



Flexible Circuits, Inc.

222 Valley Road, Warrington, Pa. 18976-2580 * Phone (215) 343-2300 * FAX (215) 343-2075

Customer Terms and Conditions Policy

Applicability: This document contains requirements that are applicable when invoked by the Flexible Circuits, Inc. (herein referred to as FCI) Quote. Requirements include the mandatory use of these codes for Customer Contract Review and Quality Planning activities. This document is controlled electronically on the Flexible Circuits, Inc website. Paper copies and downloaded electronic copies are uncontrolled. Customer shall visit the website to review updates to this document.

The Flexible Circuits Inc. Quote is the official binding contract in the order of precedence described in the Terms & Conditions. QR number or specific text specifies requirements on the Quote.

Configuration Management: The Customer shall assure that the current configuration of all drawings, specifications, and instructions are up to date to the proper revision levels required by the Contract / Purchase Order.

Date	Revision	Revision Summary	Approval
1/30/2023	000	Initial release	

Flexible Circuit's Inc. ("Seller") quotation and/or acceptance of Buyer's Order for Seller's Products and services is expressly conditioned upon Buyer's assent to the below Terms and Conditions. Buyer's acceptance of Seller's Products is also deemed by the parties to be Buyer's assent to such terms.

SELLER'S TERMS AND CONDITIONS FOR QUOTATIONS AND PURCHASE ORDERS

(REV. 01/26/24)

1. GENERAL

All Terms and Conditions of Quotation/Sale are as follows except as specifically noted on the face of Seller's acknowledgment or quotation.

2. DELIVERY, DELAYS AND PERFORMANCE



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No liability shall result from delay in performance or non-performance of this Agreement directly or indirectly caused by fire, explosion, accidents, flood, labor trouble or shortage, war, act of regulation of any government, inability to obtain suitable material, equipment, fuel, earthquakes, power or transportation or acts of God (Force Majeure); or arising from contingencies, happenings, or causes beyond the control of the parties affected.

Quantities of Products so affected by any such circumstances may be eliminated from an Order without liability, but this agreement shall otherwise remain unaffected.

3. Shipping Terms

Shipping terms will be based on Point of Origin. Shipping point will be at Seller's factory, Warrington, PA U.S.A. Seller's liability ceases as to delivery and risk of loss upon making delivery of the Products purchased hereunder to carrier at said shipping point in good condition; the carrier acting as Buyer's agent.

4. ASSIGNMENT

The Buyer shall not assign its Order or any interest therein or any rights thereunder without the prior written consent of Seller.

5. TAXES AND RELATED CHARGES

Buyer shall be responsible for all taxes, excises, licenses, duties, and governmental exactions by whatever name known which may be leveled or assessed on or account of the Products sold hereunder, or their documents. This includes all other charges required by domestic government (national, state or local) and international operations (exports), upon the sale, production or transportation of the Products sold hereunder, unless otherwise stated by U.S. regulations.

6. PAYMENTS

Unless stated otherwise on the quote or acknowledgment, payments shall be made to Seller NET 30 from day of shipment, unless other terms are contractually agreed upon by both Parties. Each shipment shall be considered a separate and independent transaction. If performance by Seller or shipments are delayed by the Buyer, payments shall become due upon 30 days from issuance of the invoice, unless otherwise agreed upon by both Parties. Such payments shall be made based on the purchase price and the percentage of completion.

7. PRICE

Prices and terms are not subject to verbal changes or other agreements unless approved in writing by Seller. Prices are based on costs and conditions existing on the date of quotation and are subject to change by the Seller before final acceptance. Prices do not include export fees, shipping costs, or special packaging, compliance testing, or inspection charges. Buyer shall have no right to access of Seller's cost or pricing data or other books and records, unless otherwise mandated by DFARs or FARs.

1. Due to the added volatility and on-going fluctuation in precious metals and raw material necessary for production, SELLER reserves the right to review and/or adjust pricing based on the change in the price



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of precious metals and any other essential material, throughout the duration of this agreement/ quotation/
purchase order. Market fluctuation as well as any increases from component suppliers and material
suppliers, will be used as the indices for measuring the current price of precious metals and any other
material essential to production of the contemplated goods. Examples cited but not limited to: Gold,
Palladium, Nickel, Copper, Oil Derivatives, and any other material essential to the proper manufacture
of any good contemplated.

8. NON-WAIVER-CONFLICTING TERMS AND CONDITIONS

Any failure at any time of Buyer or Seller to enforce any provision hereof shall not constitute a waiver of such provision nor prejudice the right of Buyer or Seller to enforce such provisions at any subsequent time. Insofar as any terms and conditions of the Buyer's Order conflict with the Seller's terms and conditions contained herein, the latter shall govern, irrespective of whether the Buyer accepts the Seller's terms and conditions by a written acknowledgment, by placement of order, or acceptance and payment of Products ordered hereunder. Terms and conditions proposed by Buyer that are inconsistent with those stated herein are waived by Buyer.

