



CPI COMMERCIAL GENERAL TERMS AND CONDITIONS

These Communications & Power Industries (CPI) Terms and Conditions of Purchase (“CPI Purchase Terms”) of the CPI Purchase Order (“Purchase Order”) on which they are attached, appended, included, or referenced, apply to all purchases by Communications & Power Industries LLC, Communications & Power Industries Canada Inc., their affiliates, divisions, and subsidiaries (collectively “CPI” or “Buyer”) of any Items, materials, Goods, or products, including hardware, software, specially manufactured items (“Products”) and services (“Services”) furnished by any supplier (“Seller”) to CPI and supersede any prior offers, negotiations, agreements, and representations concerning the Products or Services of this Purchase Order and constitutes the entire agreement (“Agreement”) between the Seller and Buyer (Parties).

1.0 ACCEPTANCE OF ORDER

Seller may accept this Order by signing the acceptance copy and returning it promptly to Buyer or by providing to Buyer any of the Items specified herein. The Purchase Order is expressly conditional on Seller's acceptance of these CPI Purchase Terms. By Seller's acceptance of this Order, Seller agrees to the terms, conditions, and specifications of this Order. Buyer hereby objects to and rejects any terms, conditions, or specifications contained in Seller's acceptance of this Order (or any other form or paper submitted by Seller) which differ from or add to the terms, conditions, and specifications of the Order and which shall have no effect despite any usage of trade or course of performance. Seller agrees that the terms, conditions, and specifications of the Order shall prevail over any inconsistent provisions in any form or other paper submitted by Seller, unless specifically agreed to in writing by an authorized representative of Buyer. Seller's acknowledgement, acceptance of payment, or commencement of performance shall constitute Seller's unqualified acceptance of the CPI Purchase Terms.

2.0 DEFINITIONS

- a) “Days” means calendar days unless otherwise expressly noted.
- b) “F.O.B. Destination, Freight Prepaid” means title and risk of loss pass to Buyer at Destination Point; Seller bears and prepays freight charges; and Seller bears all risk and must file claims for loss, damage, or overcharges (if any) for Items in transit.
- c) “Item” as used herein includes Goods to be delivered (e.g., materials, equipment, products, hardware, software, or information) and any part thereof.
- d) “Order” as used herein includes the Firm Fixed-Price Purchase Order, the Schedule, these General Terms and Conditions, any Special Terms and Conditions, any plans, any specifications, and other documents incorporated by reference or attached hereto.
- e) “Government” means the Government of the United States of America or its agencies. (f)
- f) “Goods” means Products, Items or supplies provided by Seller.



- g) "Work" means the subject of this Order, and may include, without limitation, Goods or Services (whether or not ancillary to the sale of Goods) or both furnished by Seller to Buyer in performance of and pursuant to this Order.

3.0 WAIVER

Buyer's failure to enforce any provision of the Order or to protest any breach or default of the Order by Seller shall not be construed as evidence of (or evidence to interpret) the rights or obligations of the Parties, or as a waiver of any Seller obligation or Buyer right provided under the Order or by law. No right or remedy of Buyer shall be deemed waived or released unless such waiver or release is in writing and signed by an authorized representative of Buyer.

4.0 DELIVERY

4.1 Transportation: Transportation shall be in accordance with the Delivery Terms specified on the front page of the Purchase Order. Unless otherwise instructed, delivery terms will be F.O.B. Destination for domestic US shipments, INCOTERMS FCA – Free Carrier (named place of origin) for all international shipments. Buyer shall not be liable for insurance or premium transportation charges unless Buyer consents to such charges in writing. All Items must be packaged in accord with the instructions specified by Buyer and shipped by route and carrier designated by Buyer. If Buyer does not specify the manner of packing, route, or carrier, Seller will suitably pack and ship all Items in accord with customs and practices prevailing in the industry, following wherever applicable the precedents of previous shipments to this Buyer and, unless otherwise specified, in the most economical mode available. Seller shall mark on all packages handling and loading instructions, shipping information, Order number, item and account number, shipping date, and names and addresses of Seller and Buyer. Seller shall be liable to Buyer for all damages incurred directly or indirectly by Buyer or Buyer's Customer as a result of Seller's failure to comply with the conditions set forth in this Section 4.1.

4.2 Risk of Loss:

4.2.1 F.O.B. Destination, Freight Prepaid: Seller shall bear the risk of any loss or damage to the Items until they are delivered in conformity to the "Ship To" address on the front page of this Purchase Order. Upon such delivery, Seller's responsibility for loss or damage shall cease, except for loss or damage resulting from Seller's negligence or fault. Notwithstanding the foregoing, Seller shall remain responsible for risk of loss of any nonconforming or rejected Item, unless such loss, destruction, or damage results from gross negligence or fault of Buyer.

4.2.2 F.O.B. Origin Freight Collect: Seller shall bear the risk of any loss or damage to the Items until they are delivered in conformity to the freight provider. Upon such



delivery, Seller's responsibility for loss or damage for Items in transit shall cease, except for loss or damage resulting from Seller's negligence or fault.

- 4.3 **Title:** Except as otherwise expressly stated in this Order, title to all Items furnished under this Order shall pass to Buyer upon final acceptance, regardless of when or where Buyer takes physical possession of the Items.
- 4.4 **Delays:** Seller understands that Buyer depends upon prompt delivery by Seller at the time specified in the schedules furnished by Buyer in order to comply with Buyer's contractual obligations to third parties. Because time is of the essence, if delivery of the Item is not made in the quantities and at the time and manner specified, Buyer shall have the right without liability, and in addition to its other rights and remedies under this Order and the law, to take any of the following actions: (1) direct expedited delivery of Items for which Seller shall bear all premium transportation charges and risk of loss; (2) direct acceleration of Item for which Seller shall bear all premium labor costs and other acceleration costs; (3) delay payment for a period of time equal to the lateness of such delivery or performance; and/or (4) terminate this Order by written notice effective when received by Seller as to the Item not yet delivered, and purchase substitute Item elsewhere and charge Seller with any loss incurred. Seller shall, in the event of a delay or threat of delay, due to any cause, in the production, delivery, of Item hereunder, immediately notify Buyer in writing of the delay. Seller's notice shall include all relevant information with respect to such delay or threatened delay. Seller shall be liable for any damages resulting from failure to make delivery within the time called for by this Order or by any written instructions of Buyer, except where such delay in delivery was due to causes beyond the reasonable control of Seller and Seller notifies Buyer as required by this Section 4.4 and Section 29. Seller agrees to add the substance of this Section 4.4 to each subcontract or purchase order issued by Seller to Seller's subcontractors and suppliers at any tier for the performance hereunder.
- 4.5 **Advanced Shipments:** If, without written authorization from Buyer, Seller ships Items so as to arrive more than five (5) days in advance of schedule, Buyer may return the Items to Seller and Seller shall be liable for transportation charges and risk of loss for the return of the Items as well as for the shipment of the Items. Seller shall not invoice Buyer for payment prior to the scheduled delivery date. Invoices covering Items shipped in advance of the delivery schedule will not be paid until normal maturity after the specified date of delivery.
- 4.6 **Quantity:** Seller shall comply with the delivery schedules but shall not make material or production commitments in advance of such time as Seller reasonably believes is necessary to meet the schedules without Buyer's prior written consent. Except as otherwise expressly provided in the Order Buyer need not accept any variation in quantity of Item provided by Seller. Buyer may return excess



quantities to Seller at Seller's sole expense and risk or retain such excess quantities at no increase in price.

5.0 INSPECTION, FINAL ACCEPTANCE AND NONCONFORMING GOODS

Final acceptance by Buyer of any Item under this Order shall not limit or affect any warranty or right of indemnity granted by Seller herein. Except as otherwise agreed in writing, all delivery under this Order shall be subject to final inspection and acceptance by Buyer. The Parties expressly agree that any prior inspection or payment by Buyer will not constitute final acceptance. Buyer's final acceptance of the Item shall take place only after complete delivery in accord with the schedule specified herein and after final inspection by Buyer. Buyer's final acceptance shall be contingent upon agreement by Buyer that the Item conforms to the applicable Purchase Order requirements.

