

For Purchase Orders Placed by Dielectric Laboratories, Inc.(DLI) with its Vendors:

THE FOLLOWING TERMS AND CONDITIONS ARE INCORPORATED INTO AND CONSTITUTE A PART OF DIELECTRIC LABORATORIES, INC. (DLI) PURCHASE ORDER:

1. Dielectric Laboratories, Inc. (DLI) agrees to accept possession of the goods identified on the face of the DLI Purchase Order ("Purchase Order") in good order in accordance with the provisions set forth in the Sales Order and in these terms and conditions.
2. THIS PURCHASE ORDER IS EXPRESSLY CONDITIONED UPON SELLER'S ASSENT TO THE TERMS AND CONDITIONS OF SALE AS CONTAINED HEREIN, WHICH, TOGETHER WITH THE PURCHASE ORDER, CONSTITUTE ALL THE TERMS AND CONDITIONS OF THIS PURCHASE AND SALE. IF ADDITIONAL OR DIFFERENT TERMS ARE PROPOSED BY SELLER, SAID TERMS SHALL NOT BECOME PART OF THIS PURCHASE ORDER UNLESS EXPRESSLY ASSENTED TO BY DLI IN WRITTEN FORM.
3. Seller warrants that Seller has title to the goods and the goods are not subject to a security interest, lien or other encumbrance.
4. The goods sold hereunder shall be delivered to the location specified on the face of the Purchase Order. Seller shall arrange transportation to DLI at such location. Any documents necessary to enable DLI to obtain the goods from the carrier when tendered shall be delivered to DLI at the address for DLI on the face of the Purchase Order.
5. Title to the goods sold hereunder, along with the risk of loss or damage, shall remain with Seller and shall not pass to DLI until the goods are delivered to the location specified on the face of the Purchase Order, unless otherwise stipulated.
6. Time is of the essence. Seller shall be liable for loss or damage from late delivery or non-delivery, of all or any part of the goods sold hereunder, unless that failure is due to a cause, contingency or circumstance beyond Seller's control, including but not limited to federal, state or municipal action, statute, ordinance or regulations; strikes or other labor trouble; accidents, fires, earthquakes or other natural disasters which destroy in whole or in part the goods sold hereunder or Seller's manufacturing plant; or the lack of or inability to obtain raw materials, labor, fuel or supplies.
7. Seller shall not be excused from performing Seller's obligations under this contract if the goods identified are destroyed. Seller shall tender substitute goods of equal quantity and quality.
8. If the material/service provided does not require a qualification of finished goods, DLI shall have ten business days after the date of receipt to determine acceptance and notify the Seller. If the material/service provided requires a qualification of finished goods through testing, DLI shall have ten days after the date of qualification testing completion to determine acceptance and notify the Seller.
9. The failure of DLI to specify a defect that is a cause of any rejection shall not preclude DLI from relying on an unstated defect to justify rejection or to establish a breach.

10. If DLI rejects any shipment of goods and elects to accept either none or only a part of that shipment, DLI's only duty shall be to hold the goods for the disposition of the Seller. Under no circumstances shall DLI be required to resell the rejected goods.

11. Applicable prices are shown on the face of the Purchase Order.

12. If deliveries are made in installments, payment shall be due upon receipt and acceptance of individual receipts.

13. If Seller becomes insolvent or bankruptcy proceedings are instituted by or against Seller, or Seller makes an assignment for the benefit of creditors, any such event shall be deemed a material default hereunder, entitling DLI to cease performance under this Purchase Order, to seek to acquire the goods that are the subject of this Purchase Order from another source, and to avail itself of all legal or equitable remedies it may have against Seller.

14. In the event Seller defaults under the terms of this contract, Seller shall reimburse DLI, with interest at the highest rate permissible by law, for all costs and expenses incurred in connection with the default, including, without limitation, costs and expenses of investigation, costs and expenses of legal actions or proceedings (including arbitration and appellate proceedings), and attorneys' fees, costs and disbursements, whether or not legal action is actually commenced.

15. The failure of DLI to object to the manner of performance of any of the terms of this contract shall not be considered a waiver of any rights or remedies, past, present or future. The failure of DLI to object to a nonconforming performance shall not be construed as an acceptance of or acquiescence in the performance. DLI reserves the right to insist upon strict compliance with this contract at all times.

16. This agreement is deemed to have been entered into in Cazenovia, New York, and is to be construed and the respective rights of the parties are to be determined according to the laws of the State of New York. Jurisdiction and venue shall lie in Cazenovia, New York. Except as otherwise provided herein, this contract, and all rights and obligations of the parties, shall be governed by the Uniform Commercial Code as enacted and enforced in the State of New York, United States of America.

17. Any controversy, dispute or claim under, arising out of, in connection with or in relation to this contract shall be settled, at the request of either party, by arbitration conducted in accordance with the Commercial Arbitration Rules (or the then-existing rules for commercial arbitration) of the American Arbitration Association before a single arbitrator. The arbitration of such issues, including the determination of any amount of damages suffered by any party hereto by reason of the acts or omission of any party, shall be final and binding upon the parties. The parties intend that this paragraph shall be valid, binding, enforceable and irrevocable and shall survive the termination of this contract.

The arbitrator may grant temporary, preliminary or permanent injunctive relief or other equitable or legal remedies which such arbitrator deems appropriate, and any relief or remedy so granted shall be final and binding upon both parties and their respective personal representatives, heirs, devisees, successors and assigns.

Any arbitration proceedings hereunder shall be held in Cazenovia, New York.

The prevailing party shall be entitled to recover an amount as the arbitrator may adjudge to be a reasonable attorneys' fee, in addition to costs and other fees.

18. Typographical errors are not binding and are subject to correction.

19. This order may be cancelled by DLI, at any time prior to delivery by Seller, and Seller shall refund all deposits.

20. Seller acknowledges receiving or obtaining a true copy of this order.

21. **WARRANTY:** In addition to all warranties implied by law, Seller warrants the goods sold under this contract, at the time of delivery to DLI, to be free from defects in workmanship and materials for a period of 12 months after date of delivery. Any product which is defective within the terms of this warranty, if returned within 12 months after date of delivery, will be repaired or replaced free of charge and shipped freight prepaid to any point in the United States as designated by DLI.

22. In no event shall DLI be liable to Seller or its successors or assigns for any indirect, consequential or special damages or losses relating to or arising from this Purchase Order.

23. Seller covenants and agrees to indemnify and save harmless DLI with respect to any loss or damage that may arise through the use by DLI, or others, of any of Seller's products.

24. **CODE OF BUSINESS CONDUCT & ETHICS:** The Supplier and DLI are committed to conduct operations ethically and in compliance with the laws of the United States and any other country in which they do business. This includes laws against commercial bribery, payments to government officials and money laundering, and compliance with local tax laws, import/export regulations, and laws governing the payment of applicable customs and duties.

25. If seller is considered the manufacturer of the items being purchased by DLI, work shall not be moved from the original location of manufacture to another location of manufacture within a production facility or to any other production facility without advanced notification and approval by DLI.

26. When First Article Inspection (FAI) is a requirement, work shall not be moved from the original location where the work was produced at the time of FAI acceptance without advanced notification and approval by DLI.

27. Seller is responsible for maintaining records related to the fulfillment of the materials and/or services associated with Purchase Order for seven (7) years unless otherwise defined in the Material Specification or Purchase Order provided by DLI. The Seller agrees to produce these records upon request.