



Purchase Terms & Conditions

All purchases made by Arcadia Components, LLC ("Arcadia") from its vendors ("Vendor") are subject to these terms and conditions. Vendor's acceptance of these terms and conditions shall be made by either (i) Vendor's acceptance of Arcadia's purchase order or (ii) Vendor's shipment of product against an Arcadia purchase order – which shipment shall be deemed acceptance of such purchase order -- whichever occurs first. These terms and conditions shall apply to purchases of products and services referenced on Arcadia's purchase order, except as otherwise specified ("Product").

1. ORDERING, MODIFICATION OF AGREEMENT, ENTIRE AGREEMENT.

Arcadia must provide Vendor with complete Product order information as required by Arcadia, in order for the Arcadia purchase order ("Purchase Order") to be valid. The Product order information will include without limitation the (i) unit quantity, (ii) manufacturer's part number, (iii) unit purchase price, (iv) shipping address, and (vi) Arcadia's purchase order number. Arcadia personnel will identify, for each Product ordered, the ship-to destination as either Arcadia, Arcadia's customer, or to some other specified third party. Arcadia reserves the right to specify additional purchase order requirements. Vendor consents to the transfer of Vendor's email addresses, when such transfer is required to complete a purchase transaction. Vendor shall not disclose any confidential information when quoting or accepting an order from Arcadia. Arcadia's approval of any order placed to Vendor is limited to the terms and conditions contained in this Purchase Terms & Conditions document, in their entirety without addition, modification, or exception. Any additional or different terms in Arcadia's Purchase Order must be submitted in writing. All Products purchased from Vendor hereunder are for resale only, unless stated otherwise.

If Arcadia provides Information to Vendor electronically, Vendor agrees to update such Information regularly to ensure its accuracy. Vendor agrees to hold in confidence and not to directly or indirectly use, reveal, report, publish, disclose or transfer to any other person or entity any of the Information or utilize the Information for any purpose except as permitted herein.

2. CANCELLATIONS

Items ordered by Arcadia, including all Product listed on any Purchase Order, are considered cancelable, unless specified elsewhere in writing by Arcadia, with such writing to be valid only if it includes a signature by an authorized representative of Arcadia management.

3. SHIPPING, DUE DATE, SHIP METHOD

Vendor must ship using "Ship Via" method by "Ship Date" as appearing on Purchase Order.

4. QUANTITY & SUBSTITUTIONS

Units relating to quantity field appearing on Purchase Order are stated in pieces, unless stated otherwise. No substitutions with respect to manufacturer, MPN, DC or otherwise are allowed, unless such substitutions are authorized by Arcadia in writing prior to Vendor shipment to Arcadia. Vendor shall otherwise meet the Purchase Order requirements exactly.

5. DOCUMENTATION

Vendor shall approve, retain, and provide copies of Electrical, Electronic, and Electromechanical (EEE) Manufacturer Certificates of Conformance (CoC), and any airworthiness approval from the manufacturer or approved repair station, when available. In no case shall the supplier alter the CoC or airworthiness approval documents. Where manufacturer CoCs are not available, Vendor shall provide the following signed and dated CoC, or a Vendor CoC substantially similar: "Vendor hereby attests that the parts provided under this purchase order are unused, unaltered and authentic and have not been salvaged, reclaimed, otherwise used, or previously rejected for any reason. This statement is based on rigorous supplier selection practices, supplier assurance practices, and tests and inspections of the specific parts supplied that are designed to prevent the supply of suspect counterfeit/counterfeit parts." Vendor certificates shall state that the products have been handled in accordance with the requirements of industry best practices, and include as a minimum the following:

- a. Manufacturer's name
- b. Part number(s) and product assurance level

- c. Vendor's name and address
- d. Name and address of the Customer, Arcadia
- e. Quantity of the parts in the shipment
- f. Lot date code, as applicable
- g. Latest re-inspection date, if applicable
- h. Certification that the shipment is part of the shipment covered by the Manufacturer's documentation (when manufacturer's documentation is available/provided).
- i. Signature and date of transaction. An authorized signatory assigned by a corporate officer with responsibility for the product quality and reliability or their documented designee.

Vendor shall maintain copies of certificates with lot records until the lot is completely shipped. Vendor shall maintain the product and shipment traceability for a minimum of ten (10) years after the date of the last shipment from each lot.