If Seller delivers nonconforming Goods or Services, Buyer may require Seller to promptly correct or re-perform the nonconforming Goods or Services. Redelivery to Buyer of any corrected or re-perform Goods or Services shall be at Seller's expense. In addition, Buyer may at its sole option (i) correct the nonconforming Goods or Services, or (ii) obtain replacement Goods or Services from another source at Seller's expense, and reduce the Order price by the costs to correct or obtain replacement; or (iii) accept all or part of such Goods or Services at an equitable price reduction; or (iv) return non-conforming Goods for refund or credit. Seller shall disclose any corrective action taken. All repair, replacement and other correction and redelivery shall be completed within the original delivery schedule or such later time as an authorized representative of Buyer may reasonably direct.

Buyer shall accept the Goods/Services or give Seller notice of rejection within a reasonable time after delivery, notwithstanding any payment or prior test or inspection. No inspection, test, delay, or failure to inspect/test or failure to discover any defect or other nonconformance shall relieve Seller of any of its obligations under this Order or impair any rights or remedies of Buyer or Buyer's customers. Buyer may revoke acceptance of Goods if the Goods are not conforming and if Buyer's acceptance was reasonably induced either by the difficulty of discovery before acceptance or by the Seller's assurances.

Final acceptance by Buyer shall be conclusive, except for latent defects, negligent or intentional misrepresentations by Seller that a nonconformity or defect would be or had been cured, acceptance induced by false or negligent assurances of Seller or as otherwise provided in this Order or applicable law.

6.0 FACILITIES, TOOLS, AND PLANT VISITS

- 6.1 Unless otherwise specified herein, Seller shall supply all necessary services, facilities, materials, and equipment (including, but not limited to, tools, test apparatus, etc.).
- 6.2 During performance of this Order, authorized representatives of Buyer or Buyer's customer shall have the right to visit Seller's facilities involved in the performance hereunder at any time during normal business hours to conduct reviews, monitor,



coordinate, or expedite performance and to secure necessary information for such purposes. Such visits will be coordinated with Seller's appropriate personnel to minimize any effect on Seller's normal operations.

- 6.3 Unless otherwise agreed to in writing, Buyer retains all title and intellectual property rights in and to property furnished by Buyer, or the cost of which is or will be charged to Buyer, including but not limited to specifications, drawings, samples, tooling, tools, equipment, materials, or information furnished to or made available to Seller, their replacements, and the property described in these Purchase Terms as Buyer Confidential Information ("Buyer Property") and are provided "as is." While Buyer Property is in Seller's possession or control, Seller shall keep it in safe and good condition and covered, at its expense, by property insurance acceptable to BUYER with loss payable to Buyer. Seller shall return the Property in the same condition as received, reasonable wear and tear excepted. Seller shall not use Buyer Property except to manufacture Products and perform Services for Buyer under Purchase Orders or as authorized in writing by BUYER. Seller shall plainly mark or adequately identify all Buyer Property with the name "BUYER" and as applicable the Buyer drawing or tool number. Seller shall not copy, modify, furnish, quote, sell or advertise any Buyer Property, in whole or in part, nor goods made using Buyer Property, in whole or in part, without Buyer's express prior written consent. Upon Buyer's written request, Seller shall provide an inventory of and return Buyer Property promptly to Buyer. Despite any defect in Buyer Property, or any fault or neglect of Buyer, Seller shall indemnify, defend and hold Buyer harmless from and against all loss of and damage to Buyer Property, any claims that may be asserted against Buyer Property, and any claims relating in any way or arising from any use by Seller of BUYER Property or products produced from Buyer Property.
- 6.4 All (a) proprietary and/or trade secret information; (b) tangible items containing, conveying or embodying such information; and (c) tooling identified as being subject to this clause and obtained, directly or indirectly, from Buyer in connection with this Order that are clearly marked as "Proprietary" (collectively referred to as "Proprietary Information and Materials") shall remain Buyer's property and shall be protected from unauthorized use and disclosure. Seller shall use Proprietary Information and Materials only in the performance of and for the purpose of this Order. The restrictions on disclosure or use of Proprietary Information and Materials by Seller shall apply to all materials derived by Seller or others from Buyer's Proprietary Information and Materials.
- 6.5 Upon the completion, termination, or cancellation of this Order, or upon Buyer's request at any time, Seller shall return to Buyer all of Buyer's Proprietary Information and Materials and all materials derived therefrom, unless specifically directed otherwise in writing by Buyer. Seller shall not, without the prior written authorization of Buyer, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying or made in accordance with or by reference to any Proprietary Information and Materials of Buyer. Prior to disposing of such parts or other materials as scrap, Seller shall render them



unusable. Buyer shall have the right to audit Seller's compliance with this Section. Seller may disclose Proprietary Information and Materials of Buyer to its subcontractors as required for the performance of this Order, provided that each such subcontractor first agrees in writing to the same obligations imposed upon Seller under this Section relating to Proprietary Information and Materials. Seller shall be liable to Buyer for any breach of such obligation by such subcontractor. The provisions of this Section are effective in lieu of any restrictive legends or notices applied to Proprietary Information and Materials. The provisions of this Section shall survive the performance, completion, termination, or cancellation of this Order for a period of two years.

- 6.6 Seller shall identify the nature of information, documents and materials that the Seller might disclose to CPI and the purposes for which it is to be disclosed. Seller has not disclosed and shall not disclose to Buyer any trade secret, proprietary or confidential information or other intellectual property of Seller or any third party that is subject to restrictive rights of any kind unless it is the subject of a separate written NDA made by the parties before its receipt by or disclosure to Buyer.

7.0 TERMINATION

7.1 Termination for Cause or Default

- 7.1.1 Buyer may terminate all or any part of this Agreement by written notice to Seller if: (i) Seller fails to provide the Item or support services within the time specified by this Agreement or any written extension authorized by Buyer; (ii) Seller fails to perform any other provision of this Agreement or fails to make progress, so as to endanger performance of this Agreement, and, in either of these two circumstances, does not cure the failure to Buyer's satisfaction within ten (10) days after receipt of notice from Buyer specifying the failure; or (iii) in the event Seller declares bankruptcy, suspension its business operation, or initiates any reorganization and/or arrangement for the benefit of its creditors. Seller shall continue Work not terminated. If the Agreement is terminated for cause Buyer may require the Seller to transfer title and deliver to Buyer any completed Items or partially completed Items and materials, part, tool, dies, jigs, fixtures, plans, drawings, information and Agreement rights that the Seller has specifically produced or acquired for this Agreement. Seller shall protect and preserve property in its possession in which Buyer has an interest.

- 7.1.2 Buyer shall pay for completed Items and/or support services delivered and accepted in accordance with the prices set forth in the Agreement. Buyer and Seller shall agree on the amount of payment for in process materials, title to which has been transferred and delivered to Buyer. Failure to agree shall be a dispute and shall be settled under Article 18.0. Seller must submit all claims within sixty (60) days after the effective date of termination. In no event shall Buyer be obligated to pay Seller any amount in excess of the Agreement price. The rights



and remedies provided Buyer in this clause are in addition to any other right or remedies provided by law or in equity.

