiation of any adjustment.

8. INTELLECTUAL PROPERTY INDEMNITY

SELLER warrants that the goods purchased hereunder and the manufacture, sale and use thereof do not and will not infringe any third party patent, copyright, trademark, trade secret or other proprietary right ("Intellectual Property"). SELLER agrees to defend, indemnify and hold harmless BUYER, its employees,



agents, distributors, dealers, affiliates, customers and users from all liabilities, obligations, costs and expenses (including reasonable attorneys' fees and costs), claims or demands for actual or alleged infringement of any Intellectual Property arising from the purchase, use or sale of goods required by this Order, except to the extent that infringement or alleged infringement arises by reason of design for such goods furnished to SELLER by BUYER.

9. INDEMNIFICATION

SELLER agrees to defend, indemnify and hold harmless BUYER and its employees, agents, distributors, dealers, affiliates, customers, and users from all liabilities, obligations, costs and expenses (including attorneys' fees and costs) incurred by BUYER as a result of all claims, demands, actions or judgments on account of personal injury or death, or damages to property arising out of or in connection with SELLER's performance of this Order. SELLER shall carry and maintain insurance coverage satisfactory to BUYER to cover the above, and upon BUYER's request, shall furnish BUYER with evidence of such insurance in a form satisfactory to BUYER. Such indemnity shall apply whether an indemnitee is claimed to be passively, concurrently or actively negligent and regardless whether liability without fault is imposed on one of the indemnities.

10. TERMINATION FOR CONVENIENCE

(A) BUYER may terminate this order, in whole or in part, at any time with or without cause upon written notice to SELLER. Upon receipt of such notice, SELLER shall stop work immediately and terminate all orders and sub-contracts to the extent that they relate to the terminated work.

(B) There shall be no charges for terminating the Order with respect to standard goods. Any claim for termination charges for non-standard goods must be submitted to BUYER in writing within ten (10) days after receipt of the termination notice.

(C) BUYER's sole responsibility to SELLER shall be to pay the contract price for such goods as have been delivered as of the time such termination is effective and to reimburse to SELLER its actual costs of materials and direct labor expended by SELLER as of the termination date in reasonable anticipation of its fulfillment of this Order which are not recoverable by SELLER, provided that no allowance shall be made to SELLER for any overhead or anticipated profit for undelivered goods. BUYER shall not be responsible for any commitments made by SELLER in advance of those necessary to comply with the schedules set forth in this Order. Upon payment of SELLER's claim, BUYER shall be entitled to all goods, materials, and work in process paid for.

11. CANCELLATION FOR DEFAULT

(A) BUYER may cancel this Order immediately, in whole or in part, in the event SELLER: (i) fails to make timely delivery, or (ii) breaches any other term or condition of this Order. SELLER shall continue to supply any portion of this Order not cancelled.



(B) In the event of such cancellation, at BUYER's requests, SELLER will transfer title to, and deliver to BUYER: (i) any completed goods; (ii) any partially completed items and (iii) all unique materials and tooling. Prices for partially completed goods and unique materials and tooling accepted shall be negotiated; however, in no event shall such prices exceed the Order price for said goods.

(C) Upon the happening of any event or condition which may, in BUYER's good faith judgment, impair SELLER's ability to perform hereunder, BUYER may demand, in writing, adequate assurance of SELLER's ability to continue performance of this Order. If SELLER does not provide written adequate assurance within fifteen (15) days of receipt of BUYER's demand, SELLER shall be deemed to have rejected continued performance hereunder and to have materially breached this Order. In such event, BUYER shall have no further liability hereunder.

(D) In the event any bankruptcy, insolvency, or receivership proceedings are initiated by or against the seller, or the seller becomes unable to pay its debts as they become due, then the buyer may cancel any unfilled portion of the purchase order without any liability.

12. CONFIDENTIAL INFORMATION

All information furnished or disclosed to SELLER by BUYER in connection with this Order which is identified as "Confidential" or "Proprietary" is received in confidence, shall remain the property of BUYER and shall not be disclosed to any third party without BUYER's written consent. SELLER shall not use and such information for any purpose other than to perform this Order. If requested, SELLER shall execute BUYER's Non-Disclosure Agreement before receipt of any such confidential information. SELLER will return, upon demand, all such confidential information to BUYER upon completion by SELLER of its obligations hereunder. The obligations of this paragraph shall survive expiration or termination of this Order.

