



Standard Terms and Conditions of Purchase

Seller acknowledges and agrees to the following Terms and Conditions of Purchase applicable to all orders unless otherwise stated on the body of the purchase order:

1. All items shall be built per specifications provided using approved materials, procedures, equipment, and drawings and in accordance with government regulations, as applicable.
2. All items shall be stored, packaged and handled in accordance with JEDEC J-STD-033 and ANSI/ESD S20.20 as applicable.
3. All items must be new and unused, in good condition, and traceable to the manufacturer. Items received will be inspected in accordance with IDEA STD-1010. Items not meeting specification will be returned for rework or replacement.
4. No substitute product will be accepted. Supplier will not knowingly ship product that deviates from that identified on the Purchase Order, or within the drawings, without written approval by an authorized EPE representative.
5. EPE will not accept components with manufacturer's date codes older than 60 months, at the time of shipment.
6. Mixed date codes within reels, tubes, trays, etc. are not acceptable.
7. Components ordered as cut-tape must be supplied in one continuous strip, with leader tape, when available. EPE reserves the right to reject receipts of multiple cut strips unless specifically called out on the purchase order.
8. Seller shall provide a Certificate of Compliance referencing date code and/or lot code with each shipment when noted on the Purchase Order. However, Certificates of Compliance shall be on record at seller's facility, and made available to EPE upon request.
9. Custom-fabricated items are ordered in the exact quantity required, therefore, it is unacceptable to ship short without prior approval from the EPE buyer.
10. If Purchase Order is for printed circuit boards, see additional terms and conditions outlined on the Purchase Order.
11. If the Purchase Order is for cable/wire assemblies, wire harnesses, custom cable assemblies, they shall be built in accordance with IPC-A-620 Class 2, unless otherwise noted on the Purchase Order.
12. Test, inspection and audit criteria, when specified, must be adhered to. Test reports, statistical reports are to be furnished upon request.

13. Seller shall notify EPE of changes in product and/or process, product/component obsolescence, change of suppliers, change of manufacturing facilities, and obtain approval prior to shipment.
14. If the purchase order is rated ITAR, DPAS, DX/DO-Rated, 13485 or AS9100 (see face of P.O.), see additional terms and conditions listed separately on the face of the purchase order.
15. If the purchase order is rated 13485 or AS9100, your quality management system shall be ISO 9000 or equivalent.
16. If the purchase order is rated 13485 or AS9100, special processing done outside your facility requires prior approval.
17. Seller shall flow-down to sub-tier suppliers the applicable requirements noted in the purchase order and attached specifications, where required.
18. EPE, its customers, and regulatory authorities reserve the right to have access to applicable areas of supplier's facilities, at any level of the supply chain involved in the order, and to all applicable records to ensure product conformance.
19. EPE requires records to be retained for a minimum of 3 years, AS9100 orders require 10 years and 13485 requires for the lifetime of the product.
20. Seller agrees to ship all exported products with accurate and full values on all Pro-forma invoices, shipping documents and customs documentation as stated on the purchase order.
21. Seller agrees to not insure UPS shipments valued under \$150,000 as EPE carries their own insurance.
22. EPE reserves the right to cancel an order if shipment does not conform to the delivery method, delivery date, quantity or date codes indicated on its Purchase Order.
23. Purchase orders are to be confirmed via email response to the buyer named on the purchase order.
24. Invoices are to be emailed to accountspayable@epcorp.com.

Counterfeit Component Policy: Seller agrees and shall ensure that counterfeit goods are not delivered to Buyer. Seller's counterfeit prevention procedures shall meet the requirements of SAE AS5553. Seller shall immediately notify Buyer with the pertinent facts if Seller becomes aware or suspects that it has furnished counterfeit goods. If suspect/counterfeit goods are furnished under this order or are found in any of the goods delivered hereunder, such items will be impounded by Buyer. Seller shall be required to disclose the source of the suspect/counterfeit goods to Buyer. Upon request of Buyer, Seller shall immediately provide documentation that authenticates traceability of the affected goods to the applicable OEM/OCM. Buyer may provide a sample batch to Seller for verification and authentication. Seller shall promptly replace such suspect/counterfeit goods with goods acceptable to Buyer. Seller shall be liable for all costs, including but not limited to Buyer's internal and external costs relating to the

removal and replacement of said goods and subsequent testing of said goods. Buyer reserves all contractual rights and remedies to address grievances and detrimental impacts caused by suspect/counterfeit goods. All occurrences of suspect counterfeit and/or counterfeit goods will be reported to ERAI and/or GIDEP by Buyer. Counterfeit components have zero value.

Conflict Minerals Policy: EPE recognizes the importance of preventing the use of conflict minerals from the DRC and adjoining countries and has taken steps to comply with the Dodd-Frank Financial Reform Bill section 1502(b). It is our policy to refrain from purchasing from any known conflict sources and we expect that our suppliers adhere to the same standards and source materials only from socially responsible suppliers. We expect that our suppliers will comply with our requests to provide statements and perform due diligence about the source of any conflict minerals in the products supplied to us. As well as demanding proper due diligence from our direct suppliers, we ask them to set policies and supplier requirements of their own and pass those on into the supply chain. Suppliers who are non-compliant to these requirements risk the loss of future business.