- 7.2 **Termination for Convenience:** Buyer may terminate for any reason all or any part of this Agreement by written notice to Seller. In the event of such termination, Seller shall immediately cease all Work terminated hereunder and cause any and all of its suppliers to cease Work. Buyer shall have no liability for such termination except for liability for Item and support services actually rendered or expenses actually incurred prior to the effective date of such termination for which payment has not been made. The Seller shall not be paid for any Work performed or costs incurred that reasonably could have been avoided. Failure to agree shall be deemed a dispute and shall be settled under Article 18.0 (“Dispute”). Seller must submit all claims within sixty (60) days after the effective date of termination in a format specified and/or agreed to by Buyer. In no event shall Buyer be obligated to pay Seller any amount in excess of the Agreement price. Seller shall continue Work not terminated.
- 7.3 **Effect of Termination:** Upon any termination of this Agreement in accordance with this Article 7.0:
- 7.3.1 Seller shall fulfill Buyer’ existing Orders for Items communicated to Seller where a valid Buyer Purchase Order has been issued to and accepted by Seller prior to Seller’s receipt of Buyer’ written notice of termination, unless otherwise directed by Buyer in said notice. Buyer shall have no obligation to Seller for any Items manufactured for Buyer or existing Items allocated for shipment to Buyer after Seller’s receipt of the written notice of termination;
- 7.3.2 In the event of termination, Buyer’s sole financial obligation to Seller shall be to pay for any Items delivered to Buyer consistent with the terms of this Agreement, in which case payment shall be made within sixty (60) calendar days from Buyer’s receipt of a valid invoice from Seller. Buyer shall have no obligation to Seller for payment of any costs, fees or expenses relating to its exercise of its termination rights hereunder, including but not limited to termination, restocking, demobilization, or any other manufacturing, logistics or administrative fees of any kind;
- 7.3.3 Each Party shall promptly deliver to the other Party (or destroy, if so requested by the other Party) all copies of all Proprietary or Confidential Information (in any form or media) then in that Party’s possession, except for such copies as reasonably are required to enable Buyer to exercise its license rights and make distribution of Items as provided herein;
- 7.3.4 All warranties and license rights for any Items delivered to Buyer hereunder, and obligations to protect Buyer Proprietary Information disclosed prior to expiration or termination, shall survive termination or expiration, consistent with the terms of this Agreement.
- 7.3.5 Within sixty (60) calendar days following termination or expiration of this Agreement, Seller shall submit to Buyer an itemized invoice, in a format specified and/or agreed to by Buyer, of any fees or expenses theretofore incurred under



this Agreement, in a format specified and/or agreed to by Buyer. Buyer upon payment of accrued amounts so invoiced and accepted shall thereafter have no further liability or obligation to Seller for any further fees, expenses or other payments.

8.0 REPRESENTATIONS AND WARRANTIES

- 8.1 Seller warrants that all Goods furnished under this Order shall conform to all specifications and requirements of this Order and shall be free from defects in materials and workmanship. To the extent Goods are not manufactured pursuant to detailed designs and specifications furnished by Buyer, the Goods shall be free from design and specification defects. Seller warrants all Products to be of new material, be and only contain materials obtained directly from the Original Equipment Manufacturer (“OEM”) or an authorized OEM reseller or distributor. This warranty shall survive inspection, test, acceptance of, and payment for the Goods. This warranty extends to Buyer and its successors, assigns and customers. Such warranty shall begin with Buyer’s final acceptance and run for a period of one year. Unless otherwise provided in this Order, at Buyer’s option, Buyer may (i) return the defective Goods for credit or refund or (ii) direct Seller to promptly repair or replace defective Goods, or (iii) repair or replace the defective Goods using Buyer’s employees or third parties and recover the cost of such repair or replacement from Seller. Return to Seller of defective Goods and redelivery to Buyer of corrected or replaced Goods shall be at Seller’s expense. Goods required to be corrected or replaced shall be subject to this Article 8.0 in the same manner and to the same extent as Goods originally delivered under this Order, but only as to the corrected or replaced part or parts thereof. Even if the Parties disagree about the existence of a breach of this warranty, Seller shall promptly comply with Buyer’s direction to: (i) repair, rework or replace the Goods, or (ii) furnish any materials or parts and installation instructions required to successfully correct the defect or nonconformance. If the Parties later determine that Seller did not breach this warranty, the Parties shall equitably adjust the Order price.
- 8.2 Seller warrants that any Items supplied under the Order, including, without limitation, subassemblies and spare parts, shall be available to Buyer during the operation life of the Items or five (5) years after the date of final acceptance of the last shipment under the Order, whichever is later.
- 8.3 Seller warrants that the prices, terms of payment, warranties and support services extended under this Order are no less favorable to Buyer than those extended to any other Seller customer as in effect on the date of this Order for substantially similar Items and quantities. Buyer shall have the right to examine



all Seller records and other evidence sufficient to reflect that Seller's representations and warranties are correct and true.

- 8.4 Seller certifies that each end product, except those listed below in this provision, is manufactured in the United States. (List each end product manufactured Outside the United States. If none, say NONE.)
- 8.5 Items must be in accordance with their stated specifications or CPI specification and drawing requirements in order to meet product safety requirements. Items must perform to their designed or intended purpose without causing unacceptable risk of harm to persons or damage to property.

9.0 INTELLECTUAL PROPERTY RIGHTS AND INDEMNIFICATION

- 9.1.1 "Intellectual Property" shall mean creations of the mind including: ideas, inventions, works of authorship, and symbols, names, images, and designs embodied in for example, technical data, designs, information, computer software, drawings, formulae, specifications, diagrams, processes, know-how, procedures and technology and all legal rights in such creations of the mind.
- 9.1.2 "Works" shall mean physical manifestations of Intellectual Property created under this Order.
- 9.1.3 "Background Intellectual Property" shall mean Intellectual Property that is (i) in existence prior to the effective date of this Order or (ii) is designed, developed or licensed by a Party after the effective date of this Order independently of both (A) the work undertaken or in connection with this Order and (B) the Proprietary Information and Intellectual Property of the other Party to this Order.
- 9.1.4 "Foreground Intellectual Property" shall mean all Intellectual Property conceived, created, acquired or initially reduced to practice in connection with this Order.
- 9.1.5 Each Party shall retain and exclusively own all rights in its Background Intellectual Property and in all Foreground Intellectual Property that it creates. Foreground Intellectual Property jointly generated by employees of more than one Party shall be jointly owned. Neither Party shall have any obligation to account to the other Party for income arising from use of the jointly owned Foreground Intellectual Property. Nothing in this clause shall modify or alter any rights that the Government may have in any Items, Works and/or services, including data or software deliverables to the Government.
- 9.1.6 Seller hereby grants to Buyer a non-exclusive, worldwide, right and license to copy, modify, use, sell, offer for sale and disclose any Item, Works or other deliverable delivered by Seller under this Order for the performance of this Order and any higher tier contract. If the Item or other deliverable contains third party intellectual property, Seller agrees to obtain the rights from the third party that are sufficient for Seller to grant Buyer the rights in the above license. Seller warrants



that it has the rights in the Items, Works or other deliverable sufficient to grant to Buyer the above license.

- 9.2 **Open Source Software** - Seller shall not use or include in any deliverables to CPI, without the prior written consent of CPI, any open source, publicly available, or free software, i.e., Free Open Source Software (“FOSS”) or Free/Libre Open Source Software (“FLOSS”), furnished under a license that permits modification and redistribution of such software but which may be required to be sold, loaned, distributed, disclosed or otherwise made available to any third party at no charge, or which contains a “copyleft” provision which requires any software incorporating or based on the FOSS or FLOSS code to be made available or released or redistributed to others in object or source code form under the same license provisions as the original FOSS or FLOSS code used (i.e., open source).
- 9.3 **Intellectual Property Right Indemnification:** Seller shall indemnify, defend, and hold harmless, Buyer and its respective officers, directors, agents, and employees against liability and losses including without limitation, defense costs and attorneys’ fees, for any allegation of or suit or action for actual or alleged direct or contributory infringement of or inducement to infringe any United States or foreign patent, copyright, trademark, or other intellectual property right of a third-party arising out of the manufacture, sale or delivery of an Item under this Order or out of the use or disposal of such Item by or for the account of Buyer, including infringement arising out of compliance with specifications furnished by Buyer, delivery of any FOSS or FLOSS as described above, or for actual or alleged misuse or misappropriation of a trade secret resulting directly or indirectly from Seller’s actions. Seller waives any claim against Buyer under the Uniform Commercial Code, United Nations Convention on Contracts for the International Sales of Goods or otherwise, including any hold harmless or similar claim, in any way related to a Claim arising out of compliance with specifications furnished by Buyer. Seller shall at its own expense either procures for Buyer the right to continue using the alleged infringing Item, replace it with non-infringing Item, or modify it so that it becomes non-infringing. The foregoing indemnity shall not apply unless Buyer informs Seller of the suit or action or other proceeding alleging infringement and gives Seller the opportunity as is afforded by applicable laws, rules, or regulations, to participate in the defense thereof.