Vendor will issue a revised written quotation and risk assessment if at any time the source of supply changes (i.e., at the time of Vendor's initial quote, parts were being procured by Vendor from an authorized source, but said parts subsequently became unavailable and as a result, the Vendor had to procure that material from an alternate source). Vendor agrees that when vendor quotes parts to Arcadia as having been an authorized distributor for the original component manufacturer ("OCM") brand quoted, then Vendor will disclose at the time of each individual quotation, objective evidence that the Vendor is authorized (franchised) for the item(s) being quoted and is or is not providing full manufacturer's warranty on the quoted material. The foregoing disclosure will be based on objective evidence which may include proof from the OCM's website, or letter from the OCM (on OCM letterhead), or other form of evidence acceptable to Arcadia.

6. TRACEABILITY & DATECODES

Product traceability is a requirement. Vendor must assign, provide, and maintain a unique identification of product shipped to Arcadia. Datecodes of product must comply with such datecode requirements of the Purchase Order. Unless specified otherwise on Purchase Order, mixed datecodes are not allowed. Vendor shall maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all Electrical, Electronic, and Electromechanical (EEE) parts being delivered per this order. This traceability method shall clearly identify the name and location of all supply chain intermediaries from the manufacturer to the direct source of the product for Arcadia and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications. This traceability requirement applies to new purchases of material, material in inventory and material transferred from Vendor's other business units. If this traceability is unavailable or cannot be provided, Vendor shall not continue with the execution of Arcadia purchase until Arcadia approves this exception in writing at the time of purchase order.

7. QUALITY MANAGEMENT SYSTEM

Vendor shall maintain a quality management system that complies with SAE AS9120 or ISO 9001. Independent certification/registration is required unless otherwise specified by Arcadia. Vendors that obtain certification/registration and subsequently change certification bodies (CBs), lose registration status, or are put on notice of losing registration status, shall notify Arcadia within three (3) business days of receiving such notice from its CB. Value-added suppliers shall control value-added processes. Vendor acknowledges that Arcadia sells component and other parts to its customers across a variety of industries, including those with life-threatening end-applications such as aerospace, medical, and military; and therefore Vendor acknowledges that the products and services Vendor sells to Arcadia have a significant impact and contribution to Arcadia product conformity and product safety, and further that it is vitally important that Vendor exhibit ethical behavior in all dealings with Arcadia.

In addition, Vendor's QMS shall ensure that persons within its organization are aware of: 1) their contribution to product or service conformity, 2) their contribution to product safety, and 3) the importance of ethical behavior.

8. CONDITION & PACKAGING

Unless stated otherwise on the Purchase Order, parts must be new, original, unused and in original manufacturer's packaging, and as such, must conform with the original component manufacturer's specifications for form, fit & function. Vendor must comply with any and all other Purchase Order

requirements relating to shipping, packaging, and labeling. In the absence of specific requirements, suitable protection from moisture, contamination, ESD, and handling damage must be provided during all handling, including in-transit to and from Vendor's suppliers and during shipment to Arcadia, with such protection to include at a minimum, sealed moisture barrier and ESD-protective bags and materials, and handling compliant with JEDEC J-STD-033, and ANSI/ESD-S20.20 or JESD625, as applicable.

9. WARRANTY and PRODUCT RETURNS

Vendor warrants all items shipped per Purchase Order are new, original, unused, and in original manufacturer's packaging. If, within 60 days of receipt, any goods are found to be defective relative to the manufacturer's specifications for form, fit, and function, Vendor shall immediately provide Arcadia a full refund. If return requires Arcadia to obtain a US export license, Vendor agrees to a reasonable duration for return timing as dictated by US export licensing authorities; if such license is denied, Vendor agrees to immediate full refund & subsequent will-call pickup at Arcadia.

10. INSPECTIONS, HANDLING & STORAGE

Vendor must inspect product to the degree necessary to ensure compliance to all requirements specified in the Purchase order. Unless otherwise specified by the Purchase Order, Vendor must perform 100% inspection and/or use a recognized sampling plan with zero defectives permitted in the sample. Parts must be handled and stored via a documented procedure which ensures product integrity with respect to form, fit, and function of the manufacturer's specifications and relative to JEDEC J-STD-033 (for moisture) and ANSI/ESD-S20.20 (for ESD), as applicable, in order to prevent mechanical and electrical damage to products.

