



Terms & Conditions of Purchase	
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- Inspection and Acceptance.** All products and services received by UEC will be subject to inspection and acceptance or rejection. Rejected products will be held for disposition pursuant to Suppliers instruction and at Supplier’s risk and expense to include transportation and other charges paid by UEC.
- Warranty.** Supplier warrants that all products and services covered by this order will be new, and will conform to the materials, specifications, drawings, and other descriptions approved by UEC, of good material and workmanship, and free from defects.
- Supplier shall notify UEC of any changes to the contracted product or process, and obtain approval as required.
- Supplier shall flow-down to its sub-Suppliers, these terms and conditions and any other applicable requirements in the purchase documents, including key characteristics, as required.
- Supplier certifies that all parts have been made in compliance to applicable drawings for part numbers indicated.
- Rights Retained.** UEC generally retains all rights and remedies granted to it by operation of law in addition to those set forth herein.
- Waiver.** Any Waiver or failure on UEC’s part to require strict compliance with the provisions of this order shall not be deemed a waiver of UEC’s right to insist upon strict compliance thereafter.
- Choice of Law.** This contract shall be constructed according to the laws of the State of South Carolina, without regard to conflict of law issues.
- Shipping Charges.** Supplier shall pay any additional expedited shipping charges incurred by it if Supplier is required to expedite materials in order to meet the agreed upon delivery schedule.
- Acceptance of Purchase Order.** Agreement by Supplier to furnish the materials, products, or services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute acceptance by Supplier of this Purchase Order subject to these terms and conditions. In the event that this Purchase Order does not state price or delivery, UEC will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Supplier inconsistent with or in addition to the terms and conditions of purchase herein contained shall be void and of not effect unless specifically agreed to by UEC in writing. Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by UEC’s purchasing representative. These terms and conditions, together with any referenced exhibits, attachments or other documents, constitute the entire agreement between the parties with respect to the subject matter of this Purchase Order, and supersede any prior or contemporaneous written or oral agreements pertaining thereto.
- Purchase Order Number(s).** Must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bill of lading, air-bills, and invoices.
- Termination for Convenience.** UEC may, by notice in writing, terminate this Purchase Order or work under this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Supplier is not excused from performance of the non-terminated balance of work under the Purchase Order. In the event of termination for convenience by UEC, Supplier shall be

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reimbursed for actual, reasonable, substantiated and allocable costs for work performed up to the date of termination. UEC may take immediate possession of all work so performed upon written notice of termination to Supplier.

13. **Termination of Default.** UEC may, by notice in writing, terminate this Purchase Order in whole or in part at any time for breach of any one or more of its terms, for failure to provide adequate assurance of future performance. In the event of partial termination, Supplier is not excused from performance of the non-terminated balance of work under the Purchase Order. In the event of Supplier's default hereunder, UEC may exercise any or all rights accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity.
14. **Partial Shipments / Early Delivery:** Partial shipments will not be accepted by UEC Electronics without prior authorization. Invoices for unauthorized partial shipment will be held until the total balance due is received. No shipments will be accepted On Dock at UEC Electronics more than five business days prior to schedule shown on the Purchase Order, unless authorized in writing by a UEC Electronics procurement representative. In the event material is delivered prior to Purchase Order date and / or authorization is not received from UEC Electronics, we reserve the right to return all goods to the Supplier at Supplier's expense.
15. **Shelf Life of Materials / Manufacturer Date:** The Supplier shall identify items that have shelf life requirements with the date of the manufacturer and date of expiration, lot, or batch number and other pertinent data. Failure to properly identify the materials shall result in rejection. Material which does not show at least ¾ of the indicated shelf life will not be accepted. All electronic components (for PCB population) must be of NEW condition and have a date code of 1 year or less from date of UEC purchase order unless authorized in writing by a UEC Electronics procurement representative.
16. **Shipping Instructions:** Unless pre-negotiated, items 0 to 50 lbs are to be shipped via UPS Ground on UEC Electronics account number 97X-7X4. Items 150 lbs and up are to ship collect via United Freight Solutions 843-343-1122 / jennifer@unitedfreightsolutions.com POC Jennifer Miller. ***UEC Purchase Order number must be part of the consignee address on the bill of lading.***
17. **Force Majeure.** Except for defaults of Supplier's subcontractors at any tier, neither UEC nor Supplier shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the Government in its sovereign or contracted capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargos, and unusually severe weather. In the event that performance of this Purchase Order is hindered, delayed or adversely affected by causes of the type described above ("Force Majeure"), then the Party whose performance is so affected shall so notify the other Party's authorized representative in writing and, at UEC's option, this Purchase Order shall be completed with such adjustments as are reasonably required by the existence of Force Majeure or this Purchase Order may be terminated for convenience.
18. **Release of Information.** Supplier shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the UEC Company name or logo for the purpose of advertising, making a news release, creating a business reference, creating a website content or for products or service endorsement without prior written approval of UEC.



