

**ELECTRO PRODUCT MANAGEMENT, INC  
PURCHASE ORDER TERMS AND CONDITIONS**

**This Purchase Order is expressly made conditional on Vendor's consent to these terms. By signing and/or shipping items against this Purchase Order, you agree to the following terms:**

1. Vendor expressly warrants that all items purchased by **Electro Product Management (EPM)** pursuant to this Purchase Order shall conform to the requirements and specification (if stated) of this Purchase Order, shall be free of defects in materials, workmanship, and design, shall be of a merchantable quality, shall be fit for any particular purpose to which they are ultimately designed for and of which Vendor has knowledge, and shall be free from any other defects and/or failures of any other kind for a minimum of 60 days from **EPM's** receipt and acceptance of such items. Any attempt by Vendor to limit or disclaim any warranty, express or implied, shall be ineffective and have no legal force or effect.
2. Parts must be new and unused, and in original manufacturer packaging unless otherwise agreed in writing signed by **EPM** and Vendor. Goods purchased on this Purchase Order are to be of the latest revision level unless otherwise specified different on the Purchase Order.
3. **EPM** reserves the right to refuse delivery and/or return merchandise freight collect if said merchandise does not match quantity, description, manufacturer, date code, or part number stated on the Purchase Order, or if not delivered by due date.
4. For shipments of 100 lbs. (45Kg) or more, **EPM** must be notified in writing before shipping.
5. **EPM's** Order number must appear on all correspondences, shipping labels, packing slips, invoices, and any other documentation.
6. **EPM** must be notified in writing immediately if Vendor cannot ship as scheduled and/or specified in this Purchase Order.
7. Vendor must guarantee a refund for all defective products. Defective products delivered to **EPM C.O.D.** will be returned to Vendor C.O.D. Vendor is responsible for all costs associated with and RoHS non-compliance and will accept a full return of all parts not meeting RoHS compliance criteria if necessary.
8. Purchasing Information Flow Down:
  - a. Seller shall notify **EPM** of nonconforming product detected after delivery of product, which could or does affect product delivered.

- b. Supplier shall notify **EPM** of any changes in product and/or process definition, changes of suppliers, and changes of manufacturing facility location that affects or could affect product acceptance. The Seller shall flow down all applicable Purchase Order requirements to the supply chain.
- c. Seller shall keep and maintain inspection, test and related records, which shall be available to **EPM** or **EPM's** representative. Seller shall allow copies to be made and shall furnish all information required by the **EPM** or **EPM's** representative. Seller shall maintain records for minimum (10) years unless otherwise stated.
- d. Unless stated otherwise in the documents accompanying these terms and conditions, Seller shall allow right of access to **EPM**, **EPM's** Customer, and regulatory authorities to all facilities involved in the order, and to all applicable records.
- e. Seller and its suppliers shall establish and maintain a quality control and inspection program, including testing and verification, using statistical techniques and related instruction for product acceptance.

#### 9. Export Control

“Foreign Person” is not allowed to inspect or review our parts/drawings/specifications (i.e. AS9100 audit and special process audit) without MLA (Manufacturing License Agreement).

#### 10. Equipment Traceability Requirements

The seller shall ensure that all equipment used for final product acceptance and/or for equipment calibration is traceable to international or national measurement standards (e.g., NIST.)

#### 11. Suspected Unapproved Part and Counterfeit Product Avoidance

The Seller shall provide product that is traceable to the original manufacturer to ensure authenticity. The Seller shall provide documentation tracing back to the original manufacturer of the material or component being purchased. If no documentation can be provided, the Seller must notify the Buyer, and cannot ship product until the Buyer provides a record of approved deviations from use of original component manufacturer, franchised distributor, or approved mill.

#### 12. Industry Alerts

Seller must maintain a closed-loop process to use Industry Alerts/GIDEP to identify, control and correct potential nonconforming material, including: timely review and notification of Industry Alerts for potential impact to hardware;

documenting impact assessment/disposition of Industry Alerts to evaluate for program impact (determination of actual usage of an alerted item); purging/quarantining of all affected stock, including work in process (WIP) and finished goods; customer notification of impact to already shipped stock, impact to delivery schedules, etc.; submittal of program Bill of Material (BOM) to GIDEP Operations Center for evaluation; and establishing process for handling GIDEP notifications that a submitted bill of material (BOM) contains an alerted item.

### 13. Quality Management System

Seller must maintain an effective quality management system to ensure product and process integrity.

### 14. Product Safety

Seller must maintain the state of the product so that it is able to perform to its designed or intended purpose without causing unacceptable risk of harm to a person or damage to property.

### 15. Ethical Behavior

Seller must maintain and implement an ethics behavior program appropriate for its business throughout the performance of this contract.

### 16. Product or Service Conformity

Seller must ensure that personnel have the appropriate skills and experience to handle and process the product or service conformity throughout the performance of this contract.

### 17. Controlled Unclassified Information (CUI)

**EPM** will notify all third-party service providers, (Contractors, Vendors, Etc.) that receive FCI/CUI, that they are subject to the requirements of the “Flow Down Clause” under DFARS 252.240.7012 and they have a responsibility to protect CUI where it is stored/transmitted/processed.

This notice will be provided in the “requirements/clause section” of any engagement documentation. (*Purchase order, contract, professional service agreement, engagement letter, etc.*)

**EPM** will not provide CUI to any of its third-party service providers, (Contractors, Vendors, Etc.). If any CUI is required to be provided, **EPM** will instruct the third part service provider to contract **EPM’s** client and obtain the information from them directly.