If Vendor is a test laboratory, each of the five (5) following conditions apply: 1) Vendor shall report to Arcadia any discovery of a suspect counterfeit, fraudulent, or confirmed counterfeit part, whether discovered in conjunction with the contracted inspections and/or tests, or discovered by any other means; 2) for Purchase Order specifying AS6081, Table 1 testing, each homogeneous lot will be handled pursuant to the exact requirements of AS6081, unless so noted in writing with respect to any exceptions or variations, including and especially all required test line items, protocols and sample sizes, and other such requirements listed in AS6081, including, but not limited to, the requirement that test results of each inspection and test performed (on each homogenous lot) shall be documented, retained and traceable to product identification information (e.g. date/lot codes, applicable serial number), purchase order, invoice and inspection and testing personnel, as per such reporting requirements outlined in AS6081, and further that all training and certification requirements specified in AS6081 that are applicable to AS6081 testing performed for Arcadia are executed and documented; 3) documentation shall be made available to Arcadia upon request; 4) Retention of test data, including radiographic films (or digital images), as applicable, and including individual scan data for XRF (or EDS/ EDX), as applicable, shall be five (5) years minimum; and 5) Test reports shall include the signature and/or stamp of the individuals that performed the inspections and tests, and the authorized individual that accepted the inspection and test results, and further that these signatures/stamps shall represent that the individual understands the penalties associated with fraud under the applicable authority having jurisdiction.

If vendor is valued-added services provider, the following terms also apply: 1) written records shall be maintained for a minimum of 5 years; 2) vendor shall maintain a calibration system according to ANSI/NCSL Z540-1; 3) vendor shall maintain a system to identify persons performing such service; 4.

11. TEST REQUIREMENTS

Vendor shall establish and implement test and inspection activities necessary to assure the verification of purchased product. Vendor shall document and provide upon request all available tests and inspections results which were performed to assess and mitigate the risk of distributing suspect counterfeit/counterfeit parts. Accept/reject criteria and sampling criteria shall be clearly defined or approved by Arcadia. Tests and inspections shall be performed by persons that have been trained in the product verification techniques that they perform and are formally certified based on demonstrated competency. Vendor shall maintain records of training and methods used to demonstrate competency.

12. NON-CONFORMING PRODUCT

Vendor must only ship product that meets all requirements of the Purchase Order, or obtain a written deviation from Arcadia ("Arcadia Customer Concession") prior to shipment of any non-conforming product. Final material acceptance by Arcadia will depend on the actual verification of the non-conformance and

product approval at Arcadia. If Vendor has reason to believe non-conforming material may have been inadvertently shipped, Vendor is to contact Arcadia immediately. Any and all exceptions to Arcadia Purchase Order requirements must be formally resolved prior to the Vendor's acceptance of the Arcadia Purchase Order contract and/or prior to shipment.

13. COUNTERFEIT PARTS PREVENTION

Vendors that are purchasing parts and materials for sale to Arcadia shall establish and maintain a counterfeit prevention policy and a counterfeit avoidance system to prevent the purchase of counterfeit and/or substandard parts. If suspect/counterfeit parts are furnished under a Purchase Order and/or are found in any goods, the goods delivered hereunder and the items furnished will be impounded by Arcadia. The Vendor shall promptly replace such suspect/ counterfeit parts with parts that are acceptable to Arcadia, or immediately issue a refund. The seller shall be liable for all reasonable and direct costs relating to the removal and replacement of said parts. Arcadia reserves all contractual rights and remedies to address grievances and detrimental impacts caused by suspect/counterfeit parts.

14. GUARANTEE OF PRODUCT SOURCE(S)

Vendor shall ensure that only new and authentic products are delivered to Arcadia. Vendor shall endeavor to first purchase parts directly from Original Component Manufacturers (OCMs), OCM Authorized (Franchised) Distributors, or authorized Aftermarket Manufacturers or from Suppliers who obtain such parts exclusively from the OCM or their Authorized Suppliers with OCM traceability. Supply of product that was not provided by these sources is not authorized unless first approved in writing by Arcadia.

If Vendor is an Authorized (Franchised) Distributor, vendor covenants, warrants, and represents that it has effective contractual agreements in place with each manufacturer whose product(s) it is procuring to sell to Arcadia. Further, if Vendor is an Authorized (Franchised) Distributor, Vendor shall:

- a. Only ship products to Arcadia that have been procured directly from the manufacturer.
- b. Not ship products to Arcadia that have been procured from any other source without prior written consent from Arcadia.
- c. Be considered an unapproved Independent Distributor for Products procured from other sources.

Failure of Vendor, acting as such Authorized (Franchised Distributor), to obtain Arcadia's prior written approval constitutes a material breach under the terms of this agreement. Vendor, acting as such Authorized (Franchised) Distributor, will fully indemnify Arcadia from any and all claims, losses, and damages that result from said breach. Arcadia reserves the right to reject any and all requests for approval, and require additional verification and testing of products.