10.0 **TRANSFER/ASSIGNMENT AND SUBCONTRACTING**

No right or interest of Seller or Buyer hereunder or arising out of this Order may be assigned or transferred, whether by operation of law or otherwise, and/or all or substantially all of its performance of this Order without the prior written consent of Buyer or Seller, respectively, which shall not be unreasonably withheld. Notwithstanding the foregoing, Buyer may assign this Order without Seller’s consent to a successor company resulting from a restructuring, consolidation, merger or other combination within CPI. Seller shall not delegate any of its duties or obligations under this Order. Seller may assign its right to monies due or to become due. No assignment, transfer, delegation or subcontracting by Seller, with or without Buyer’s consent, shall relieve Seller of any of its



obligations under this Order or prejudice any of Buyer's rights against Seller whether arising before or after the date of any assignment or transfer. This article does not limit Seller's ability to purchase standard commercial supplies or raw materials. Any unauthorized transfer or assignment is void.

11.0 CHANGES

The Parties shall mutually agree to any changes in writing. See Sections 40.0 and 41.0

12.0 CONTROL OF BUYER INFORMATION

Seller shall not, without first obtaining Buyer's written permission, in any manner advertise or publish the fact that it has furnished or has contracted to furnish Buyer with the Item(s) herein ordered, nor disclose any of the details connected with this Order to any third party.

13.0 NOTICE

Any notices required or permitted to be given hereunder shall be in writing and shall be deemed to be duly given when received if sent by mail to each party's address as stated on this Order, or when delivered by hand or by facsimile transmission if the transmittal report indicates that the facsimile was sent successfully.

14.0 COMPLIANCE WITH LAWS

14.1 United States Law: Seller, at its sole expense, shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations which may be applicable to the Item and Seller's performance under this Order, including, without limitation, all laws, regulations, and rules related to the safety and conditions of each job site, including but not limited to those promulgated or prescribed pursuant to the Occupational Safety and Health Act of 1970, and any amendment thereto. Seller agrees to comply with any applicable provisions of the Rehabilitation Act of 1973, the Veteran's Readjustment Act of 1974, and Executive Order 11246, and implementing regulations of the U.S. Department of Labor, which embody governmental policy on equal employment opportunity. To the extent applicable: This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a). **These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.** Seller also agrees that in connection with activities under this Order it shall not make or promise to make any improper payments, or provide or offer to provide anything of value, directly or indirectly, to government officials or other parties in violation of the Foreign Corrupt Practices Act or other applicable anti-bribery laws.

14.2 Foreign Corrupt Practices Act and Anti-Bribery Laws: Seller agrees to comply with the Foreign Corrupt Practices Act, the UK Bribery Act of 2010, the United Nations Convention against Corruption, and all applicable anti-bribery



laws. Seller specifically represents and warrants that, in connection with the performance of its activities under this Order, neither it, nor anyone acting on its behalf, has or will, directly or indirectly, offer, pay, promise to pay, or authorize the giving of, any money or thing of value to any Government Official or to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a Government Official, for the purpose of influencing any act or decision of such Government Official, including any act or decision to fail to perform his/her lawful duty, or for the purpose of inducing such Government Official to use his/her influence with any government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality to obtain or retain business for any person. "Government Official" means any officer, employee, agent, representative, or any other person acting in an official capacity for or on behalf of a government, government-owned or -controlled entity or instrumentality, public international organization, political party, party official or political candidate.

14.3 Compliance with Export Control Laws and Regulations

- 14.3.1 Seller, at its sole expense, shall comply with all applicable U.S. export control laws and regulations in the performance of this Order, including, but not limited to, the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 to 130, the Export Administration Regulations (EAR) 15 CFR Parts 730 through 799, and with all other laws, regulations, or executive orders of the United States related to the import, export, or delivery of Items contemplated by this Order such as customs laws and regulations, immigration laws and regulations, etc.
- 14.3.2 Seller, at its sole expense, agrees to determine and comply with all export license requirements, to obtain any export license or other official authorization, and to carry out any customs or immigration formalities or similar requirements for the export of any Items covered by this Order. Seller also hereby expressly agrees to bear sole responsibility for obtaining export licenses, if required, before utilizing foreign persons (as defined in 22 CFR § 120.16) in the performance of this Order, including instances where the Work is to be performed on-site at any Government installation, where the foreign person will have access to export-controlled technical data, equipment or software. Seller also agrees to bear sole responsibility for all regulatory record keeping associated with the use of licenses and license exemptions/exceptions. CPI is a defense contractor under certain security obligations with regard to access to its facilities and technology including Intellectual Property. Accordingly, disclosure of certain information under this Purchase Order may be deemed an export, and Seller will not assign any personnel to perform services at CPI facilities who are not licensed to receive the export at issue. Any breach of these requirements is material or fundamental to the contract of supply, and Seller shall indemnify, defend and hold CPI harmless



from and against all claims, demands, damages, costs, fines, penalties, attorneys' fees, and other expenses arising from failure to comply.

- 14.3.3 Seller shall insert the substance of this clause in any lower-tier subcontracts it enters into in connection with this Order.
- 14.4 **Compliance with International Laws:** If Seller is located outside the United States or any Item ordered hereunder will be produced or performed outside the United States, the following provisions also shall apply:
- 14.4.1 **Compliance with Foreign Laws and Regulations:** In addition to complying with all applicable federal, state, and local laws, regulations, and rules as set forth in Article 14 of this Order, Seller, at its sole expense, shall comply with all applicable foreign laws, regulations, and rules or agreements governing or applicable to Seller's Item under this Order.
- 14.4.2 **Hazardous Activities, Waiver, and Insurance:** Seller acknowledges that the international nature of the Item required under this Order may subject Seller and its employees and lower-tier subcontractors to increased personal safety and property risks and other risks, hazards, and potential liabilities. Seller knowingly and voluntarily accepts sole responsibility, financially, and otherwise, for all risks, hazards, and liabilities associated with any international performance under this Order. Seller also hereby releases and waives all claims of any sort that it may have in the future against Buyer or its successors, assigns, affiliates, parents, subsidiaries, or agents arising from or related to risks, hazards, or liabilities associated with any international performance under this Order. In addition to its other indemnification obligations under this Order, Seller agrees that it shall indemnify and hold harmless Buyer from and against any and all liability, damages, costs, and expenses (including defense costs and attorneys' fees) arising from or related to any suit, action, claim, or proceeding filed against Buyer by one or more of Seller's employees or lower-tier subcontractors related to any risk, hazard, or liability addressed in this Section. Seller also agrees that, in addition to the foregoing indemnification agreement and any insurance required elsewhere in this Order, Seller, at its sole expense, shall, during the term of this Order, provide and maintain at reasonably adequate levels, workmen's compensation, comprehensive general liability, bodily injury, and any other insurance necessary to fully and adequately cover all reasonably foreseeable risks, hazards, and potential liabilities of any kind related to Seller's performance of this Order wherever performed. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. If specifically requested by Buyer, Seller and Seller's subcontractors shall furnish, prior to the start of Item, certificates or adequate proof of the foregoing insurance, including, without limitation, endorsements and policies. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interest of Buyer or Buyer's Customer shall not be effective until thirty (30) days after the insurer or Seller gives written notice to Buyer, whichever period is longer. Insurance companies providing coverage under this Order must



be rated by A. M. Best with at least an A-rating. Seller's obligation to obtain the foregoing insurance does not waive or release Seller's liabilities or duties to indemnify under this Order.

