

1. **ACCEPTANCE AGREEMENT:** Seller's commencement of work or shipment of the goods, whichever occurs first, constitutes acceptance of Niltronix Circuits's purchase order and the terms and conditions stated herein. Niltronix Circuits hereby objects to any terms proposed in Seller's acceptance or acknowledgment of Niltronix Circuits's offer which add to, vary from, or conflict with the terms of Niltronix Circuits's purchase order. Any such proposed terms shall not operate as a rejection of this offer but are deemed a material alteration, and this offer shall be deemed accepted by the Seller without the said additional or different terms. If Niltronix Circuits's purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is expressly limited to the terms contained on Niltronix Circuits's purchase order and the terms and conditions stated herein.
2. **PRICE:** The articles shipped or work performed against Niltronix Circuits's purchase order must not be invoiced at a higher price than shown on the face of Niltronix Circuits's purchase order without the written consent of Niltronix Circuits. The invoice must itemize transportation charges, including foreign inland freight and insurance and taxes separately, if applicable. If the price is omitted from the order, the price shall be the lowest prevailing market price. No charge will be allowed for packing, labeling, commissions, customs duties, storage, crating, or express handling unless indicated on Niltronix Circuits's purchase order.
3. **CONFIDENTIAL PROPRIETARY INFORMATION:** Any information or data furnished by Niltronix Circuits to Seller under Niltronix Circuits's purchase order in the form of specifications, drawings, reprints, technical information, equipment, prototypes, forecasts, schedules, or other technical or business information shall be deemed Niltronix Circuits Confidential Proprietary Information, shall remain Niltronix Circuits's property, shall be kept confidential, and shall be promptly returned to Niltronix Circuits at Niltronix Circuits's request. Seller shall not disclose, without Niltronix Circuits's written permission, any such information or data to any other person, or use such information or data for any purpose other than performing Niltronix Circuits's purchase order. The obligations under this paragraph shall survive cancellation, termination, or completion of Niltronix Circuits's purchase order. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Niltronix Circuits shall be deemed secret or confidential.
4. **WARRANTIES:** Seller expressly warrants that all goods or services provided under Niltronix Circuits's purchase order shall be merchantable, free from defects in material and workmanship, of the highest quality, and shall conform to all applicable specifications, including but not limited to integration and assembly, appropriate standards and there shall be no product substitutions or replacements even if such products have the same form, fit or function. If Seller knows or has reason to know the particular purpose for which Niltronix Circuits intends to use the goods or services, Seller warrants that such goods or services shall be fit for such particular purpose. Seller further warrants that the goods are wholly new and contain new components and parts throughout and that Seller has good and warrantable title to the goods free and clear of all liens. Seller shall indemnify and hold Niltronix Circuits harmless for any and all damages arising out of any breach of these warranties including but not limited to the out-of-pocket cost for Niltronix Circuits to perform necessary repairs when Niltronix Circuits determines in its sole discretion that time is of the essence. In addition to the warranties above, Seller shall extend all warranties it receives from its vendors to Niltronix Circuits, and to Niltronix Circuits's customers. Breach of the warranties in this provision, or any other term of Niltronix Circuits's purchase order, shall entitle Niltronix Circuits to all available remedies, including those of the Uniform Commercial Code.
5. **TERMINATION:** Niltronix Circuits may terminate all or any part of Niltronix Circuits's purchase order at any time for its convenience upon written notice to Seller. Late deliveries, deliveries of products which are defective or which do not conform to Niltronix Circuits's purchase order, failure to perform as agreed, and failure to provide reasonable assurances of future performance upon request, shall all be reasons allowing Niltronix Circuits to terminate Niltronix Circuits's purchase order for cause. In such event of termination for cause Seller shall be liable for any damages (or at Niltronix Circuits's option, specific performance) due to Seller's breach or default. **NILTRONIX CIRCUITS'S TOTAL LIABILITY FOR DAMAGES UNDER NILTRONIX CIRCUITS'S PURCHASE ORDER SHALL NOT EXCEED THE PRICE ALLOCABLE TO THE GOODS OR SERVICES GIVING RISE TO THE CLAIM.**
6. **INTELLECTUAL PROPERTY INDEMNITY:** By acceptance of Niltronix Circuits's purchase order, Seller agrees to indemnify Niltronix Circuits against all claims, judgments, decrees, costs and expenses, and attorney's fees incident to any proceeding which may be brought against Niltronix Circuits or its agents, distributors, customers, or other vendors based on a claim of alleged copyright, trademark, mask work right, or patent infringement, as well as for an alleged claim of unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished under Niltronix Circuits's purchase order, unless the goods or services are of Niltronix Circuits design or formula, and Seller agrees that it will, upon request of Niltronix Circuits and at Seller's own expense, defend or assist in the defense of any action which may be brought against Niltronix Circuits or its agents, distributors, customers, or other vendors for such infringement or claimed infringement or alleged claim of unfair competition. Niltronix Circuits agrees to notify Seller promptly upon receipt of notice of infringement or information of such a suit having been filed.
7. **INDEMNIFICATION:** Seller shall defend, indemnify and hold Niltronix Circuits harmless against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from any obvious or apparent defects or latent defects in the goods or services purchased under Niltronix Circuits's purchase order, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to all other obligations of Seller under Niltronix Circuits's purchase order.
8. **CHANGES:** Niltronix Circuits shall have the right to make changes in Niltronix Circuits's purchase order at any time for its convenience upon written notice to Seller. Such changes shall be subject to an equitable adjustment in the performance schedule or purchase price, based on reasonable and unavoidable costs incurred by the Seller prior to notice of the change. Any claim of Seller for an adjustment must be submitted in writing to Niltronix Circuits within thirty (30) days of the Niltronix Circuits change notice. Seller shall have no right to make any changes to Niltronix Circuits's purchase order or to the applicable specifications even if such change would have the same form, fit or function.
9. **CONTROL IDENTIFICATION:** Seller shall include on the shipping document (invoice/packing sheet) and/or test report the control identity for material being shipped. When test reports are not required by the PO/Contract, the control identity shall be on the shipping document. The control identity is, as applicable, the manufacturing date, lot, batch number, heat or serial number. When multiple lots are included in one shipment, Seller shall separate and identify respective lots, and indicate each lot quantity.
10. **INSURANCE:** If Niltronix Circuits's purchase order includes services or work to be performed on Niltronix Circuits's premises, Seller agrees to indemnify Niltronix Circuits from all loss or damage arising out of such work, to observe the highest safety standards, to adhere to all Niltronix Circuits work rules, safety standards and security requirements, to maintain insurance satisfactory to Niltronix Circuits, and to furnish evidence of such insurance at Niltronix Circuits's request.
11. **COMPLIANCE WITH LAWS:** Seller warrants that all goods and services supplied pursuant to Niltronix Circuits's purchase order will have been produced and supplied in compliance with all applicable federal, state and local laws, orders, rules and regulations. Seller shall indemnify Niltronix Circuits against any liability caused by any non-compliance with this provision.
12. **GOVERNING LAW:** Niltronix Circuits's purchase order and the acceptance of the same shall be governed by and construed pursuant to the laws of the State of Texas, without reference to conflict of law principles.
13. **JURISDICTION AND VENUE:** The Texas state courts in Harris County, Texas or, if there is exclusive federal jurisdiction, the United States District Court for the State of Texas, will have exclusive jurisdiction and venue over any dispute arising out of this agreement and sales, and