9. PROPRIETARY AND CONFIDENTIAL RIGHTS

Any of Seller's data furnished or acquired by Buyer providing confidential or proprietary information concerning Seller's trade secrets, such as, but not limited to, any formula, design, engineering drawings, device or compilation of information, including Seller's manufacturing methods or processes, treatment and chemical composition of materials and tooling shall be kept confidential by Buyer, and not disclosed to third parties without Seller's express written permission. Buyer shall not use such data, in whole or in part, or the Products, to copy, redesign, reverse engineer, replicate or manufacture (or enable manufacture by itself or any third party) the Products, products similar thereto or products derived therefrom without Seller's express written permission. The Price for the Products does not include any such data and information. Nothing in this Agreement shall transfer ownership of Proprietary Information from one Party to another Party. The obligation to protect all Proprietary and Confidential information lives on in perpetuity.

10. PATENT DATA

Seller warrants that the use or sale of its Products will not infringe the claims of any United States or foreign patent governing the Products themselves, but does not warrant against patent infringement by reason of the use of its Products in combination with others or in the operation of any process. Buyer assumes liability for patent and copyright infringement when Products are made to Buyer's specifications. Buyer shall indemnify and hold Seller harmless from all damages and costs related to such infringement.

All technical advice, specification data, recommendations and services are rendered by the Seller free of charge and while based on data believed to be reliable, they are intended for use by skilled persons at their own risk. Seller assumes no responsibility to Buyer for events resulting or damages incurred from improper use. They are not to be taken as a license to operate under or intended to suggest infringement of any existing patent.

11. GOVERNING LAW



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a) This Agreement shall be governed, construed and enforced in accordance with the laws of Pennsylvania, United States of America. Any dispute arising from this contract, in which the parties are unable to resolve by mutual agreement, shall be exclusively resolved by submitting such dispute to binding Arbitration in front of a mutually agreed-upon arbitrator or arbitration body in the County of Philadelphia, Pennsylvania, United States of America, regardless of choice of law or venue rules. Both parties hereby submit to exclusive jurisdiction in Philadelphia, Pennsylvania, United States of America, for any dispute related to this Agreement, without any objection to such venue.

12. ACCEPTANCE

Final acceptance or rejection of the Products shall be made as promptly as practical after delivery to Buyer; however, unless earlier rejected, the Products shall be deemed by the parties to be accepted within either the acceptance of Buyer's incoming inspection, or product is put into stores/inventory, or within fifteen (15) days after delivery to Buyer. Upon acceptance of each unit of Products, Buyer waives any right to revoke such acceptance for any reason, whether known or unknown to Buyer at the time of acceptance. Any defect or nonconformance becoming apparent in the Products after such acceptance shall be corrected under and subject to, the conditions of the terms herein entitled Warranty.

13. CHANGES

Any changes by Buyer can only be made with the prior written agreement of Seller.

If any such change causes an increase in the cost of, or the time required for the performance of any part of the work under this contract, whether changed or not changed by any such Order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly.

All equitable adjustment claims need to be settled and paid prior to any changes being implemented. Seller will not be liable for any delays resulting from unsettled or unpaid claims for equitable adjustments.

Where Buyer requests shipment of Products prior to completion and acceptance of Qualification Testing, Buyer will do so at their own risk and Seller will have no liability. In addition, Buyer shall be completely responsible for any modification and/or change costs of such Products. Upon completion of qualifications, Buyer shall be completely responsible for any change and costs of such products, including requalification testing.

14. CANCELLATIONS, STOP WORK ORDERS

Cancellations of an Order will be accepted only with the specified written approval of the Seller and shall be subject to cancellation charges which will include all work in process, expenditures made and committed for the Order with a reasonable allowance for prorated overhead expenses, profit and cost for submitting and negotiation of Seller's claim. Payments will be made in accordance to Section 6 of this document.

15. WARRANTY



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1. Seller warrants all Products, as delivered, to be furnished under an Order to be free from defects due to faulty workmanship or material. Seller warrants all Products will meet Buyer's requirements called out under the Order.
2. Seller neither expressly nor impliedly warrants against defects in design, workmanship and material of parts or materials supplied by others and utilized by and as supplied by Seller in such Products. Seller shall give to Buyer (insofar as it is assignable) the benefits of any express written warranties given to Seller by such manufacturer or other vendors. Seller shall have no obligation to process any warranty claim against such manufacturer and supplies for the benefit of Buyer.
3. **This warranty shall apply only on the condition that:**
 1. Buyer shall comply with Flexible Circuits, Inc. standard Return Material Authorization (RMA) procedures.
4. **The obligations and liabilities of Seller under this Terms and Conditions are expressly limited to the replacement by Seller of such Products, and shall not include any removal, disassembly, failure analyzing fault isolation, inspection, retrofit or reinstallation costs incident to such correction or replacement.**

16. EXTENT OF SELLER'S LIABILITY

Seller will not have any liability for liquidated damages, penalties, fees, or for collateral, indirect, incidental, consequential or special damages, including loss of profits or loss of use, and the aggregate total liability of any damages under an Order shall in no event exceed its contract price of the Product giving rise to the claim (or claims) of liability, whether resulting from delays in delivery or performance, breach of warranty, claims of negligent manufacturing, patent or copyright infringement, or otherwise. Buyer agrees to indemnify and hold harmless Seller from all claims by third parties which extend beyond the foregoing limitations of Seller's liability.