15. PRODUCT IMPOUNDMENT AND FINANCIAL RESPONSIBILITY

Fraudulent parts and counterfeit parts have no value and if it is later determined that fraudulent parts or counterfeit parts were received by Arcadia from Vendor, then any contract terms limiting Vendor's liabilities and/or warranties shall be deemed unenforceable. Vendor and Arcadia hereby agree that fraudulent/counterfeit parts have no value and any contract documents establishing a transaction involving fraudulent/counterfeit parts shall be declared null and void.

Supplier has the right to agree with or dispute the Arcadia's findings. Vendor and Arcadia hereby agree that if the OCM determines the suspect parts are authentic, then the decision is "final". Vendor and Arcadia hereby agree that if Arcadia or a testing laboratory chosen by Arcadia determines that the EEE parts supplied are suspect/fraudulent/counterfeit, then Vendor has the right to: (1) Agree with Arcadia's findings and the transaction will be voided; or (2) Dispute Arcadia's findings by contracting with an Arcadia approved and Vendor recognized test laboratory (hereafter referred to as "lab") for further test verification.

Arcadia's burden of proof: Since any dispute between Arcadia and Vendor may be resolved in a civil proceeding whether in a court of law or in an arbitration, the appropriate burden of proof required for Arcadia to establish that the suspect parts are fraudulent/counterfeit shall be preponderance of the evidence, which means that Arcadia must establish that it is more likely than not that the suspect parts are fraudulent/counterfeit unless Arcadia is trying to establish fraud, which would then raise Arcadia's burden of proof to a clear and convincing evidence standard. However, if for whatever reason, the issue of the authenticity of the suspect parts is raised during a criminal proceeding, then the burden of proof that the suspect parts are fraudulent/counterfeit shall be that the suspect parts are fraudulent/counterfeit beyond a

reasonable doubt.

Product confiscation/destruction: If Vendor accepts Arcadia's findings and chooses to immediately void the transaction, the suspect EEE parts will not be returned to Vendor unless and/or until an independent lab agreed to by both Vendor and Arcadia determines that the EEE parts are not suspect counterfeit or counterfeit. Suspect counterfeit or counterfeit items should be offered to the AUTHORITY HAVING JURISDICTION or the OCM for investigation, with a written accept or decline response from those activities within 90 days. Arcadia shall retain possession of the suspect EEE parts for a time period at least as long as the applicable statute of limitations under the appropriate Authority(ies) Having Jurisdiction following the date upon which Vendor received notification from Arcadia that it was choosing to immediately void the transaction between them. If Vendor exercises its right to have an independent lab determine whether the suspect EEE parts are counterfeit and the lab verifies the findings that the subject EEE parts are either suspect counterfeit or counterfeit, then Vendor must issue an immediate refund of all monies paid by Arcadia. If the suspect parts are determined to be suspect counterfeit or counterfeit by the independent test lab, then Vendor of those parts shall be required to pay for all charges issued by the testing lab. If, however, the suspect parts are determined not to be suspect counterfeit or counterfeit, then Arcadia shall be required to pay all of the charges issued by the test lab. Arcadia and Vendor agree that whether or not Vendor refunds all monies paid by Arcadia, Arcadia shall have the absolute right to reacquire possession of the subject EEE parts from the lab in order to prevent the subject EEE parts from being offered for sale through any channel of distribution. In the event that Arcadia pursues Vendor, either in civil or criminal proceedings, Vendor shall have the right upon request to receive and use a mutually agreeable sample quantity of the parts sold for the purpose of pursuing its remedies. Upon completion of testing, samples will be returned to Vendor who will then return them to Arcadia. If suspect counterfeit items are accepted by AUTHORITY HAVING JURISDICTION or the OCM, then destruction of evidence is only allowed once approval from those bodies has been granted. After destruction approval has been granted, then Arcadia shall have the absolute right to destroy the suspect EEE parts. If declined by both of these bodies or if there is no response received within 90 days, then Arcadia and Vendor agree that Arcadia shall have the absolute right to destroy the suspect EEE parts after expiration of the applicable statute of limitations under the appropriate Authority(ies) Having Jurisdiction. Notwithstanding the above, if Arcadia and Vendor agree in writing that the parts can be immediately destroyed, the parts will be destroyed per their agreement so long as all civil or criminal actions, in which the suspect EEE parts are the subject of the action, have been completed.

16. COMPLIANCE WITH CONFLICT MINERALS POLICY

Vendor shall comply with Arcadia's Conflict Minerals Policy as outlined at www.arcadiacomp.com.

17. COMPLIANCE WITH EXPORT/IMPORT LAWS

Vendor shall comply with all applicable export and import laws, including those of the United States and all other countries and jurisdictions with such authority over Vendor's shipment of parts for Purchase Order, both in from its suppliers, and out to Arcadia, including such requirements relating to stating accurate dollar amounts on all shipping documents relating to both exports and imports.

