



Purchasing Order Agreement and Conditions

(Applies only when Semiglobal is purchasing products or service)

ACCEPTANCE

The Purchase Order, together with these terms and conditions, as may be changed (defined below) by Semiglobal Inc ("Semiglobal") from time to time, and any attachments and exhibits (collectively the "Purchase Order"), constitutes the entire and exclusive agreement between Semiglobal Inc and the "Seller/Supplier" identified in the Purchase Order "Seller/Supplier". Acceptance of this Purchase Order by "Seller/Supplier" is expressly limited to the terms and conditions contained in the Purchase Order. Any additional or different terms and conditions stated by "Seller/Supplier" in any proposal with "Seller/Supplier" acknowledgement form or otherwise, are deemed to be a material alteration of this Purchase Order and are hereby objected to by Semiglobal Inc and shall be inapplicable to this Purchase Order unless specifically agreed to in writing by Semiglobal signed by an officer of Semiglobal. Semiglobal's failure to object to provisions contained in any communication from Supplier shall not be deemed a waiver of any of the provisions contained herein. Supplier shall issue an order acknowledgement within three (3) days from receipt of this Purchase Order, which shall include a scheduled date of delivery.

PAYMENT

Invoices shall be paid in accordance with the terms in this Agreement, and due dates for payment shall be computed from the date of receipt of invoices by Semiglobal. Payment of any invoice shall not constitute acceptance of the products or services or a waiver of any rights to test or inspect the products and shall be subject to adjustment in the event "Seller/Supplier" fails to meet the requirements of this Purchase Order.

PRICE

Unless otherwise specified on the face of this Purchase Order, unit prices do not include sales taxes, which are separately shown when applicable. "Seller/Supplier" warrants that the prices charged for the products or services will be as low as the lowest prices charged by the "Seller/Supplier" to any other customers purchasing similar parts or services. Prices shall not be higher than last quoted to Semiglobal unless otherwise agreed by Semiglobal.

PACKING AND SHIPMENT

All Products shall be packed for shipment in accordance with best commercial practices or as specified on Purchased Order. No charges will be allowed for special packaging or handling unless specified on Purchase Order. Semiglobal will only pay for methods that are specified on purchase order, using billing account numbers listed on the Order. If Seller's production delay results in its inability to meet Semiglobal required delivery date with the specified transportation method, Seller will, at its expense, upgrade the shipping service to an expedited delivery method to ensure timely delivery. Semiglobal Order number must appear on all correspondence, shipping labels, packing lists, bills of lading, air bills, and invoices. A Certificate of Compliance is required for each shipment. When more than one item is shipped, identify the items by part number and print all part numbers on all packaging and shipping papers, invoices, and memorandum.

DELIVERY

Time is of the essence of this Purchase Order. Failure by "Seller/Supplier" to meet delivery dates specified in this Purchase Order shall constitute a material breach of the Purchase Order and Semiglobal may, in its sole discretion:

- a. Cancel the Purchase Order in whole or in part
- b. Extend the time for delivery
- c. Require "Seller/Supplier" to ship all or part of the products by prepaid air freight at a Supplier's expense until Supplier's deliveries are in accordance with the requirements of the Purchase Order. Semiglobal may return or store at "Seller/Supplier" expense any products delivered more than fourteen (14) days in advance of the delivery date specified for such products, unless otherwise agreed to in writing.

CHANGES/TERMINATION

Semiglobal may, at any time during the progress of the work by written notice, suspend or stop work or make changes, deductions, or deviations (all hereinafter referred to as a "Change") from the quantity of the goods to be furnished by "Seller/Supplier". No Change shall be considered as an addition, alteration or deduction from the Work nor shall "Seller/Supplier" be entitled to any compensation for work done pursuant to or in contemplation of a Change, unless made pursuant to a written Change Order issued by Semiglobal. Any claim by "Seller/Supplier" for adjustment under this paragraph must be asserted within ten (10) days from the date of receipt by Seller of Buyer's change/suspension/stop work order and should be followed as soon as practicable with a specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse Seller from proceeding with this Purchase Order as changed pending resolution of the claim. The Supplier is required to notify Semiglobal in advance of any process or product changes related to the product or service being purchased by Semiglobal.