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19. **Infringement.** Supplier warrants that all work, materials, services, equipment, parts and other items provided by Supplier pursuant to this Purchase Order, which are not of UEC’s design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use of sale of such items by UEC or any of UEC’s customers shall be free from any claims of infringement. Supplier shall indemnify and save UEC, and its customers harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys’ fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Supplier, hereby, agrees to defend, at Supplier’s expense, if requested to do so by UEC. Supplier may replace or modify infringing items with compatible goods acceptable to UEC of substantially the same form, fit, and function so as to remove the source of infringement, and Supplier’s obligations under this Purchase Order. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Supplier, at no expense to UEC, shall obtain for UEC and its customers, the right to use and sell said item.

20. Compliance with Law.

- a. Supplier warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Supplier certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulation and orders of the United States Department of Labor under Section 14 thereof, if applicable.
- b. Supplier warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements.
- c. The Supplier warrants that in the performance of this Purchase Order, it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations; and Supplier further agrees to save UEC harmless from any loss, damage, fine, penalty, or expense whatsoever that UEC may suffer as a result of Supplier’s failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order.
- d. Supplier warrants that it has complied with the Anti-Kickback Act of 1966 and has not offered or given and will not offer or give to any employee, agent, or representative of UEC any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1966. Any breach of this warranty shall be a material breach of each and every contract between UEC and Supplier.
- e. For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses listed herein the terms “Government” and “Contractor” shall be revised to identify properly the contracting parties under the Purchase Order. The Supplier shall include the terms of this Article, including this Section 20(e) in all purchase orders or subcontracts awarded under this Purchase Order.

1. Utilization of Small Business Concerns	52.219.8
2. Equal Opportunity	52.222-26(b)
3. Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	52.222-35
4. Affirmative Action for Workers with Disabilities	52.222-36
5. Notification of Employee Rights Concerning Payment of Union Dues or Fees	52.222-39
6. Subcontracts for Commercial Items	52.244-64
7. Preference for Privately Owned U.S.-Flag Commercial	52.247-64



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Vessels

- 8. Preference for Domestic Specialty Metals (DEVIATION) & Alternate 1 (DEVIATION) (These deviations apply to Purchase Orders under prime Contracts entered into after November 15, 2006) 252.225-7014
- 9. Subcontracts for Commercial Items and Commercial Components (DoD Contracts) 252.244-7000
- 10. Notification of Potential Safety Issues 252.246-7003
- 11. Transportation of Supplies by Sea (DoD Contracts) 252.247-7023
- 12. Notification of Transportation of Supplies by Sea (DoD Contracts) 252.247-7024

21. **Responsibility and Insurance.** Supplier shall be responsible for the actions and failure to act of all parties retained by, through, or under Supplier in connection with the performance of this Purchase Order. Supplier shall also maintain and cause its subcontractors to maintain such General Liability, Property Damage, Employer’s Liability, and Workers Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in this Purchase Order or, if none are specified, such amount as will protect Supplier (and its subcontractors) and UEC from said risks and from any claims under any applicable Workers’ Compensation. Occupational Disease, and Occupational Safety and Health statutes. Supplier shall provide UEC with certificates evidencing required insurance upon UEC’s request.

22. **Export/Import Control.** If Supplier is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services the Supplier hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations (“ITAR”) and the Export Administration Regulations (“EAR”).

23. **Equal Opportunity.** Vendor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, and shall take affirmative action to ensure that applicants are employed, and the employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to 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. Vendor agrees to post, in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer, setting forth the provisions of this nondiscrimination clause. Vendor shall, in all solicitations or advertisements for employees placed by it or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin. Vendor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency-contracting officer, advising the labor union or workers’ representative of the subcontractor’s or vendor’s commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. Vendor shall comply with all the provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. Vendor shall furnish all the information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor for purposes of investigation to ascertain its compliance with all such rules, regulations and orders. In the event the vendor does not comply with the



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nondiscrimination clauses of this contract or with any rule, regulation, or order of the Secretary of Labor, this subcontract or purchase order may be cancelled, terminated or suspended in whole or in part, and the vendor may be declared ineligible for further government contracts in accordance with the procedures authorized in Executive Order 11246 of September 24, 1965, and other sanctions may be imposed and remedies invoked, as provided in Executive Order 11246 of September 24, 1965, by rule regulation, or order of the Secretary of Labor, or by law. Vendor shall include the provisions of these paragraphs in every subcontract or purchase order, unless exempted by the rules, regulation, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that those provisions shall be binding upon each subcontractor or vendor. Vendor shall take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing these provisions, including sanctions for noncompliance, provided, however, that in the event the vendor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of direction by the contracting agency, the subcontractor or vendor may request the United States to enter into litigation to protect the interests of the United States.

24. UEC and its Customers, as well as any Regulatory Agencies, are permitted access to Supplier facilities and access to applicable records on an as-needed basis. UEC will notify Supplier of such requirements as soon as practicable in advance of the required access.