

**General Terms and Conditions**  
**Interconnect Solutions Company, LLC (ISC)**  
*Version 2021.03*

## **STANDARD SERVICE AND SALES TERMS AND CONDITIONS**

### **I. ACCEPTANCE**

- a. This agreement (the “Agreement”) constitutes the offer from Interconnect Solutions Company (hereafter, “Seller”) to Customer (hereafter, “Buyer”), which becomes a binding contract under these terms and conditions when it is accepted by the Buyer, either by acknowledgment or the commencement of performance. No condition stated by Buyer in accepting or acknowledging this Agreement will be binding upon Seller unless specifically accepted by Seller in writing.
- b. This Agreement remains in effect as long as Buyer and Seller have a business relationship, most commonly indicated by having an open purchase order in place, unless terminated pursuant to the terms of this Agreement or otherwise terminated by mutual agreement of Seller and Buyer.

### **II. MODIFICATIONS**

- a. No modification of any part of this Agreement, including these terms and conditions, will be valid unless it is issued in writing and signed by an authorized representative of Seller.

### **III. PRICING**

- a. Prices are as specified in a quotation or orders accepted by both parties (each a “Purchase Order”). When both parties confirm a Purchase Order, the price set forth therein shall be fixed, and shall not be changed without approval of both parties. All prices are exclusive of any and all Federal, State, and local sales, use, excise or similar taxes and charges which shall be the responsibility of the Buyer. Any or all products may be subject to export or resale restriction, and Buyer acknowledges that it will comply with such regulations or restrictions.
  - i. In the event that NRE/Tooling resides at Seller related to use in assemblies, that tooling is subject to CA sales and use tax.
  - ii. If tooling ships to Buyer’s facility within (90) days of invoice, the Buyer’s company holds a valid resale certification for the tooling of the Buyer is located outside of CA there subject to local tax laws.

- b. Unless otherwise requested by Buyer, all quotations shall be FOB point of origin.
- c. All price quotations shall be in U.S. Dollars.

#### **IV. ORDER PLACEMENT**

- a. Buyer shall place orders in writing by way of a Purchase Order.
- b. Purchase Orders shall state quotation number, quantities purchased, revision levels, pricing, and other fees, as shown in the quotation. Delivery requirements, Bills of Material revisions, testing, quality clauses, and packaging requirements, are to be shown on Purchase Orders. Bills of Material, Outstanding Engineering Change Orders (ECO), Assembly Drawings, Qualified Product List (QPL's), Test and Quality Requirements, must accompany each Purchase Order (as applicable).
- c. Buyer agrees to send a revised Purchase Order for any design change (ECO) that affects the Bill of Materials, Assembly, Test, Inspection, or Process. Buyer also agrees to pay for the balance of any materials, labor and other costs or expenses for the original Purchase Order affected, required and/or necessitated by the design change.
- d. Buyer shall provide Seller with requested delivery schedules within quoted lead times. Order reschedule must be mutually agreeable between Buyer and Seller. Seller reserves the right to invoice Buyer for expenses incurred, including material and work-in-process, for reschedules without written notice or insufficient notification time.
- e. Buyer shall specifically disclose and attach all compliance requirements including but not limited Defense Priorities and Allocations System (DPAS) rating, International Traffic in Arms Regulations (ITAR), and Export Administration Regulations (EAR). Reference to Buyer's website or internal documents does not constitute a disclosure. Failure to disclose which results in violations will be the responsibility of the Buyer.
- f. In the event that the Buyer delays production more than (60) calendar days of the requested schedule due to material scarcity, including but not limited to, product specification, design change, reschedule, end-of-life, sole source, or any other circumstances. Buyer agrees to pay up to 100% of the balance of the material price to Seller. The paid materials shall be converted to Buyer's in-store deposit and belong to Buyer upon payment received.

- g. Seller agrees to do everything in its power to mitigate increased costs, and to provide suitable justification for any charges submitted. Requests for compensation shall be made as soon as is practical after the onset of any delay, in writing, to Buyer. In the event that Buyer initiates stoppage that continues for more than fifteen (15) days, Seller may, at its sole discretion, invoice Buyer for any costs incurred, including material, labor and any other quoted costs, related to affected order. Said invoices shall be due and payable upon receipt by Buyer.

## V. CONFORMANCE

- a. The quality of all product manufactured will be controlled by Seller's quality system, which incorporates all Buyer's documentation, to assure material conformance to Buyer's specifications.
- b. In-process changes will be handled in conformity to Seller's quality system. Any charges for in-process changes will be negotiated prior to Seller performing work or incurring any costs unless other arrangements are negotiated between Buyer and Seller. Any delays caused by in-process changes will be handled as stated in Paragraph IV-F. Written notification is required for all in-process changes (i.e., engineering change notices, upgrades).
- c. Acceptance by Buyer's receiving inspection will be deemed final acceptance of supplied product. No return of product will be accepted without prior written authorization from Seller. This authorization will be in the form of a Return Material Authorization (RMA) and is to be executed by Seller's authorized agent. All product delivered to Buyer by Seller will be considered accepted unless notice of rejection is received within fifteen (15) days of receipt of material at Buyer's location.
- d. Seller's liability for conformity is based solely upon the requirements specified in the Purchase Order. Failure on the part of the Buyer to provide adequate information, sufficient test specifications, or any other special requirements, which result in the non-conformance of delivered product, relieves Seller of any and all liability for said product. Buyer hereby agrees to compensate Seller for any and all product delivered which may have become unusable due to failure on the part of the Buyer to adequately define the scope of work required.
- e. Over-molded parts may have less than 100% production yield. If Buyer should supply materials and over-mold only, yields may vary dependent on lot size, material

preparation, condition of materials received by Seller, and other variables that are outside the Seller's control. Products often cannot be reworked or salvaged after over-molding process if there are cosmetic, mechanical, or electrical defects. Defective products produced with Buyer furnished materials will be tagged as such at shipment. Products will be charged to Buyer at quoted price.