- 14.4.3 **Taxes and Fees:** Seller shall have sole responsibility for, and pay without reimbursement from Buyer, all foreign sales, value added, employment, transportation, business, income and any other taxes, duties, levies, tariffs, fees, and assessments of any sort applicable or related to any Item delivered under this Order unless this Order specifically states otherwise.
- 14.4.4 **Effect on Other Provisions:** Nothing in this Article 14.0 shall relieve Seller from complying with any other Article of this Order.
- 14.4.5 **Use in Lower-Tiered Subcontracts:** Seller shall include the substance of this Article 14.0 in any lower-tier subcontracts it enters in connection with this Order.

15.0 INDEMNIFICATION BY SELLER

Seller agrees to indemnify, defend and hold harmless Buyer, its affiliates, subsidiaries, directors, officers, employees and agents from and against any and all actions, causes of action, liabilities, claims, expenses (including reasonable attorneys' fees and court costs), losses, damages, penalties, fines, forfeitures, suits, judgments, liens, awards and damages of any kind and nature whatsoever for (a) property damage, (b) personal injury, including death, and (c) all violations of applicable laws which arise out of, or are in any way related to Seller's or any of its suppliers' breach of obligations or responsibilities arising from this Order, or 2) failure to comply with all applicable Federal, state and local laws and regulations in the performance of this Order. Seller's obligation hereunder is not limited to insurance available to or provided by Seller or any of its suppliers. Seller expressly waives any immunity under industrial insurance, whether arising out of statute or common law, to the extent of the indemnity set forth in this Article 15.0. This duty to defend, indemnify, and hold harmless extends to any suit, liability, claim, judgment, or demand that may arise out of or in connection with the performance or nonperformance of this Order by Seller or its agents, breach of warranty by Seller or its agents, any defective Item performed or delivered by Seller or its agents, any patent infringement or misappropriation of trade secrets by Seller or its agents, any failure of Seller or its agents to pay royalties, any assertion under workers' compensation or similar acts by persons furnished by Seller or its agents, or any other breach of Seller's obligations hereunder, whether such suit, liability, claim, judgment, or demand is based upon contract, warranty, strict liability in tort, negligence, or other legal theory, and extends not only to "third party claims" but also to any direct loss suffered by Buyer. Buyer will inform Seller of any claim, demand, judgment, or suit asserted or instituted against it to which this provision may apply. "Agents" as used herein includes, but is not limited to, Seller's employees, subcontractors, and suppliers.

16.0 INSURANCE

- 16.1.1 **Minimum Insurance Requirements:** Unless higher amounts or additional coverage are stated elsewhere in a separate agreement between Buyer and



Seller, during the performance of this Order, Seller shall maintain the following types of insurance coverage in the minimum amounts stated:

16.1.2 **Commercial General Liability:** Seller will maintain Commercial General Liability insurance written on Insurance Services Office (ISO) Form CG 00 01 12 07 or a substitute form providing equivalent coverage, covering liability arising from premises, operations, personal injury, products/completed operations, and liability assumed under an insured contract (including the tort liability of another assumed under a business contract) with limits of at least:

- a) \$2,000,000 General Aggregate limit;
- b) \$1,000,000 each occurrence limit for bodily injury or property damage incurred in any one (1) occurrence;
- c) 1,000,000 each occurrence limit for Personal Injury and Advertising Injury;
- d) \$\$2,000,000 Products/Completed Operations Aggregate limit

The Commercial General Liability insurance policy must:

- a) Include Buyer and its directors, officers and employees as Additional Insureds. The Additional Insured endorsement may either be specific to Buyer or may be "blanket" or "automatic" addressing any person or entity as required by contract;
- b) Include a waiver of subrogation in favor of Buyer and its directors, officers, and employees; and
- c) Be primary and non-contributory with respect to any insurance or self-insurance that is maintained by Buyer

16.1.3 **Umbrella/Excess Liability:** Seller will maintain Umbrella/Excess Liability insurance with limits of at least \$5,000,000 each occurrence with terms and conditions at least as broad as the underlying policies. Umbrella/Excess Liability limits will be primary and non-contributory with respect to any insurance or self-insurance that is maintained by Buyer.

16.1.4 **Worker's Compensation:** Seller will maintain Workers' Compensation insurance with benefits afforded under the laws of any state in which the Service is to be performed and Employers Liability insurance with limits of at least:

- a) \$1,000,000 for Bodily Injury - each accident
- b) \$1,000,000 for Bodily Injury by disease - policy limits
- c) \$1,000,000 for Bodily Injury by disease - each employee
- d) To the fullest extent allowable by Law, the policy must include a waiver of subrogation in favor of Buyer and its directors, officers and employees.
- e) In states where Workers Compensation insurance is a monopolistic state-run system, Seller shall obtain Stop Gap Employers Liability with limits not less than \$1,000,000 each accident or disease.

16.1.5 **Professional Liability:** Seller will maintain Professional Liability (Errors & Omissions) insurance with limits of at least \$5,000,000 per claim or wrongful act and \$5,000,000 annual aggregate covering all acts, errors, omissions,



infringement of intellectual property (except patent and trade secret) in the performance of this agreement.

- 16.1.6 **Network Security & Privacy Liability:** Supplier shall also maintain Information and Network Security and Privacy Liability (Cyber) insurance with limits of at least \$5,000,000 per claim or wrongful act and \$5,000,000 annual aggregate which coverage shall include but not be limited to; unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties. Coverage shall also include Data Breach expenses, whether incurred by Seller or Buyer, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management fees, credit file or identity monitoring or remediation services in the performance of this agreement for Buyer or on behalf of Buyer.
- 16.1.7 **Comprehensive Automobile Liability:** (If motor vehicles are used during performance of this Order) Seller will maintain Automobile Liability insurance for all owned, rented or hired vehicles for personal injury and property damage – \$1,000,000 Combined single limit per occurrence.

16.2 Additional Requirements

- 16.2.1 Seller shall provide a certificate of insurance to Buyer prior to the execution of this agreement and annually thereafter when the required policies are renewed. Coverage shall be provided by insurers reasonably acceptable to Buyer with an A.M. Best rating of A- VII or better. The failure of Buyer to demand such certificate(s) of insurance or failure of Buyer to identify a deficiency shall not be construed as a waiver of Seller's obligation to maintain the insurance required under this Agreement;
- a) Seller shall immediately notify Buyer in writing, no less than thirty (30) days in advance of any cancellation of coverage required under this section (Article 28) above, any reduction in Seller's coverage below the minimum requirements set forth in Section 28.1, or any material change in the terms and conditions of Seller's coverage.
 - b) Buyer may, in its discretion, accept Seller's self-insurance program in lieu of coverage required under this clause.
 - c) Seller agrees that Seller, Seller's insurer(s) and anyone claiming by, through, under or in Seller's behalf shall have no claim, right of action or right of subrogation against Buyer and its customers.
 - d) With respect to any coverage maintained in a "claims-made" policy, coverage shall be maintained for two (2) years following the term of this Agreement or completion of all Services associated with this Agreement, whichever is later. If a "claims-made" policy is maintained, the retroactive date must precede the commencement of Services under this Agreement;
 - e) The insurance required under this Agreement does not represent that coverage and limits will necessarily be adequate to protect Seller, nor be deemed as a limitation on Seller's liability to Buyer in this Agreement;



- f) Seller may meet the required insurance coverage and limits with any combination of primary and Umbrella/Excess liability insurance for Workers Compensation, General Liability, and Auto Liability; and
- g) Seller is responsible for any deductible or self-insured retention and will waive rights of recovery in favor of Buyer, its directors, officers, and employees.

