



## STANDARD TERMS AND CONDITIONS

1. ACCEPTANCE. THIS PURCHASE ORDER IS SUBJECT TO IMMEDIATE ACCEPTANCE. ANY PERFORMANCE BY SELLER HEREUNDER SHALL BE DEEMED AN ACCEPTANCE WITHOUT EXCEPTION OF THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER. STS EXPRESSLY LIMITS ANY ACCEPTANCE TO THE TERMS SET FORTH ON THE FACE AND REVERSE OF THIS PURCHASE ORDER AND ANY ATTACHMENT HERETO: ALL APPLICABLE IMPLIED RIGHTS INCLUDED IN THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE STATE OF OKLAHOMA AND IN FORCE THE DATE HEREOF APPLY TO THE SALE OF GOODS HEREUNDER UNLESS WAIVED BY STS IN A SUPPLEMENT HERETO.

No verbal agreement or other understanding shall in any way modify this agreement. No addition or change to these terms and conditions or to quantities, prices or deliveries contained in any acknowledgement, invoice, or other form of Seller's shall be effective, notwithstanding STS' acceptance of delivery or payment for goods or services.

If this Purchase Order is issued in connection with a written agreement between the parties, the terms and conditions of such agreement shall govern where inconsistent herewith.

2. CASH DISCOUNT. It shall be understood that the cash discount period will date from receipt of invoice or material, whichever is later.
3. INVOICES. Send separate invoice and shipping notice for each shipment on this Purchase Order. Each invoice must show STS' Purchase Order Number and all other pertinent data required.
4. NEW MATERIALS. All goods to be delivered hereunder shall consist of new materials unless otherwise specified. For Subcontractors, Contract Manufacturers, and Authorized Distributors - Only new and authentic materials are to be used in products delivered to STS. No counterfeit or suspect counterfeit parts (see below for a definition of Counterfeit Item) are to be contained within the delivered product. Parts shall be purchased directly from the OCMs/OEMs, or through the OCM/OEMs

"Counterfeit Item" is defined to include, but is not limited to, (a) an item that is an illegal or unauthorized copy or substitute of an OEM item; (b) an item that does not contain the proper external or internal materials or components required by the OEM or that is not constructed in accordance with OEM specification; (c) an item or component thereof that is used, refurbished or reclaimed but the Seller represents as being a new item; (d) an item that has not successfully passed all OEM required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements; (e) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM item is a genuine OEM item when it is not or (f) material that has been confirmed to be a copy, imitation or substitute that has been represented, identified or marked as genuine, and/or altered by a source without legal right with intent to mislead, deceive or defraud.

5. PACKAGING. Seller shall prepare and package the goods to prevent damage or deterioration and shall use best commercial practice for packing and packaging of items to be delivered under this Purchase Order, unless otherwise specified in the Purchase Order. No charges will be allowed for boxing, crating, or carting unless previously agreed in writing. STS' count or weight shall be final and conclusive on shipments not accompanied by a packing list.
6. SHIPPING. Unless otherwise stated in the Purchase Order, F.O.B. point shall be Destination (Incoterms 2010 DDP for International transactions).

7. RECEIVING INSPECTION AND ACCEPTANCE. All goods will be received by STS subject to inspection and rejection. Rejected material may be returned immediately at Seller's expense and all delivery charges paid by STS shall be refunded.

- (a) STS's final acceptance of Goods or Services is subject to STS's inspection within sixty (60) days after receipt at STS's facility or such other place as may be designated by STS, notwithstanding any payment or prior test or inspection.
- (b) Seller and its suppliers shall establish and maintain a quality control and inspection program. Subject to applicable national security regulations, STS and STS's Representative, including the U.S. Government, shall have the right of access, on a non-interference basis, to any area of Seller's or Seller's supply chain sub-tier premises where any part of the work is being performed. Seller shall flow this requirement down to its sub tier supply chain suppliers as a condition of this Purchase Order. Seller shall, without additional costs to STS, provide all reasonable in-plant accommodations, facilities, and assistance for the safety and convenience of STS and STS's Customer in the performance of their duties.
- (c) Seller shall keep and maintain inspection, test and related records, which shall be available to STS or STS's Representative. Seller shall allow copies to be made and shall furnish all information required by STS or STS's Representative.

