



Terms & Conditions of Sale

Agreement to Terms and Conditions

Spirit Electronics ("Spirit") values the quality of products and services delivered to you, our customer ("Customer"). Customer's agreement with Spirit ("Sales Order") includes Customer's order as acknowledged by Spirit, all attached documents, data, notes, and regulations referenced therein, and these terms and conditions. Any modification of the Sales Order must be made in writing and acknowledged by both Spirit and Customer.

1. Prices & Quotes

Spirit's quoted prices are valid for 30 days. All quotes are in US Dollars. Unless otherwise stated, quotes do not include freight charges and/or surcharges or any special handling requirements. Freight is FOB Origin unless otherwise stated. Attachment of additional lot and/or date code requirements and/or quality assurance clauses at time of Sales Order may affect price and/or delivery date. Sales Orders are subject to tariff increases where applicable.

2. Order Changes

If changes to the Sales Order result in changes to cost, quantity, or expected delivery date, Customer shall allow for equitable and reasonable changes to price and/or expected delivery date. Sales Order is non-cancelable, and products and services therein are non-returnable ("NCNR") when quoted as NCNR by Spirit. Products and services that are NCNR may only be approved for return as outlined below.

3. Delivery

Spirit must approve Customer requests to reschedule orders when requests are made within 30 days of the scheduled ship date. Lead times are subject to change. When orders are given a Defense Priorities and Allocations System ("DPAS") rating, Spirit or Customer shall give immediate notification in writing of any changes or impacts to expected delivery date. Title to products passes to Customer when carrier takes custody for shipment. Shipping method and selection of carrier shall be at Spirit's discretion unless otherwise designated by Customer.

4. Payment & Taxes

Upon approved credit, standard payment terms are net 30 days from date of Spirit's invoice for products and services rendered. After the 30th day, if payment is not made in full, Customer shall be charged an interest charge of 2% per month for all past due accounts. Spirit reserves the right to correct errors on the invoice.

5. Product Returns

Customer shall obtain Spirit approval for return of products in the form of a return material authorization ("RMA") number. Spirit will allow an RMA for returns due to product nonconformities (such as damage or defects) or warranty claims. Customer shall notify Spirit in writing of any product nonconformance within three business days of shipment receipt. After a period of three business days, Customer is considered to have accepted products and will not be approved for an RMA. RMAs for warranty are subject to the warranty clause below. RMAs will not be issued for products due to damage or defect caused by Customer or any third party, such as carrier or freight provider. Upon receipt of RMA number, Customer shall return products to Spirit within 30 days, after which the RMA may be cancelled for failure to return product. Spirit and OEM shall be allowed to inspect returned product to determine root cause of any failure, defect, or other nonconformance.

6. Warranty

Spirit is not a product manufacturer and has not manufactured any product sold to Customer as part of Sales Order. Spirit agrees to pass manufacturer product and service warranties to Customer to the extent allowed by the manufacturer's warranty policy. Warranty durations and conditions shall be as specified by the manufacturer, and Customer must make all warranty claims in writing within twelve months of delivery of products or services. Spirit warrants that all value-added work completed by Spirit, such as tape and reel, shall meet Customer's written specifications on the Sales Order. Customer acknowledges that any value-added work in Sales Order may void manufacturer product warranties. Any Customer alteration of product or Customer testing that affects the form, fit, and/or function of the product after delivery shall void Spirit's warranty.

7. Limitation of Liability

Spirit's liability to Customer or any third party shall exclude any special, indirect, incidental, consequential, or contingent damages, including but not limited to, loss of revenue or profits, loss of goodwill or customers, loss of use, cost of repairs, or manufacturing expenses. Spirit's liability to Customer shall be limited to direct damages not to exceed the value of the Sales



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Order. Customer's remedy for damaged or nonconforming products shall be limited to return and warranty terms and conditions herein.

8. ITAR & Export Laws

Sales Order products and related technical data is subject to the Export Control Laws of the United States Government. Products, drawings, documents, or other technical data in Sales Order may fall within the definition of the International Traffic and Arms Regulation ("ITAR"), which prohibits export of such data without license and authorization. Customer and Spirit shall comply with ITAR requirements and all other applicable export laws and controls to prevent illegal or unauthorized disclosure or export of technical data, products, or services in Sales Order.

9. Environmental Compliance

Spirit is considered a distributor for purposes of environmental regulations such as the European Union's regulations for Registration, Evaluation, Authorization, and Restriction of Chemicals ("REACH"). Spirit agrees to provide product data and information required by environmental regulations only as provided by the manufacturer or distributor. Customer shall be responsible for product and reporting compliance with environmental regulations.

10. Waiver

Spirit terms and conditions shall supersede Customer terms and conditions unless Spirit has otherwise agreed in writing. No failure or delay by Spirit to exercise rights under these terms and conditions shall be considered a waiver of such rights, nor shall any partial exercise of rights prevent later or further exercise of rights herein.

11. Dispute Resolution

Sales Order and these terms and conditions shall be governed by and construed according to the laws of the State of Arizona. Any dispute or suit resulting from enforcement of the Sales Order or relating to the Sales Order shall be settled by a competent court located in Arizona. The prevailing party shall be entitled to recover attorney, consultant, and court fees and expenses.

12. Force Majeure

Spirit and Customer shall not be liable for delay or default of obligations under the Sales Order and these terms and conditions resulting from a force majeure including, but not limited to, extreme weather or environmental events, military or government actions, hostilities, riots, strikes, terrorism, or other events outside of reasonable control of either party.