17.0 GRATUITIES AND CONTINGENT FEES PROHIBITED

Seller warrants and agrees that it will comply with Buyer's policy providing that Buyer's employees and agents accept no gratuities or gifts from its vendors. Seller also warrants and agrees that it will comply with the Anti-Kickback provisions of 41 U.S.C. §§ 51 to 58. In addition to its other remedies provided by law or this Order, Buyer shall have the right to deduct from the Order price the full amount of any gift or contingent fee made by Seller in breach of these warranties and may terminate this Order for default for breach of these warranties by Seller. Seller also agrees to indemnify and hold harmless Buyer for any claims, loss, damage or expense (including, without limitation, attorneys' fees), resulting from a breach of these warranties by Seller.

18.0 DISPUTES

- 18.1 "Dispute" as used herein shall mean (i) any and all claims or disputes that in any way arise out of or relate to this Order, the negotiation or execution thereof, its performance, or the breach or enforcement thereof; (ii) any claims or disputes that in any way concern the conduct of any party in connection with this Order or the relationship or duties of the Parties contemplated under this Order; or (iii) claims or disputes concerning the validity or scope of the terms and conditions of this Order (including, but not limited to, this Article 18.0). Buyer and Seller intend that the definition of "Dispute" shall have the broadest scope permitted by law and that, without limiting the generality of the foregoing, shall be deemed to include all claims between the Parties, including, but not limited to, any claims for fraud, misrepresentation, negligence, libel and slander, misuse or theft of trade secrets or other confidential information, unfair competition, unfair trade practices, or other tort law claims.
- 18.2 The Parties agree that any Dispute between them or against any agent, employee, successor, or assign of the other shall be settled, to the extent possible by good faith negotiations. Any Dispute which the Parties cannot resolve by good faith negotiations within thirty (30) days of the first date in which the claim was made or such longer period as the Parties may mutually agree to shall be



submitted and finally resolved by a court of competent jurisdiction as specified in Article 20.

- 18.3 Until final resolution of any Dispute hereunder, Seller shall proceed diligently with the performance of this Order unless otherwise directed by Buyer in writing.
- 18.4 Buyer's rights under the terms and conditions of this Order are cumulative and in addition to any other rights available at law or equity.

19.0 LIMITATION OF LIABILITY

IN ADDITION TO ANY OTHER LIMITATIONS ON BUYER'S LIABILITY SET FORTH HEREIN, IN NO EVENT SHALL BUYER, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES BE LIABLE BY REASON OF BUYER'S BREACH OR TERMINATION OF THIS ORDER OR FOR ANY BUYER ACTS OR OMISSIONS IN CONNECTION WITH THIS ORDER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY LOSS OR DAMAGES OF ANY KIND, HOWEVER CAUSED, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF DATA, ITEM INTERRUPTION, OR ANY CLAIMS OR DEMANDS AGAINST SELLER BY ANY OTHER ENTITY, WHETHER SUCH REMEDY IS SOUGHT IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

IN NO EVENT SHALL BUYER'S LIABILITY FOR DAMAGES IN ANY CIRCUMSTANCES SET FORTH IN THIS CLAUSE EXCEED THE PRICE PAYABLE FOR THE ITEM TO BE PERFORMED BY SELLER UNDER THE ORDER. THIS ORDER SHALL NEITHER CREATE FOR NOR GIVE TO ANY THIRD PARTY ANY CLAIM OR RIGHT OF ACTION AGAINST SELLER OR BUYER WHICH WOULD NOT OTHERWISE ARISE WITHOUT THIS ORDER. BUYER'S LIABILITY SHALL BE LIMITED TO THE PRICE ALLOCABLE TO THE UNIT OF PRODUCT, PARTS OR SOFTWARE FURNISHED OR TO BE FURNISHED, OR THE SERVICE RENDERED OR TO BE RENDERED, RESULTING IN THE LOSS OR DAMAGE CLAIMED.

20.0 GOVERNING LAW AND VENUE

Buyer and Seller agree that this Purchase Order shall be deemed to have been executed and delivered within the State of New York and the rights and obligations of the Parties shall be construed and enforced in accordance with, and governed by the laws of the State of New York without regard to conflict of laws rules. The United Nations Convention on the International Sale of Goods shall not apply. All claims or disputes arising under or in any way related to this Purchase Order, including those relating to the validity of this Purchase Order, which cannot be resolved by the Parties through negotiations within thirty (30) calendar days or such longer period of time as may be mutual agreed in a written document that is signed by a duly authorized representative of each Party shall be resolved by the state or federal courts. Venue for any action brought under or relating to this Purchase Order shall exclusively be in a state or federal court of competent jurisdiction in the United States Federal District Court for the Northern District of New York, or, if the United States Federal District Court does not have jurisdiction, the Superior Court of Santa Clara County, New York. The Parties hereby submit to the jurisdiction of



said Court, agree not to object to the venue nor the convenience of the forum and irrevocably waive any right to challenge such venue on the basis of forum non conveniens or otherwise. The Parties further agree and consent to accept service of process by certified or registered United States mail, return receipt requested, addressed as provided herein. In the event that an action is commenced by either Party with respect to this Purchase Order, the substantially prevailing Party shall be entitled to recover its costs and attorneys' fees from the other Party. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATING TO THIS PURCHASE ORDER. Buyer and Seller also agree that the provisions of the New York Uniform Commercial Code shall apply to this Purchase Order and all Disputes, regardless of whether the subject matter of this Purchase Order relates to the provision of services, the lease of rental equipment or material, or the license of software.

21.0 SEVERABILITY

In the event any provision or clause of the Order conflicts with governing law or if any arbitration panel or court of competent jurisdiction holds invalid any provision or clause of the Order, such provision or clause shall be deemed to be modified to reflect as nearly as possible the Parties' intent. The remainder of the Order shall remain in full force and effect.

22.0 SURVIVAL

The provisions of the Order, which by their very nature would continue beyond the termination, cancellation, or expiration of the Order, including, without limitation, Articles 8.0, 9.0, 12.0, 14.0, 15.0, 18.0, 19.0, 20.0, and 21.0, shall continue as valid and enforceable rights and obligations of the Parties and survive termination, cancellation, or expiration of the Order.

23.0 ORDER OF PRECEDENCE

The rights and obligations of the Parties shall be subject to and governed by the Order. In the event of an inconsistency between the provisions of the Order, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order from the highest to lowest degree of precedence: (1) Typed Provisions on the face or in the Schedule of this Order; (2) mutually agreed Special Provisions or Terms and Conditions, if any; (3) General Terms and Conditions of Purchase; (4) Government Contract Provisions, if any; (5) Specifications, drawings, statement of work, or other attachments or documents incorporated by reference. With respect to any industry standards, requirements, regulations, or specifications, drawings, statements of work or other documents specified or referenced on this Purchase Order (collectively "the documents"), unless otherwise indicated, the revision in place of the documents at the date of this Purchase Order shall be the required revision as applied to this Purchase Order.



24.0 PRICE

The prices set forth in this Order cover all Items delivered by Seller to satisfy the requirements of this Order. Buyer will not be liable for extra charges of any kind unless specifically agreed to in writing by Buyer.

25.0 TAXES

The prices in this order include, and Seller shall pay, all taxes, impositions, charges and exactions imposed on or measured by this Order, except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption.

26.0 PAYMENT

26.1 **Certificate of Compliance:** A signed certificate of compliance, signed by an authorized representative of Seller's Quality Department, must be submitted with each invoice certifying that the Items delivered is of the quality specified and conforms in all respects with the Order requirements.

26.2 **Payment:** Payment of each properly submitted invoice shall be made by Buyer within sixty (60) days following receipt of each invoice, provided however, that the Buyer may withhold an appropriate portion of the payment until any disputed Items are resolved and/or defects in the Items are corrected. Payment by Buyer shall be deemed to have been made for the purpose of meeting the sixty (60) day requirement on the date Buyer deposited the payment in the mail or made the electronic funds payment. Final payment shall not release Seller from any warranty and indemnification provisions contained in this Order. All payments shall be in U.S. Dollars unless stated otherwise in the Purchase Order.