Buyer hereby consents to the jurisdiction of such courts. Reasonable attorneys' fees and costs will be awarded to the prevailing party in any such action.

14. **GENERAL:** Niltronix Circuits's purchase order and any documents attached to or referred to on Niltronix Circuits's purchase order constitute the entire agreement between the parties and can only be modified in writing signed by authorized representatives of both parties. No part of Niltronix Circuits's purchase order may be assigned or subcontracted without the prior written approval of Niltronix Circuits. All claims for money due or to become due from Niltronix Circuits shall be subject to deduction or set off by Niltronix Circuits for any counterclaim arising out of this or any other transaction with Seller. Niltronix Circuits's failure to enforce or insist on performance of any of the terms or conditions in Niltronix Circuits's purchase order shall not operate as a waiver of that or any other right.
15. **SELLER ACKNOWLEDGEMENT AND WARRANTY:** Seller hereby acknowledges that the parts/materials ordered on this Purchase Order/Contract Are for incorporation into an aircraft or will be used in the manufacture of, or maintenance of an aircraft. Seller warrants and represents that all parts/materials delivered in accordance with this Contract/PO are of NEW manufacture and meet or exceed all specifications and requirements specified in this PO/Contract or referenced document.
16. **INSOLVENCY OF SELLER:** Without prejudice to Paragraph 5 or any other rights or remedies Niltronix Circuits may have, if Seller becomes insolvent or bankrupt, makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts as they mature or if a petition of any type be filed by or against Seller under any bankruptcy or other law for relief of debtors, Niltronix Circuits in each and every such event may upon written notice to Seller, cancel Niltronix Circuits's purchase order in whole or in part without any liability whatsoever to Seller.
17. **ASSIGNMENT:** No subcontract, assignment or other transfer in whole or in part of Niltronix Circuits's purchase order or of any monies due to or become due hereunder shall be binding upon Niltronix Circuits, without Niltronix Circuits's written consent. Payment of any claim under Niltronix Circuits's purchase order shall be subject to set-off or counter claim for any present or future claims which Niltronix Circuits or any of its affiliated companies, may have against Seller or any of its affiliates.
18. **WAIVER:** Failure or delay on the part of Niltronix Circuits to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any other subject, right, power or privilege.
19. **SEVERANCE:** If any provision herein is found by a court of competent jurisdiction to be void or unenforceable, the said provision shall be modified as necessary to conform to such laws or, if such modification would destroy the intent of the parties, the said provision shall be severed from Niltronix Circuits's purchase order and Niltronix Circuits's purchase order shall be interpreted without reference thereto.
20. **FORCE MAJEURE:** Neither party will be liable to the other for any delay or failure to perform if that delay or failure results from an unforeseeable cause beyond its reasonable control, except that Niltronix Circuits may terminate all or any portion of Niltronix Circuits's purchase order without liability to Seller if such delay or failure to perform by Seller or on behalf of Seller extends beyond thirty (30) days of Niltronix Circuits's requested delivery date.