INSPECTION

All products are subject to final inspection and approval at Semiglobal's location. Semiglobal's failure to accept or reject products or detect defects during inspection does not relieve Supplier of its responsibilities to provide products in accordance with Purchase Order requirements.

SUBSTITUTION

"Seller/Supplier" shall not substitute materials without express written consent by Semiglobal.

CONFIDENTIALITY

Any information that Semiglobal discloses to "Seller/Supplier", including but not limited to, prints, designs, product development plans, marketing plans, business information, vendor lists, trade secrets, drawings, schematics, technical specifications, manufacturing techniques, forecasts, financial information, customer lists or other documents in connection with this Purchase Order, shall be deemed Semiglobal's confidential and proprietary information. Suppliers shall keep information confidential and otherwise protect from disclosure of such information. Semiglobal shall always be the sole and exclusive owner of its confidential information and "Seller/Supplier" should protect the information from unauthorized use.

FORCE MAJEURE

Neither party shall be held responsible for any delay or failure in performance of any part of this Agreement to the extent such delay or failure is caused but not limited to acts of God, or of the public enemy, acts of the government in its sovereign or contractual capacity, fires, floods, earthquakes, epidemics, terrorism, strikes, freight embargoes, and severe weather other similar causes beyond its control and without the fault or negligence of the delayed or nonperforming party or its subcontractors. Supplier's liability for loss or damage to Semiglobal material in Supplier's possession or control shall not be modified by this clause. When a party's delay or non-performance continues for a period of at least fifteen (15) days, the other party may terminate, at no charge, this Agreement, or an order under the Agreement.

WARRANTY

"Seller/Supplier" warrants to Semiglobal and its customers that material furnished will be new, merchantable, free from defects in design, material, and workmanship and in accordance with all requirements of the Purchase Order. Seller further warrants that the performance of work and services shall conform to the requirements of this Order and be to high professional standards, and that all material and services provided under this Order conforms strictly to all specifications, drawings, samples, descriptions, and other requirements of this Order. All warranties in this Order shall survive inspection, test, final acceptance, and payment for goods and services and shall extend from final acceptance for a minimum period of one (1) year. Material or services not meeting the warranties will be, at Semiglobal's option, returned for or subject to refund, repaired, replaced, or re-performed by Supplier at no cost to Semiglobal or its customers and with transportation costs and risk of loss and damage in transit borne by Supplier. Repaired and replacement material shall be warranted as set forth above in this clause.

TERMINATION

Semiglobal may terminate this order at any time by notice in writing to "Seller/Supplier." In such event, Semiglobal shall not be liable for any termination, cancellation, chargeback or restocking charges and in no event shall Semiglobal be liable for any loss of profits on the Purchase Order or portion thereof so terminated.

OBSOLESCENCE

If manufacturing of any products or any services are to be discontinued at any time within one (1) year after final delivery of such products or performance of such services under any order, Supplier shall give Semiglobal at least 180 days prior written notice of such discontinuance, during which "Seller/Supplier" shall accept orders from Semiglobal for large quantity final buy of such as products or services.

INFRINGEMENT

Seller warrants that all goods and services, not of Buyer's design, which are provided by Seller pursuant to this Order shall be free from claims of infringement, including misappropriation, of third-party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and save Buyer and its customers harmless from any and all expenses, liability, and loss of any kind, including all costs and expenses including attorney fees, arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby agrees to defend, at Seller's expense, if requested to do so by Buyer.

INSURANCE

"Seller/Supplier" shall maintain and cause its subcontractors to maintain the following minimum insurance coverages: Statutory Workers' Compensation coverage and Employers' Liability with a limit of \$500,000; commercial General Liability (including bodily injury and property damage, product liability coverage, and contractual liability coverage) with a limit of \$1,000,000 per occurrence.