17. SELLER'S INDEMNIFICATION

Seller hereby agrees to indemnify Buyer against, and to hold Buyer harmless from all claims, demands, causes of action, losses, damages, liabilities, costs and expenses (Seller shall not be liable to the Buyer for any amount greater than Seller's Aviation liability Insurance) asserted against or incurred by Buyer in connection with or arising out of (i) the ownership, maintenance or operation of the product, or (ii) a breach of any representation, warranty or covenant of Seller, any of Seller's subcontractors, suppliers, employee's, agents, or representatives, contained in this Contract. Notwithstanding anything to the contrary contained herein, (i) Seller's indemnity obligations hereunder will not extend to claims arising out of the negligence or willful misconduct of Buyer, and (ii) in no event shall such indemnification cover any indirect or consequential damages of Buyer, including, without limitation, lost profits. Indemnification period will end at the termination of this Agreement. All



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Indemnification claims of the Buyer will be subject to negotiation. To obtain indemnification, Buyer shall promptly, within five (5) calendar days, submit to Seller written notice of any such claim.

18. COMPLIANCE WITH LAW

1. BUYER-FURNISHED MATERIAL

When a quotation or Order specifies that material is to be furnished by the Buyer, ample allowances shall be made by the Buyer for reasonable spoilage or scrap of the material so as to facilitate efficient, timely production by Seller. Buyer will be responsible to identify/ label furnished material unless otherwise indicated by U.S. law. Additional fees and other allowances will be subject to negotiation.

2. EXPORT AND IMPORT COMPLIANCE

Buyer and Seller (hereafter also known collectively as "Parties") shall comply with all applicable U.S. export control laws and economic sanctions laws and regulations, specifically including but not limited to the International Traffic in Arms Regulations (ITAR), 22 C.F.R. 120 et seq.; the Export Control Reform Act of 2018; the Export Administration Regulations, 15 C.F.R. 730-774; and the Foreign Asset Control Regulations, 31 C.F.R. 500-598 (collectively, "Trade Control Laws") Both Parties shall not disclose any technical data, nor deliver, export, re-export or re-transfer any Product out of the USA, or to foreign persons or entities within the USA, without the proper written authorization and/or license from the U.S. Government. Buyer hereby indemnifies and agrees to hold Seller harmless from any costs, damages, penalties, attorney's fees and similar expenses of Seller due to Buyer's breach (or threatened breach) of such obligation. The Parties shall reasonably cooperate with each other in obtaining all required export and import licenses, approvals and/or notifications pursuant to such U.S. laws.

3. OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION (OSHA)

Seller warrants that all goods and/or services under this Purchase Order conform to all relevant Federal, State, Occupational Safety & Health Administration (OSHA) and other worker safety requirements.

4. EQUAL OPPORTUNITY

Seller abides by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), 29 CFR part 471, appendix (a) -EO 13496, 60-741.5 (a) and 29 CFR Part 471, Appendix A to Subpart A. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation.

19. CYBER/INFORMATION SECURITY



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Both Parties agree to implement and maintain effective information security policies and procedures that include administrative, technical, and physical safeguards designed to (i) ensure the security and confidentiality of confidential information provided to the other parties hereunder, (ii) protect against anticipated threats or hazards to the security or integrity of such confidential information, (iii) protect against unauthorized access or use of such confidential information, and (iv) ensure the proper disposal of confidential information. In the event of unauthorized access to confidential information or non-public personal information of individual consumers, each party shall cooperate with the other party, provide any notices and information regarding such unauthorized access to appropriate law enforcement agencies and government regulatory authorities, and affected customers which the other party in its sole discretion deems necessary.

20. CONTROLLED UNCLASSIFIED INFORMATION (CUI)

If any items, including but not limited to, finished products, drawings, contract agreements, email correspondence, etc., contains CUI (Controlled Unclassified Information), that will be flowed-down to the Supplier/Seller, it will be the responsibility of the Buyer, Prime, and/or Customer to properly identify and mark any and all CUI in accordance to the NIST SP.800-171 and DFAR 252.204.7012 and FAR 52.204-21

21. DFAR AND FAR REQUIREMENTS

When applicable, the Buyer will be responsible to communicate the appropriate DFARS (Defense Federal Acquisition Regulation Supplement) and FARs (Federal Acquisition Regulation) to the Seller.