- f. Due to the nature of the injection molding process, all custom molded assemblies are subject to a shipping variance up to 10% (+/-) based on the quantities ordered.

## **VI. TERMINATION**

- a. Either party may terminate a Purchase Order without cause by giving ninety (90) days written notice. Seller reserves the right to terminate a Purchase Order if Buyer refuses to negotiate pricing increases for added scope of work, material issues, or other applicable issues addressed in this document. Seller to provide Buyer thirty (30) days written notice of their intention to terminate a Purchase Order.
- b. This Agreement and Purchase Orders may be terminated immediately for cause by either party in the event the other party: (1) ceases to function as an ongoing concern, or (2) fails to perform any of its obligations hereunder so as to be in default and fails to cure such default within thirty (30) days from written notice of said default.
- c. Notwithstanding termination of a Purchase Order, Buyer shall be liable for all material listed on the Bills of Material (BOM) in inventory (including work in process plus labor), or on order, or any excess material which is non-cancelable/non-returnable to vendors, and for any re-stocking, non-recurring, tooling charges plus administrative and labor expenses.

## **VII. PAYMENT TERMS**

- a. Unless otherwise agreed upon, payment terms are NET 30, from invoice date. FOB – Point of origin.
  - i. Payment terms for NRE (i.e., tooling, fixtures) are due and payable, 50% at time of order and balance due at shipment of first article or completion of tool if no deliverables. Start of tooling will not begin until payment is received.
- b. Credit card payments are due in full and processed upon acceptance of order by Seller.

- i. An additional 4% credit card processing fee will be applied for all credit card payments.
- c. International wire transfer fee of \$ 50.00
- d. A 4% late charge will be extended to Buyer for late payments received.

#### **VIII. FORCE MAJUER**

- a. Neither party shall be liable for failure to fulfill its obligations under the Agreement for delays in delivery due to causes beyond its reasonable control including, but not limited to, acts of God, acts or omissions of other party, acts or omissions of Civil or Military authority, Government priorities, material shortages, failure of Seller's suppliers to deliver materials on a timely basis, fires, strikes, riot of Civil commotion, flood, epidemics, quarantine restrictions, war, or delays in transportation. The time for performance of any such obligation shall be extended for the time period lost by reason of delay.

#### **IX. SELLERS LIMITED WARRANTY AND LIMITATIONS OF LIABILITY**

- a. Seller warrants to Buyer those products assembled or customized by it against defects caused solely by faulty assembly or customization for 90 days after delivery. All other products, and the components and materials utilized in any assembled or customized products, are covered by, and subject to, the terms, conditions, and limitations of the manufacturer's standard warranty, which warranty is expressly in lieu of any other warranty, express or implied, of or by ISC or the manufacturer.
- b. Seller warrants that all workmanship will conform to Buyer's specifications for (1) year from date of shipment.
- c. Seller will rework verified/confirmed defect in workmanship discovered after delivery to Buyer at Seller's facility.
  - i. Buyer's exclusive remedy, if any, under these warranties is limited, at ISC's election, to any one of (a) refund of customer's purchase price, (b) repair by ISC or the manufacturer of any products found to be defective, or (c) replacement of any such product.

- d. This warranty does not extend to any material furnished by Buyer for use in Buyers assemblies, to defects caused by any process performed after delivery of product to Buyer, or to defects caused by Buyer's design.
- e. Seller makes no warranty respecting the merchantability of the product or their suitability or fitness for any particular purpose or use.
- f. Buyer shall not, in any event, be entitled to and Seller shall not be liable for indirect, special, incidental or consequential damages of any nature including, without limitation, loss of profit, promotional or manufacturing expenses, overhead, injury to reputation or loss of customers other than the normal warranty clauses specified herein.

**X. GENERAL**

- a. This Agreement and the Seller's quote to Buyer together contain the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements relating thereto, written or oral between the parties. Modification of this Agreement must be in written form, duly signed by authorized representatives of both parties.
- b. The parties agree that the terms of this Agreement shall prevail, notwithstanding contrary or additional terms in any purchase order, sales acknowledgement, confirmation, or any other document issued by either party affecting the purchase and/or sale of products.
- c. The parties agree to comply with export control laws and regulations that are applicable to the supply (including components), as well as to the software, information and products that the parties may exchange within the framework of the performance of the order.
- d. All notices shall be given in writing at the address set forth above and shall be deemed to have been given to have been given upon receipt by the recipient.
- e. This Agreement may not be assigned or transferred by Buyer without prior written consent of the Seller.
- f. This Agreement may not be and shall not be deemed or construed to have been modified, amended, rescinded, canceled, or waived in whole or in part, except by written instrument signed by both parties.

**XI. COMPLIANCE WITH LABOR REGULATIONS**

- a. The Seller guarantees that it complies with all applicable employment and labor laws. The Seller also guarantees that the supply shall be performed in compliance with the employment and labor laws in force in the countries in which the supply is manufactured.

**XII. CONFIDENTIALITY**

- a. The parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other party, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any party to its shareholders, investors, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, investors, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section XII.

**XIII. ORDER OF PRECEDENCE**

- a. Quote to Customer
- b. Standard Service and Sales Terms and Conditions



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COMPANY NAME

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CUSTOMER REPRESENTATIVE SIGNATURE

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CUSTOMER REPRESENTATIVE NAME

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TITLE

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DATE

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ISC REPRESENTATIVE SIGNATURE

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ISC REPRESENTATIVE NAME

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TITLE

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DATE