13. INVENTIONS AND PROPRIETARY RIGHTS

SELLER agrees to promptly disclose to BUYER all ideas, inventions, discoveries and improvements that are made, conceived, compiled or reduced to practice to SELLER, solely or jointly with others, that are related to the performance of, or arising out of, or are paid for by BUYER in connection with this Agreement ("New Developments"). SELLER further agrees to assign to BUYER all rights, title and interest to all such New Developments. SELLER understands and agrees that all New Developments which are subject to copyright protection under the United States Copyright Act of 1976, as amended, shall be considered "works made for hire" within the meaning of Section 101 of the Copyright Act and that such works constitute and contain valuable proprietary assets and trade secrets of BUYER. In the event that, notwithstanding the foregoing, title to and ownership of any New Development initially vests in SELLER, SELLER agrees to execute, at BUYER's request, all documents as may be necessary to grant, transfer and assign all such title and ownership thereof to BUYER. SELLER agrees to obtain written assurances from its employees and contract personnel of their agreement to the terms hereof.

14. ASSIGNMENT AND SUBCONTRACTING



SELLER shall not delegate or subcontract any duties, nor assign any right or claims under this Order without the prior written consent of BUYER.

15. COMPLIANCE WITH LAWS

SELLER guarantees that all goods delivered hereunder are produced, packed, labeled and shipped in compliance with all applicable laws. SELLER agrees to comply with all Federal, State, County and local laws, rules, codes, executive orders and regulations (the "Laws") applicable to its provision of materials and services hereunder. SELLER agrees to hold harmless BUYER and its employees, agents, affiliates, customers and users from any liability arising from SELLER's failure to comply with such Laws.

16. GOVERNING LAWS

This Order shall be interpreted in accordance with and governed by the laws of the State of Washington, excluding its conflict of law rules. Any litigation arising out of this Order shall be brought in the state or federal courts located in Lewis County, Washington and the parties consent to the jurisdiction over them by such courts.

17. RIGHTS AND REMEDIES

All rights and remedies of BUYER specifically set forth in this Order shall be in addition to any other or further rights and remedies provided at law or in equity. Failure of BUYER to insist upon strict performance of any term or condition of this Order shall not be deemed to be a waiver of BUYER's rights and remedies.

18. SETOFFS

All claims for money due or to become due from BUYER shall be subject to setoff by BUYER by reason of any counterclaim arising out of this or any other transaction with SELLER.

19. BUYER'S PROPERTY

All property and material furnished to SELLER by BUYER or specifically paid for by BUYER shall be used only in the performance of this Order and shall remain the property of BUYER. Such property shall be held at SELLER's sole risk and shall be kept insured by SELLER at SELLER's expense in an amount equal to the replacement cost with loss payable to BUYER. Such property shall be delivered in good condition, normal wear and tear expected, to BUYER, FOB BUYER's plant, immediately upon request by BUYER.

20. SUPPLEMENTARY INFORMATION

Seller agrees that Buyers specifications, drawings, instructions, or technical data referred to in the Purchase Order will be incorporated herein as if fully set forth. In the case of any discrepancies or questions, Seller will refer to the Buyer for instruction or for interpretation.

21. PACKING



Seller agrees that each package shipped will be numbered and labeled with the Buyer's order number, part number, contents, and weight. The package will contain an itemized packing slip and will be properly prepaid for shipment so as to secure the lowest transportation and insurance rates and to meet the carriers requirements unless agreed in writing. No charges will be allowed to the Seller for packing, breaking, or freight unless stated in writing. Where applicable, Seller's material must be marked and labeled in accordance with SARA community right-to know and OSHA hazard communications standards. A current copy of the material safety data sheet is to be included with orders, if any changes have occurred since the last shipment.

22. TRADE NAMES

Any trade name of the Buyer is not to be used in the Seller's advertising without the Buyer's written agreement by the President or Chief Financial Officer

23. PROOF OF SHIPMENT

Upon request, the Seller will forward to the Buyer the express receipt of bill of lading, signed by the carrier, as evidence that the shipment has been made.

AS9100 D 2016 EXTERNAL PROVIDERS QUALITY TERMS AND CONDITIONS REQUIREMENTS.

As a Supplier to MIC Group (BUYER), you agree to comply with the additional terms and conditions listed below with respect to any product or services provided to BUYER if any such product or service relates to any aviation, space, or defense application, project or any request for quote, purchase order or similar document issued by BUYER contains any reference to the AS9100 standards. The terms and conditions listed below are in addition to and are deemed to be an integral part of BUYER's standard terms and conditions of purchase.

1) Calibration System. All Inspection Measuring & Test Equipment used by the Supplier during in-process and final inspection to make a compliance evaluation shall be calibrated to the national standard.

2) Special Processes. Supplier shall provide certifications for all special processes and nondestructive test results performed with each shipment. The certificate shall identify the processor, process used, controlling specification & revision, and the results of test or measurement performed. Supplier used shall be a BUYER and/or Customer approved source for said Processes. These include operations subject to process controls such as: coating, joining, heat treating, cleaning, non-destructive test, etc. The Supplier shall be approved as per above to perform specific required Special Processes, or use Special Process vendors acceptable to BUYER and BUYER's customer.