8. REJECTION. If Seller delivers non-conforming Goods or Services, STS may, at its option and Seller's expense: (a) return the Goods for refund or credit; (b) require Seller to promptly correct or replace the Goods or Services; (c) correct the nonconformance; or, (d) obtain conforming Goods or Services from another source. STS shall specify the reason for any return or rejection of nonconforming Goods or Services and/or shall describe the action taken. Seller shall be liable for any increase in costs, including procurement costs attributable to STS's rejection of the non-conforming Goods or Services. If STS determines or has reason to believe that Goods provided contain suspect and/or counterfeit parts, STS shall provide Seller the appropriate notice, impound the suspect/counterfeit parts, and report all occurrences to ERAI and GIDEP.

ERAI: An information services organization that monitors, investigates, reports and mediates issues affecting the global supply chain of electronics.

GIDEP (Government-Industry Data Exchange Program): A cooperative activity between U.S Government and industry participants seeking to reduce or eliminate expenditures of resources by sharing technical information essential during research, design, development, production and operational phases of the life cycle of systems, facilities and equipment.

9. WARRANTY. Seller warrants that: (a) the Goods furnished under this contract shall conform to all specifications and requirements of this contract and shall be free from defects in materials and workmanship; (b) to the extent the Goods are not manufactured pursuant to detailed designs and specifications furnished by STS, the Goods shall be free from design and specification defects; (c) the Goods shall not infringe on any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party; (d) the Goods shall be free from liens or encumbrances; (e) the Goods shall not contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (i) damage, destroy or alter any software or hardware; (ii) reveal, damage, destroy, or alter any data; (iii) disable any computer program automatically; or (iv) permit unauthorized access to any software or hardware; and

This warranty shall begin upon STS's final acceptance of the Goods and shall survive inspection, test and payment for the Goods. The

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warranty shall extend for a period of one (1) year or such other period as set forth elsewhere in this contract, and STS shall give Seller notice after discovery of a defect or nonconformance in the Goods. The warranty shall run to STS and its successors, assigns and customers.

10. DELIVERIES. In the event that Seller is unable to make deliveries by the date required as specified on the face of this Purchase Order, STS reserves the right to modify or cancel this Purchase Order.
11. PATENTS. Seller shall indemnify STS and hold STS harmless against any and all claims that items sold hereunder infringe any U.S. or foreign letters patent, copyright or trademark and provided STS gives Seller prompt notice in writing of any suit or action at law or in equity brought against STS on any such claim for infringement and at Seller's expense gives Seller necessary information, assistance and authority to do so. Seller shall defend at Seller's expense any and all such suits, and satisfy all judgments entered therein.
12. COMPLIANCE WITH LAW.
  - (a) The provisions of this Purchase Order shall be interpreted in accordance with the laws of the State of Oklahoma without regard to its conflict of law provisions, except that any provision in this Purchase Order that is (i) incorporated in full text or by reference from the Federal Acquisition Regulations (FAR); (ii) incorporated in full text or by reference from any agency regulation that implements or supplements the FAR or; (iii) that is substantially based on any such agency regulation or FAR provision, shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contracts appeals, and quasi-judicial agencies of the federal Government. All disputes arising out of or related to this Purchase Order will be subject to the exclusive jurisdiction and venue of the state and federal courts located in the State of Oklahoma and the Parties hereby consent to such jurisdiction and venue.
  - (b) Seller, in the performance of this Purchase Order, shall comply with all applicable local, state, and federal laws, orders, rules, regulations, ordinances, guidelines, directives, FAA, DOT and other transportation regulations and Hazard Communication Standards promulgated pursuant to the Occupational Health and Safety Act.
  - (c) Seller represents that each chemical substance constituting or contained in products sold or otherwise transferred to STS hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq.) as amended.
  - (d) Export Control and Compliance. Seller shall control the dissemination of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations. If this order involves the delivery of products, software, technical data or services (which includes design, assembly, testing, repair, maintenance or modification to STS products or technologies) subject to United States export control laws and regulations, Seller shall comply with all applicable U.S. export and re-export control laws and regulations and any local government export regulations.
  - (e) Seller shall: (i) comply with the requirements of the Foreign Corrupt Practices Act, as amended, (FCPA) (15 U.S.C. §§78dd-1, et. seq.), regardless of whether Seller is within the jurisdiction of the United States; (ii) neither directly nor indirectly, pay, offer, give, or promise to pay or give, any portion of monies or anything of value to a non-U.S. public official or any person in violation of the FCPA and/or in violation of any applicable country laws relating to anti-corruption or anti-bribery; and, (iii) Seller hereby agrees not to interact with any government official, political party or public international

organization on behalf of STS without the prior written permission of STS's Procurement Representative.