Supplier and Supplier's subcontractors shall furnish prior to the start of Work Certificates or adequate proof of the foregoing insurance, including if specifically requested by Semiglobal, endorsements and policies. Semiglobal shall be notified in writing at least thirty (30) days prior to cancellation of or any change in the policy.

LIMITATIONS OF LIABILITY

Notwithstanding anything herein, or in any other document applicable to any transaction between "Seller/Supplier" and Semiglobal, both parties acknowledge that

- a. In no event shall Semiglobal be liable for any loss of revenue, profit or for indirect, special, incidental, consequential, or punitive damages to person or property arising out of or connected with the Purchase Order

- b. In no event shall Semiglobal's liability in connection herewith or resulting from the sale or use of any product supplied by "Seller/Supplier" or any services performed by Supplier hereunder, exceed the amounts paid to Supplier by Semiglobal under the applicable Purchase Order in the six (6) months preceding the action(s) which are the subject of and directly affected by such claims.

REMEDIES

If Supplier breaches its warranties as specified herein, Supplier shall, at Semiglobal's option, repair or replace any products which are returned by Semiglobal during the applicable warranty period set forth herein. "Seller/Supplier" shall reimburse Semiglobal for any expenses or costs associated with such return, including transportation charges.

APPLICABLE LAW

This Purchase Order shall be governed by and construed under the laws of the state of California without reference to its conflict of laws rules or any other rules that would result in the application of a different body of law.

ALTERNATIVE DISPUTE RESOLUTION

Any dispute that cannot be successfully resolved through negotiation arising from or related to this Purchase Order both parties agree to attempt to resolve the dispute through mediation by mutually acceptable impartial and neutral arbitrators appointed by Judicial Arbitration and Mediation Services (JAMS). Each party shall bear its own expenses for all costs associated with the preparation and representation by attorneys or any persons retained thereby, to assist in connection with such Arbitration, all costs and fees charged by the mediator shall be equally shared by both parties.

The party seeking mediation and/or arbitration as provided herein agrees that the venue for any such mediation and arbitration shall be selected by the other party and that such venue must be San Jose, California; whereby the applicable law and provisions of the Evidence Code of the State selected thereby shall be applicable and shall govern the validity, construction, and performance of this Purchase Order.

FORECAST

Any forecast presented by Semiglobal under a Purchase Order are presented in good faith and are non binding on Semiglobal. Semiglobal shall only be responsible for actual Purchase Order release quantity made by Semiglobal releases made by Semiglobal.

WAIVER

Each shipment made under any Purchase Order shall be treated as a separate sale and transaction, but in the event of any default by Supplier, if Semiglobal accepts shipments, its action shall not constitute a waiver of any default by Supplier or in any way affect Semiglobal's legal remedies for any such default. If any provision of the Purchase Order is found to be illegal or otherwise unenforceable by any court or other judicial or administrative body, the other provisions of this Purchase Order shall not be affected hereby and shall remain in full force and effect.

COMPLIANCE WITH LAWS:

Supplier/Seller agrees and warrants that product and services to be deliver under this Purchase order shall be manufactured, sold, and delivered with all federal, state, and local laws, orders, rules, ordinances, and regulations, including but not limited to:

- a. Foreign Corrupt Practices Act, 15 U.S.C. §78 et seq.
- b. Fair Labor Standards Act of 1938, fully complied with Sections 6, 7, 12, and 15, as amended, and of regulations and orders of the US Department of Labor under §14
- c. Conformance with the latest OSHA requirements.
- d. Complied with the Anti-Kickback Act of 1986
- e. Anti-corruption and/or anti-money laundering

"Seller/Supplier" will defend and hold Semiglobal Inc. harmless for any loss, damages or costs arising from or caused in any way by any actual or alleged violation of the aforementioned laws and regulations.