26.3 **Records:** Seller shall maintain, for a period of seven (7) years following the expiration or termination of this Order, accurate records of all matters that relate to the Item, including, without limitation, all records and backup associated with invoices that have been submitted to Buyer, and shall make such records available to Buyer and its representatives for audit and inspection.

27.0 INDEPENDENT CONTRACTOR

It is the intention of Buyer and Seller that for all purposes Seller is and shall be an independent contractor and the sole employer and/or principal of any and all persons assigned by Seller to provide services under this Agreement. Seller is obligated to perform all requirements of an employer under federal, state, and local laws and ordinances (or foreign law, if applicable). Such compliance shall include, but not be limited to, laws regarding minimum wages, social security, unemployment insurance, federal and state income taxes and workers' compensation insurance. Seller, not Buyer, is the "common law employer" within the meaning of Treas. Reg. § 31.3401(c)-1(c)) of employees of all persons assigned by Seller to provide services under this Agreement. Under no circumstances shall Seller or its employees or agents be construed to be



employees, representatives, or agents of Buyer for any purpose, including but not limited to record keeping obligations under state or federal OSHA and Worker's Compensation Laws. Seller's employees and agents shall not be entitled to participate in the profit sharing, pension, or other plans established for the benefit of Buyer's employees. If required by federal or state law, Seller agrees to comply with the Family and Medical Leave Act ("FMLA") for its employees and agrees that with regard to such employees, it is the primary employer as defined by the FMLA regulations.

28.0 SUSPENSION/STOP WORK

Buyer may at any time by written order to Seller require the Seller to stop all, or any part of the Work called for by this Order for a period of up to ninety (90) days. After receipt of Buyer's notice, Seller shall stop Work in accord with the terms thereof, taking all reasonable steps to minimize the incurrence of costs allocable to the Item covered by the Order during the period of Work stoppage. Within said 90 -day period, or a longer period if agreed to by the Parties in writing, Buyer shall either terminate the Order under Article 7.0 or cancel the stop Work order by written direction to Seller to continue the Work.

29.0 FORCE MAJEURE

29.1 Neither Party shall be liable for any excess costs or other damages if the failure to perform arises out of causes beyond the reasonable control and without the fault or negligence of the party alleging an event of Force Majeure. Force Majeure causes may include, but are not limited to (a) acts of God or of the public enemy, (b) war (whether an actual declaration thereof or not), (c) acts of terrorism or threats thereof, (d) acts of the U. S. Government in either its sovereign or contractual capacity, (e) sabotage, (f) insurrection, (g) riot or other act of civil disobedience, (h) atmospheric disturbances, (i) fires, (j) floods, (k) plagues or epidemics, (l) quarantine restrictions, (m) labor disputes or strikes, (n) failure or delay in transportation due to transportation workers strike or freight embargoes, (o) worldwide parts shortage(s) or rationing allocations, (p) shortage of labor, fuel, raw material or machinery, or (q) violent storms or unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the party. If the delay is caused by a delay of Seller or Seller's subcontractors and if such delay arises out of causes beyond the reasonable control of either, and without the fault or negligence of either, Seller shall not be liable for any delay in performance, excess costs or other damages unless the Products to be furnished by the Seller or Seller's subcontractors were obtainable from other sources in sufficient time to permit Seller to meet the required delivery schedules. Seller shall notify Buyer in writing within ten (10) calendar days after it becomes aware of any such cause. If the original delivery schedule is overcome by the Force Majeure event then the Parties agree to negotiate in good faith a revised delivery schedule.

29.2 Should either Party be unable to fulfill a material part of its obligations under an Order for a period in excess of sixty (60) calendar days due to circumstances beyond its reasonable control as described above, the other Party may at its sole discretion terminate the Order by written notice. Upon either resolution of the



Force Majeure event or termination as described, the Parties shall proceed in good faith to negotiate a termination settlement proposal covering the performance of the Order performed prior to the effective date of the termination.

30.0 SUBSTITUTION

Seller agrees not to substitute materials or other components of an Item without written consent by Buyer.

31.0 CERTIFICATION OF AUTHENTICITY AND TRACEABILITY

Seller certifies to Buyer that all material furnished under this purchase order is genuine, new and unused. Seller certifies that all material is traceable to the point of manufacture and that complete material pedigree is known and can be furnished to Buyer upon request. Seller will have a documented procedure that defines the method for controlling records that are created by and /or retained by Seller. The Seller shall notify Buyer thirty (30) calendar days prior to the destruction or disposal of records associated with this order.

32.0 COUNTERFEIT PARTS PREVENTION DEFINITIONS

32.1 DEFINITIONS

- 32.1.1 Authentic shall mean (1) genuine; (2) purchased from the Original Equipment Manufacturer ("OEM"), Original Component Manufacturer ("OCM") or through the OEM's/OCM's authorized dealers; and (3) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.
- 32.1.2 Authorized Dealer — A dealer or distributor that purchases directly from the OEM or OCM and is authorized or franchised by the OEM or OCM to sell or distribute the OEM's/OCM's Items.
- 32.1.3 Counterfeit Part — A part that is an unauthorized copy or substitute that has been identified, marked, and/or altered by a source other than the item's legally authorized source and has been misrepresented to be an authorized part of the legally authorized source. This definition includes used parts represented as new parts.
- 32.1.4 Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM) — An organization that designs and/or engineers a part or equipment and is pursuing or has obtained the intellectual property rights to that part or equipment.
- 32.1.5 Non-Franchised Source — Any source that is not authorized by the OEM or OCM to sell its product lines. Non-franchised sources may also be referred to as brokers or independent distributors.
- 32.1.6 Suspect Counterfeit Part — A part that Buyer becomes aware, or has reason to suspect, meets the definition of "counterfeit part", as defined above. For purposes of this document, the terms "counterfeit part" and "suspect counterfeit part" will



be used interchangeably. If any individual part from a lot is determined to be counterfeit or suspect counterfeit, the entire lot of parts will be considered to be suspect counterfeit.

32.2 TERMS AND CONDITIONS

- 32.2.1 Seller represents and warrants that only new and authentic materials (including embedded software and firmware) are used in Items required to be delivered to Buyer and that the Items delivered contain no Counterfeit Parts. No material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the Original Equipment Manufacturers ("OEMs"), Original Component Manufacturers ("OCMs") or through the OEM's/OCM's authorized dealers. Seller represents and warrants to Buyer that all parts/components delivered under this contract are traceable back to the OEM/OCM. SELLER must maintain and make available to Buyer at Buyer's request, OEM/OCM documentation that authenticates traceability of the parts/components to the applicable OEM/OCM. Purchase of parts/components from Non-Franchised Sources is not authorized unless first approved in writing by Buyer. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all Contract requirements, including the representations and warranties in this Section 32.2.
- 32.2.2 Seller shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification and Buyer's approval before parts/components are procured from sources other than OEMs/OCMs or the OEM's/OCM's authorized dealers. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer's request.
- 32.2.3 Seller must maintain a counterfeit detection process that complies with SAE standard AS5553, Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition.
- 32.2.4 If it is determined that counterfeit parts or suspect counterfeit parts were delivered to Buyer by Seller, the suspect counterfeit parts will not be returned to the supplier. Buyer reserves the right to quarantine any and all suspect counterfeit parts it receives and to notify the Government Industry Data Exchange Program (GIDEP) and other relevant government agencies. Seller shall promptly reimburse Buyer for the full cost of the suspect counterfeit parts and Seller assumes responsibility and liability for all costs associated with the delivery of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies in this Article 32.0 shall apply regardless of



whether the warranty period or guarantee period has ended, and are in addition to any remedies available at law or in equity.