3) Workmanship Quality. Manufactured product shall be free from burrs, and sharp edges.



- 4) Control of Drawings & Specifications. The Supplier shall ensure that the drawings and specification are the relevant revision status specified on the Purchase Order. The Supplier shall comply with any special requirements requested by BUYER regarding the control of drawings and specification i.e. ITAR compliance.
- 5) Limited Shelf Life Items. Materials with limited shelf life (epoxy, paint, adhesives, etc.) shall indicate the date of manufacture, lot number and applicable specification on the container. The Supplier shall supply life limited product with at least 75% of the life remaining.
- 6) Material Substitution. Unauthorized material substitutions are not permitted without BUYER written consent.
- 7) Reporting Discrepancies. Discrepancies, omissions, and the need for clarifications or interpretations of any nature encountered by Supplier in respect of furnished drawings or engineering data will be brought to the attention of BUYER for resolution.
- 8) Quality/Inspection System. Supplier shall maintain a quality/inspection system that will ensure all goods and services conform to contract requirements whether manufactured or processed by Supplier or procured from Sub-Tier Suppliers.
- 9) Changes in Process, Product or Location. Supplier shall notify BUYER of intended or actual changes that may affect the quality of delivered goods and services. This includes: Changes to the Quality Management System, the Manufacturing Line, Facility Location, Processes, or Natural Disasters. Quality data and/or approved design data to be available in the English language.
- 10) Digital Product Definition (DPD). Supplier is required to obtain approval as a Digital Product Definition (DPD)-capable Supplier if Supplier receives, downloads, and/or uses Computer Aided Design (CAD) geometry in any format.
- 11) Certificate of Conformance. Supplier's acceptance of BUYER's purchase order certifies that the materials and processes supplied under the purchase order shall be or have been controlled and inspected in accordance with BUYER's purchase order and they meet the specified order requirements, referenced specifications and drawings. Supplier must provide a Certificate of Conformance for all orders and lots, verifying that all products and lots meet those requirements. All products and lots must be clearly identified and labeled and must be traceable to and linked to the Certificate of Conformance.
- 12) Counterfeit Parts. The Supplier shall certify that only new and authentic materials are used in products or goods delivered to BUYER and that the products/goods delivered contain no Counterfeit Parts.
- 13) Right of Access. BUYER, its customers, and regulatory authorities shall be granted the right of access to all Supplier and sub-tier Supplier facilities and records involved in fulfilling the Purchase Order requirements to ensure conformance with the requirements.



14) Foreign Object Debris/Damage. Supplier is required to establish and maintain a Foreign Object Debris/Damage (FOD) prevention program that employs appropriate housekeeping practices to assure timely detection and removal of residue/debris generated, during operations and normal daily tasks.

15) Record Retention. Supplier shall maintain records of inspections, tests, and process controls called for by this contract. Unless specified elsewhere in contracts or attachments, these documents shall be on file, stored and protected in such a manner that they remain legible, readily identifiable, and readily available to BUYER for no less than 7 years. As a Supplier to BUYER, you agree to comply with the additional terms and conditions listed below with respect to any product or services provided to BUYER if any such product or service relates to any aviation, space, or defense application, project or any request for quote, purchase order or similar document issued by BUYER contains any reference to the AS9100 standards.

16) Supplier Corrective Action. Supplier shall, on request, provide statements of corrective action on nonconformities or failures of Supplier's goods or services.

17) Letter of Disclosure. When a nonconformance is determined to exist or is suspected to exist on goods and/or services provided to BUYER under this Contract, Supplier shall provide written Post Delivery Notification Letter or Letter of Disclosure.

18) Nonconforming Products and Materials. Supplier shall obtain BUYER's prior written approval with respect to the disposition of any nonconforming products or materials supplied, that does not meet engineering drawing or documents under contract or Purchase Order. In the event that nonconforming materials are present, and the materials are deemed acceptable or useable by the Supplier, it is still the responsibility of the Supplier to inform BUYER so that a determination can be made for the use of said materials.

19) Packaging and Handling. As a minimum, the Supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration and physical damage during shipment. Electrostatic sensitive product shall be pack in an ESD protective bag. In addition, when materials delivered are lot-controlled and multiple material lots are shipped, each lot shall be separately packaged and identified.

20) Flowdown to Sub-tier Suppliers. Suppliers shall flow-down to Sub-Tier Suppliers the applicable requirements as required by the purchase order either specifically or by reference.

21) Confidentiality. Suppliers shall hold all information received from BUYER in confidence and no third party request for information will be authorize