US GOVERNMENT CONTRACTS

For Orders placed in support of and charged to a US Government (Government) Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of the prime contract or higher-tier subcontract are incorporated herein by reference as if set forth in full text unless made inapplicable by its corresponding note, if any. In all clauses listed herein terms shall be revised to suitably identify the party to establish Seller's obligations to Buyer and to the Government; and to enable Buyer to meet its obligations under its prime contract. Without limiting the generality of the foregoing, and except where further clarified or modified below, the term "Government" and equivalent phrases shall mean "Buyer", the term "Contracting Officer" shall mean "Buyer's Purchase Representative", the term "Contractor" or "Offeror" shall mean "Seller", "Subcontractor" shall mean "Seller's Subcontractor" under this Order, and the term "Contract" shall mean this Order. For avoidance of doubt, the words "Government" and "Contracting Officer" do not change (1) when a right, act, authorization, or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or duly authorized representative, such as in FAR 52.227-1 and FAR 52.227-2, and (2) when title to property is to be transferred directly to the Government. If any of the following FAR or DFARS clauses do not apply to this Order, such clauses are self-deleting.

DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

"Seller/Supplier" shall be complying to §1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) if applicable to the manufacturing of their product(s) and certifies that they have conducted a reasonable country of origin inquiry for the "conflict minerals

utilized in the manufacturing of their products. Conflict minerals include Tantalum, Tin, Gold, or Tungsten that originate in the Democratic Republic of the Congo (OCR) or an adjoining country.

EXPORT CONTROLS

"Seller/Supplier" agrees and warrants that it shall comply with all export controls, including the International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR"), and "Seller/Supplier" will not supply product or service that are ITAR-controlled without first notifying Semiglobal in writing of the ITAR-controlled status of the product or service.

"Seller/Supplier" shall immediately notify buyer when it becomes listed on any Excluded or Denied Part List of an agency of the US Government or if its export privileges are denied, suspended, or revoked.

If applicable, "Seller/Supplier" shall provide Semiglobal Inc at time of sale with the appropriate U.S. Export Control Classification Number for Supplier's product, as determined on the Commerce Control List of the EAR. Supplier further agrees to obtain all necessary export licenses for Supplier's products or for the provision of Supplier's services to Semiglobal.

"Seller/Supplier" shall indemnify Buyer for all liabilities, penalties, costs, or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.

ISO 9001

"Seller/Supplier" is required to maintain a viable quality control system and related certification in accordance with ISO 9001. A current certification to AS9100, ISO-9001 is acceptable, a physical inspection of "Seller/Supplier" facility may be required by Semiglobal to satisfy certification requirements. Upon written notice from Semiglobal customers, "Seller/Supplier" agrees to make its facilities and procedures available for a site inspection for physical audit, if required for customers to meet ISO certification requirements.

AS9100 FLOWDOWN REQUIREMENTS

Equipment supply to Semiglobal facility must be CE compliant, "Seller/Supplier" shall maintain, for a minimum period of 3 years, all records related to quality and manufacturing processes; and Semiglobal customers and Regulatory Authorities reserve the right to perform audits and/or inspections at the "Seller/Supplier" locations and/or Supplier's subcontractor locations. When onsite verification of Purchase Order conformance is required, Supplier shall provide the equipment, facilities, and personnel necessary for Semiglobal to verify compliance.

SURVIVAL AND OBLIGATION

The obligations of the parties under this Agreement, which by their nature would continue beyond the termination, cancellation, or expiration of this Purchase Order, included but not limited to those set forth herein titled Publicity, indemnity, Patent indemnity, Warranty, Confidential Information, Applicable Law, Alternate Dispute Resolution and Limitation of Liability shall remain in full force and effect.

COUNTERFEIT PREVENTION

"Seller/Supplier" should have process controls established to prevent the delivery of counterfeit products to Semiglobal. Product supply to Semiglobal should always have traceability back to the original component manufacturer. Seller shall be complying to AS5553 that is used in conjunction with a higher-level quality standard like ISO9001 or other quality management system.

INFORMATION FOR EXTERNAL PROVIDERS

The Supplier shall identify and manage the risk that product and services including a process, or part of process provided by External Providers to "Seller/Supplier" or directly to Semiglobal Inc, shall be measured and appropriate controls to be implemented to ensure that incoming verification, material certification and quality management are met.