18. RELATIONSHIP OF THE PARTIES

Vendor's relationship with Arcadia will be that of an independent contractor. Vendor will not have, and will not represent that it has, any power, right or authority to bind Arcadia, or to assume or create any obligation or responsibility, express, implied or by appearances, on behalf of Arcadia or in Arcadia's name, except as herein expressly provided. Nothing stated in these terms and conditions will be construed as constituting Vendor and Arcadia as partners or as creating the relationship of employer/employee, franchisor/franchisee, or principal/agent between the parties. Vendor will make no warranty, guarantee or representation, whether written or oral, on Arcadia's behalf.

19. LEGAL COMPLIANCE AND ANTI – CORRUPTION

Arcadia and Vendor agree to abide by all laws and regulations applicable to the performance of their respective obligations under these terms and conditions. Vendor has not made, and will not make, any direct or indirect payment, offer to pay, or authorization to pay, any money, gift, promise to give, or authorization of the giving, of anything of value to any government official, or the immediate family of any such official, for the

purpose of influencing an act or decision of the government or such individual in order to assist, directly or indirectly, Vendor in obtaining or retaining business, or securing an improper advantage.

20. CHOICE OF LAW/CHOICE OF FORUM

These terms and conditions (and any agreement into which they are incorporated) shall be construed, interpreted and enforced under and in accordance with the internal laws of the State of Utah, excluding its conflicts or choice of law rule or principles which might refer to the law of another jurisdiction. Vendor agrees to exercise any right or remedy in connection with these terms and conditions exclusively in, and hereby submits to the jurisdiction of the State of Utah, Courts of Salt Lake County, Utah, or the United States District Court, District of Utah. The state and federal courts situated in Salt Lake County, Utah will have non-exclusive jurisdiction and venue over any dispute or controversy that arises out of these terms and conditions. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to these terms and conditions.

21. NOTICES & ACCESS

All notices, requests, demands, and other communications that either party may desire to give the other party must be in writing and may be given by (i) personal delivery to an officer of the party, (ii) mailing the same by registered or certified mail, return receipt requested, or via nationally recognized courier services to the party at the address of such party as set forth herein, at the official corporate address of such party, or such other address as the parties may hereinafter designate, or (iii) facsimile subsequently to be confirmed in writing pursuant to item (ii) above. Notices to Arcadia shall be sent to: Arcadia Components, LLC, 455 White Pine Drive, Salt Lake City, UT 84123, Attn: Legal Department. Vendor agrees 1) to notify Arcadia of nonconforming product or changes in product definition and 2) to grant right of access by Arcadia, Arcadia's customer, and regulatory authorities to all facilities involved in this PO and to all applicable records.

22. GENERAL

A. Publicity. Except for any announcement intended solely for internal distribution by either party or any disclosure required by legal, accounting, or regulatory requirements, all media releases, public announcements, or public disclosures, including but not limited to promotional or marketing material, by either party or its employees or agents relating to these terms and conditions, the relationship between Arcadia and Vendor, or including the marks of the other party or any affiliate of that party, must be approved in writing by the other party prior to release.

B. Attorney's Fees. If there is any dispute concerning these terms and conditions or the performance of either party pursuant to these terms and conditions, and either party retains counsel for the purpose of enforcing any of these terms and conditions or asserting these terms and conditions in defense of any suit filed against it, each party will be solely responsible for its own costs and attorney's fees incurred in connection with the dispute irrespective of whether or not a lawsuit is actually commenced or prosecuted to conclusion.

C. Assignment. Neither party may assign its rights and/or duties under these terms and conditions without the prior written consent of the other party given at the other party's sole option. Any attempted assignment without that consent will be void. Notwithstanding the foregoing, Arcadia may assign any purchase order sent to Vendor to an Arcadia subsidiary or affiliate upon notice to Vendor.

D. Interpretation. If any provision of these terms and conditions is held to be invalid, illegal or unenforceable, that provision will be enforced to the fullest extent permitted by applicable law and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired. Failure or delay of Arcadia to exercise a right or power under these terms and conditions will not operate as a waiver, nor will any single or partial exercise of a right preclude any other future exercise of that right. The captions used in these terms and conditions are for reference purposes only and will have no effect upon the construction or interpretation of any provisions. These terms and conditions, as published on Arcadia's Web site located at www.arcadiacomp.com at the time of purchase, are the official terms and conditions of purchase between Arcadia and Vendor and may be amended from time to time without notice at Arcadia's sole discretion.