- (f) Seller's failure to comply with the entirety of this Article shall be immediate cause for default.
13. STANDARDS OF BUSINESS ETHICS AND CONDUCT. STS shall conduct its business fairly, impartially, and in an ethical and proper manner. Seller shall conduct its business fairly impartially, and in an ethical and proper manner. Seller shall not engage in any personal, business or investment activity that may be defined as a conflict of interest, whether real or perceived.
13. TAXES. Seller agrees to pay any taxes imposed by law or on account of the goods or services ordered hereunder unless otherwise agreed in writing.
14. INSURANCE. If this Purchase Order involves the performance of labor or other services by Seller on the premises of STS, Seller shall pay and discharge all claims and demands asserted against Seller by any employee of Seller for loss of life or personal injury arising out of or resulting from the performance of such labor or services. Seller shall indemnify and defend STS against all claims and demands asserted against STS by any employee or agent of Seller or any other person or company arising out of or resulting from Seller's performance of this Purchase Order. Seller shall furnish evidence of insurance with minimum limits as follows: Worker's Compensation and Employer's Liability Insurance as required by law, bodily injury and property damage, public liability insurance of not less than \$500,000 per occurrence including contractual liability coverage and automobile bodily injury liability insurance of not less than \$250,000 per person, and \$500,000 per accident and property damage liability of \$500,000 per accident or with such other limits as STS may specify in this Purchase Order or from time to time in writing.
15. INTELLECTUAL PROPERTY.
  - (a) Any work, writing, idea, discovery, improvement, invention (whether patentable or not), trade secret or intellectual property of any kind first made or conceived by Seller in the performance of this Purchase Order or which is derived from the use of information supplied by STS shall be the exclusive property of STS. Seller shall disclose promptly all such works, writings, ideas, discoveries, improvements, inventions, trade secrets or intellectual property to STS, and shall execute all necessary documents to perfect STS's title thereto and to obtain and maintain effective protection thereof. Any work produced under this Purchase Order is to be deemed a work-for-hire to the extent permitted by law, and, to the extent not so permitted, shall be assigned to and the exclusive property of STS.
  - (b) Seller hereby grants to STS, and to STS's subcontractors and customers, in connection with the use, offer for sale, or sale of products provided to or work being performed for STS, an irrevocable, non-exclusive, paid-up worldwide license under any and all intellectual property (whether domestic or foreign), including patents, copyrights, industrial designs and/or mask works owned or controlled by Seller at any time or licensed to Seller, provided such a sublicense does not conflict with any provisions of the license to the Seller.
  - (c) Seller hereby grants to STS, and to STS's subcontractors and customers, a perpetual, non-exclusive, paid-up worldwide license to reproduce, distribute copies of, perform publicly, display publicly, or make derivative works from any software included in or provided with Goods or Services under this Purchase Order (Software Documentation) as reasonably required by STS in connection with STS's testing or use of the Goods or Services.