- 32.2.5 If the procurement of materials under this contract is pursuant to, or in support of, a contract, subcontract, or task order for delivery of Items to the Government, the making of a materially false, fictitious, or fraudulent statement, representation or claim or the falsification or concealment of a material fact in connection with this contract may be punishable, as a Federal felony, by up to five years' imprisonment and/or substantial monetary fines. In addition, trafficking in counterfeit Items, to include military Items, constitutes a Federal felony offense, punishable by up to life imprisonment and a fine of fifteen million dollars.
- 32.2.6 Seller shall flow the requirements of this Article 32.0 ("COUNTERFEIT' PARTS PREVENTION") to its subcontractors and suppliers at any tier for the performance of this Contract.

33.0 CONFLICT MINERALS

- 33.1 Seller represents that, regardless of whether Seller is publicly traded or not, Seller does not procure Conflict Minerals from Covered Countries, as those terms are defined by and consistent with the Securities and Exchange Commission's final rule on Conflict Minerals, 17 CFR Parts 240 and 249(b), promulgated pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. (the "Rule").
- 33.2 Seller represents and warrants that all Items that will be delivered to CPI by Seller under this Order are Democratic Republic of the Congo (DRC) Conflict Free, as defined by and consistent with the Rule.
- 33.3 Seller agrees that, if required by the Rule, it has made, and will continue to make, good faith inquiries reasonably designed to determine whether any Conflict Mineral that is included in any product delivered to CPI pursuant to this Order originated in the DRC or an Adjoining Country, or is from Recycled or Scrap Sources, as defined in the Rule. Seller further agrees that, if required by the Rule, it has performed, and will continue to perform, due diligence on the source and chain of custody of any Conflict Mineral that is included in any product delivered to CPI pursuant to this Order, and that such due diligence conforms to a nationally or internationally recognized due diligence framework, if such a framework is available for the Conflict Mineral. Seller agrees that all inquiries and diligence performed shall be consistent with the requirements of the Rule.
- 33.4 Seller agrees that it shall require its own subcontractors and suppliers (at any tier in the supply chain for a product delivered to CPI under this Order) to furnish



information to Seller necessary to support Seller's obligations under this Article 33.0.

- 33.5 Seller will maintain records reviewable by CPI to support its certifications above.
- 33.6 Seller acknowledges that CPI may utilize and disclose Conflict Minerals information provided by Seller in order to satisfy its disclosure obligations under the Rule.
- 33.7 If CPI determines that any certification made by Seller under this Article 33.0 is inaccurate or incomplete in any respect, then CPI may terminate this Order pursuant to the provision per Section 7.1 "TERMINATION FOR CAUSE" above.

34.0 SELLER NOTICE OF DISCREPANCIES

Seller shall immediately notify Buyer in writing when discrepancies in Seller's process, materials, or approved inspection/quality control system are discovered or suspected which may materially affect the Items delivered or to be delivered under this Contract.

35.0 DISCONTINUANCE OF MANUFACTURE

Should Seller decide to discontinue manufacture of the Items purchased by Buyer under this contract, Seller: (1) shall provide written notice to Buyer of the intended supply discontinuance; and (2) shall provide Buyer a minimum of twelve (12) months from the written notification date to allow Buyer to place final "lifetime buy" purchase orders for the Items at a unit price to be negotiated, but in no event higher than the unit price provided in this contract. In the event one or more "lifetime buy" purchase orders are made during such twelve (12) month period, Seller shall deliver the purchased Items to Buyer no later than six (6) months after the end of the "lifetime buy" period. Seller's obligations under this clause shall extend for two (2) years beyond the effective date of this Contract, irrespective of whether the contract is completed/terminated within the two (2) year period.

36.0 PROHIBITION ON CONTRACTING WITH THE ENEMY

- 36.1 Seller shall exercise due diligence to ensure that none of the funds received under this contract are provided directly or indirectly to a person or entity who is actively opposing United States or Coalition forces involved in a contingency operation in which members of the armed forces are actively engaged in hostilities.
- 36.2 Seller shall exercise due diligence to ensure that none of its subcontracts are associated with a person or entities listed in NDAA FY2012 Section 841/FY2014 Section 831 Identified Entities list posted at <http://www.acq.osd.mil/dpap/pacc/cc/policy.html>.
- 36.3 In accordance with recent U.S. Government restrictions and/or regulations, Buyer will no longer accept products, either directly or indirectly, from the following entities or any subsidiary or affiliate of such entities: Huawei Technologies



Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, Dahua Technology Company and Acronis International GmbH (hereinafter “Prohibited Entities”). As such, Seller, hereby represents and warrants to Buyer that no products from Prohibited Entities will be sold, licensed or transferred to Buyer pursuant to this Order. This representation and warranty extends to the future performance of this Order.

- 36.4 Buyer has the authority to (1) Terminate this contract for default, in whole or in part, if the Seller failed to exercise due diligence as required by Sections 36.1, 36.2, and 36.3 of this clause; or (2) Void this contract, in whole or in part, if the Buyer or the U.S. Government determines in writing that any funds received under this contract have been provided directly or indirectly to a person or entity who is actively opposing United States forces involved in a contingency operation in which members of the armed forces are actively engaged in hostilities.

37.0 HEADINGS

The headings used in this Purchase Order are inserted for the convenience of the Parties and shall not define, limit, or describe the scope or the intent of the provisions of this Purchase Order.

38.0 STANDARD OF BUSINESS ETHICS AND CONDUCT

Buyer will conduct its business fairly, impartially, and in an ethical and proper manner. Buyer’s expectation is that Seller also will conduct its business fairly, impartially, and in an ethical and proper manner and in doing so Seller will adhere to Buyer’s company policy Legal and Ethical Conduct, available at <https://www.cpii.com/code/> or to Seller’s policy that comports to the intent of CPI’s Code of Ethics. Seller shall not engage in any personal, business or investment activity that may be defined as a conflict of interest, whether real or perceived. If Seller has cause to believe that Buyer or any employee or agent of Buyer has behaved improperly or unethically under this contract, Seller is encouraged to exert reasonable effort to report such behavior when warranted.

39.0 PUBLICATION AND PUBLICITY

Except as otherwise required by law or regulation, Seller shall not release press releases or distribute any materials or information containing the name or logo of the Buyer without prior written approval by an authorized representative of the Buyer, but such approval shall not be unreasonably withheld.

40.0 SUPPLIER CHANGE NOTIFICATION AND APPROVAL REQUIREMENT

- 40.1 Seller shall notify an authorized representative of Buyer in writing six (6) months in advance of any upcoming changes to the manufacturing site location and manufacturing processes (including scheduled plant shutdowns).
- 40.2 Any changes in materials or processes, etc. which may affect the product(s) or their physical configuration, quality, performance or form, fit or function, Seller



shall request prior written approval of an authorized representative of Buyer a minimum of six (6) months in advance.

40.3 Seller shall not make any changes in the Work or end items (including assemblies, subassemblies, parts and components thereof) that do not conform to the requirements of this Order without the prior written consent of Buyer. Seller may prescribe a procedure for the reporting and approval of changes initiated by the Seller.

41.0 BUYER DIRECTED CHANGE NOTIFICATION AND APPROVAL REQUIREMENT

41.1 41.1 Buyer may at any time, by written Purchase Order amendment signed by Buyer ("Change Order") make changes within the general scope of this Purchase Order that affect any one or more of the following including but not limited to:

- a) specifications, drawings, designs, statement of work or description of services;
- b) method of shipment or packing;
- c) quantities of Products or Services;
- d) place, date and manner of delivery; or
- e) place and date of inspection or acceptance.

41.2 If any such change directed by Buyer causes an increase or decrease in the cost of or the time required for performance of any part of the Work under this Order, whether or not changed by the directed change, Seller must assert any claim in writing within twenty five calendar days and deliver a fully supported proposal to an authorized representative of Buyer within sixty calendar days after Seller's receipt of such a directed change. Seller shall not be entitled to any adjustment of the Order price, delivery schedule or other Order provisions unless approved by Buyer in writing before Seller implements the claimed adjustment. Price increases, including any proposed surcharges or markups, are not binding on Buyer unless evidenced by an amendment to the Purchase Order signed by Buyer. Failure to agree to any adjustment is a Dispute to which the Disputes provisions apply.