

TERMS AND CONDITIONS

1. ACCEPTANCE: This document shall constitute the entire agreement between Transtector Systems, Inc., ("Transtector"), and the Seller named on the purchase order overleaf "Seller." Unless otherwise agreed between the parties, these terms and conditions shall apply to the Contract to the exclusion of all other terms and conditions. For the avoidance of doubt, neither the Seller's (as defined overleaf) standard terms and conditions of sale nor any other terms and conditions sought to be applied by the Seller shall apply to the Contract."

2. SUPPLEMENTARY TECHNICAL INFORMATION: Seller agrees not to make any use of data, designs, drawings, specifications and other information furnished to it by Transtector except for the performance of this contract and Seller further agrees not to disclose such data, designs, etc. to others except for the performance of this contract. Seller shall return to Transtector on demand, all such data, designs, drawings, specifications, and other information, including copies made by Seller.

3. PACKING AND SHIPPING: Seller shall make No charge for packaging or storage. All items shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain lowest shipping rates.

4. DELIVERY: Time is of the essence in this contract, and this order is subject to cancellation without charge for failure to deliver on time except for causes beyond the Seller's control.

5. QUANTITIES: It is Seller's responsibility to furnish the proper quantity called for on this order no variation in the quantities specified herein will be accepted as compliance with this order. Transtector reserves the right to retain any overshipments and consider them as having been delivered with the total price set forth in the Purchase Order.

6. PAYMENTS: Starting with the invoice date, payments will be made within terms and after receipt of invoice on items received and accepted by Transtector. The Seller's invoice shall specify the relevant purchase order number and shall be delivered to Transtector's accounts payable department.

7. INSPECTION: Seller shall inspect all material prior to shipment to Transtector using a plan acceptable to us. Seller shall supply all test data to Transtector if so requested. Material which fails to pass Transtector's incoming test or inspection, may be rejected by Transtector and returned to Seller at Seller's expense, for credit or rebate, or paid purchase price or replacement at Transtector's option.

8. PROPERTY: Unless otherwise agreed in writing, all tools, Transtector's equipment or material of every description furnished to Seller by Transtector or specifically paid for by Transtector, and any replacement thereof, or any materials affixed or attached thereto, shall be and remain the personal property of Transtector. Such property, and whenever practical, each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of Transtector Systems, Inc." and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Transtector's property and shall not use such property except in filling Transtector's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Transtector, and shall be subject to removal at Transtector's written request, in which event Seller shall prepare such property for shipment and shall re-deliver to Transtector in the same condition as originally received by Seller, reasonable wear and tear excepted.

9. WARRANTIES: The Seller warrants that the Goods or Services provided under this Contract shall:

- I. be of satisfactory quality and fit for the purpose for which Transtector has advised the Seller, including corresponding with any specifications provided by Transtector to the Seller;
- II. not breach intellectual property rights of any third party;
- III. not malfunction as a consequence of any date change.

The Seller further acknowledges that Transtector is relying on the expertise of the Seller in providing the Services or Goods and the manufacture of the Goods or provision of Services will be performed by appropriately qualified and trained personnel with due care, skill and diligence and to such a high quality as it is reasonable for Transtector to expect.

10. INDEMNITIES: The Seller shall indemnify Transtector in full against all direct, indirect or consequential liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred by the Buyer as a result of, or in connection with:

- I. breach of any warranty made by Seller;
- II. any infringement or alleged infringement of any intellectual property rights of any third party caused by the use, sale or manufacture of the Goods or provision of Services, except to the extent that such infringement or alleged infringement relates to Specifications provided to the Seller by Transtector;
- III. any act or omission of the Seller or its employees, agents or sub-contractors in connection with the supply, delivery or installation of the Goods or in connection with the performance of the Services.

11. NON DISCRIMINATION IN EMPLOYMENT: In accordance with Executive Order 11246, the Seller agrees not to discriminate against any employee or applicant for employment because of religion, race, creed, color, national origin, gender, disability or veteran status. The Seller will take affirmative action to ensure that Equal Employment Opportunity is implemented in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. All other applicable provisions of the Rules and Regulations of the Office of Federal Contract are herein incorporated by reference.

12. COMPLIANCE WITH THE LAWS: In performance of this order Seller, and all goods furnished hereunder, shall comply with all Federal, State and local laws, rules and regulations, including but not limited to, the Occupational Safety and Health Act, the Truth in Negotiation Act and all applicable requirements of the Fair Labor Standards Act, and Seller shall indemnify Transtector against any loss resulting from its failure to do so.

13. CHANGES: Transtector may at any time issue a written change order. If any such change causes an increase or decrease in the cost or the time required for performance of this order, an equitable adjustment shall be made in price or delivery or both, and this purchase order shall be modified in writing accordingly. Any claim for adjustment under Section 13 may, at Transtector's option, be deemed to be waived unless asserted in writing (including the amount of the claim) and delivered to Transtector within thirty (30) days from the date of receipt by Seller of the change order. No change order will be binding on Transtector unless issued by an authorized representative of our purchasing office. Nothing in this Section 13 shall excuse Seller from proceeding with the order as changed.

14. TITLE AND RISK OF LOSS: Seller shall bear all risk of loss or damage to goods covered by this purchase order, and title shall not shift to Transtector, until delivery of goods and acceptance by Transtector, regardless of FOB point.

15. CONFIDENTIALITY: This order is confidential between Transtector and Seller, and none of the details connected herewith shall be disclosed to any third party.

16. QUALITY: Seller expressly warrants that all the articles, material, and work covered by this purchase order will conform to specifications, drawings, samples or other descriptions, will be merchantable, of good material and workmanship, free from defect, and will be fit and sufficient for the purpose intended. Seller shall be responsible for both direct and consequential damages resulting from any breach of warranty.

17. GOVERNING LAW: The Contract shall be governed in all respects by Idaho law and the parties agree to submit to the non-exclusive jurisdiction of the Idaho Courts.

18. RIGHT OF ENTRY: Transtector Systems reserves the right to conduct Vendor on site visits with reasonable notice given. When contractually obligated by any customer of Transtector Systems Inc., Transtector Systems and its' customer reserves the right to conduct Vendor on site visits with reasonable notice given.