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16. PROPRIETARY INFORMATION AND RIGHTS. All subcontractors receiving proprietary data from STS must have a signed Proprietary Data Agreement on file with STS.
- (a) Subject to 16(d) and Article 15, Intellectual Property, the Parties shall only share Proprietary Information under this Purchase Order pursuant to an existing Proprietary Information Agreement (PIA) as incorporated into the Purchase Order;
  - (b) Unless otherwise agreed to in a subsequent writing or expressly set forth in this Purchase Order and subject to Article 16(d), all specifications, information, data, drawings, software and other items supplied to STS shall be disclosed to STS without any restrictive rights on a non-proprietary basis;
  - (c) Unless otherwise agreed to in a subsequent writing or expressly set forth in this Purchase Order and subject to Article 16(d), all specifications, information, data, drawings, software and other items which are: (i) supplied to Seller by STS; or, (ii) paid for by STS during the performance of this Purchase Order shall be treated as proprietary to STS and shall not be disclosed to any third party without STS's express written consent. Seller agrees not to use any such furnished information except to perform this Purchase Order; and,
  - (d) Applicable U.S. Government Procurement Regulations incorporated into this Purchase Order shall take precedence over any conflicting provision of this Article 16 to the extent that such Regulations so require. The incorporation by reference of such Regulations dealing with Seller's rights in Technical Data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights, which Seller may have previously granted to STS pursuant to prior agreements between the parties.
17. ELECTRONIC TRANSMISSIONS. All electronic transmission of supplier proprietary data must have encryption protection for sending/receiving.
- (a) The parties agree that if this Purchase Order is transmitted electronically, neither party shall contest its validity, or any acknowledgment thereof, on the basis that this Purchase Order or acknowledgment contains an electronic signature.
  - (b) Seller shall, at STS's request and Seller's expense, send and receive business transactions by electronic means using Web-based technologies. Such Web-based technologies for electronic transmissions may include a) email and (b) the Internet directly between STS and Seller.
18. FURNISHED PROPERTY.
- (a) All drawings, tools, jigs, dies, fixtures, materials, and other property supplied or paid for by STS shall be and remain the property of STS; and if Seller fails to return such property upon STS's demand, STS shall have the right, upon reasonable notice, to enter Seller's premises and remove any such property at any time without being liable for trespasses or damages of any sort.
  - (b) All such items shall be used only in the performance of work under this Purchase Order unless STS consents otherwise in writing.
  - (c) Seller shall have the obligation to maintain any and all property furnished by STS to Seller and all property to which STS acquires an interest by this Purchase Order and shall be responsible for all loss or damage to said property except for normal wear and tear. For U.S. Government contracts, Seller's responsibility for loss or damage to said property shall be determined in accordance with FAR Part 52.245-1 or FAR Part 52.245-1 Alternate I, as applicable.
- (d) Upon request, Seller shall provide STS with adequate proof of insurance against such risk of loss or damage.
  - (e) Seller shall clearly mark, maintain an inventory, and keep segregated or identifiable all of STS's property. At STS's request, and/or upon completion of this Purchase Order, Seller shall submit, in an acceptable form, inventory lists of Furnished Property and shall deliver or make such other disposal as may be directed by STS.
19. CYBER SECURITY AND INCIDENT REPORTING. If DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, is applicable to purchase orders issued by STS, Seller shall be responsible for the following in addition to those requirements specified in the above DFARS clause:
- (a) As defined therein, the Seller shall rapidly report Cyber incidents to the DoD at <http://dibnet.dod.mil> and to STS, providing the requisite information required under the clause.
  - (b) Without exception, any Cyber incident the Seller encounters shall be reported to STS within 24 hours.
  - (c) In the event of a data breach, STS shall be afforded unfettered access to certain technical information (e.g., logs, packet flow information, etc.). This information will be required to satisfy STS's customer information requests.
  - (d) Failure to provide these notices will be considered a material breach of this Purchase Order.
- In further support of this requirement, should STS elect to utilize supplier checklists, representations or certifications of compliance, outside vendor verification, and/or onsite security audits, Seller shall support as required to meet the continuing needs of STS's customer.
20. CONFLICT MINERALS. By accepting these terms and conditions, Seller agrees to timely respond, to the best of its knowledge and belief, following a reasonable country of origin due diligence inquiry in accordance with the framework in the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or other prevailing industry standard, to any request by or on behalf of STS, for information on the origin, source and chain of custody information of 3TG (tin, tantalum, tungsten, and gold) minerals necessary to the functionality or production of a product manufactured by Seller or supplied by Seller to STS. Further, Seller agrees to provide STS timely notice when Seller becomes aware that any 3TG in a product or component it supplies to STS finances or benefits armed groups in the Democratic Republic of Congo or an adjoining country. In addition, Seller understands and acknowledges that any information Seller provides in this regard may be used by STS to comply with its reporting obligations under the Rule 13p-1 of the Securities and Exchange Act of 1934, as amended and the Dodd-Frank Wall Street Reform and Consumer Protection Act, including filing a Form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission.
21. NONDISCRIMINATION IN EMPLOYMENT AND FACILITIES. **In the performance of this contract, Seller shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(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 or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals with regard to race, color, religion, sex, national origin, protected veteran status or disability.**



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22. DIGITAL PRODUCT DEFINITION (DPD). Seller receiving DPD from STS in any format shall adhere to the following requirements:
- (a) Seller shall develop and maintain processes used to ensure adherence to these requirements.
  - (b) Seller shall ensure the secure storage and retention of STS provided DPD or Seller created DPD derivatives.
  - (c) Seller shall use encryption protection for sending/receiving of electronically transmitted DPD data.
  - (d) Seller shall notify STS Quality Rep within 30 calendar days of implementing any changes to: 1) Seller's Documented DPD Processes or 2) Seller's quality manager or key personnel.
  - (e) Seller shall establish procedural controls to assure DPD transferred (authority or derivative) between their company divisions and all levels of sub-tier suppliers shall be in compliance with this section.
  - (f) All obsolete and/or unusable materials and computing media of any kind containing PROPRIETARY information shall be disposed of by methods that ensure that all proprietary information is destroyed so that none of it can be reconstructed from the residue or remains.
  - (g) Sellers shall adhere to all export control laws including International Traffic in Arms Regulations (ITAR), Manufacturing License Agreement (MLA), Manufacturing Agreement (MA), Technical Assistance Agreement (TAA), and Export Administration Regulations (EAR).