

PURCHASE ORDER TERMS AND CONDITIONS (Buyer)

1. ACCEPTANCE

Acceptance of this Order and each of its terms and conditions will be evidenced by Seller's execution of the acknowledgement copy hereof, or by Seller's commencement of performance or shipping. No revisions to the order shall be valid unless in writing and signed by an authorized representative or acknowledging this order shall be binding unless accepted in writing by authorized representative of Buyer.

2. PRICE

This is a firm price order.

3. SUBSTITUTIONS

No change or substitution shall be made to the items listed on this PO without notification and written approval of the Buyer.

4. WARRANTY

Seller expressly warrants that all material and work covered by this purchase order will conform to applicable specifications, drawings, samples and/or other descriptions and be free from latent or patent defects. All warranties shall survive any inspection, delivery, acceptance of or payment for the goods or services of Buyer. Seller warrants that all Goods provided will be new, not used or refurbished. The warranties of the Seller shall apply to the Buyer, its successors, assignees, and customers.

Where applicable, the Seller warrants that the goods covered by this Purchase Order are in compliance with all laws, regulations, rules, and orders relating to the importation of goods into the United States, the exportation of goods out of the country of origin, the transit of goods through intermediate countries and the sale and use or foreign made goods in the United States. Seller further warrants that it has obtained all permits, licenses, and certifications necessary for the goods to be exported out of the country of origin, imported in the United States, delivered to Buyer and used or sold within the United States.

5. INSPECTION

All goods and services furnished hereunder will be subject to inspection and test by Buyer at all times and places and will be subject to Buyer's final inspection and approval within a reasonable time after delivery. It is the Seller's responsibility to ensure that all product, assembly, material, and process specifications reflect the latest revision levels. If Seller delivers non-conforming goods, Buyer may at its option and at Seller's expense: (i) reject and return the goods for credit or refund; (ii) require Seller to promptly correct or replace the goods; (iii) correct the goods; or (iv) obtain replacement goods from another source. Seller shall not redeliver corrected or rejected goods without disclosing the former rejection or requirement for correction. Seller shall disclose any corrective action taken. Repair, replacement and other correction and redelivery shall be completed within the original delivery schedule or such later time as Buyer may reasonably direct. All costs, expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under this purchase order or another. Payment for any goods or services shall not be deemed acceptance and in no event shall Buyer incur any liability for payment for rejected goods or services.

6. DELIVERIES

Goods shipped to Buyer in advance of schedule may be returned to Seller at Seller's expense or payments of invoices may be withheld until the required delivery dates, unless Buyer grants specific authorization for advance delivery. Partial shipments of material where no partial shipment is specified may be returned to Seller at Seller's expense unless specific authorization is granted by Buyer for partial delivery, or payment of invoices may be withheld until this Order is complete. Whenever any actual or potential cause delays or threatens to delay performance of this Order, Seller shall immediately notify Buyer in writing. Such notice shall include all relevant information concerning such causes of delay and its background. Seller shall keep Buyer advised during the period such actual or potential cause exists of its effect on the schedule or work and shipments or deliveries and of the measures being taken to remove it. Time is the essence with this Order. Failure to tender conforming goods by the delivery date specified therein shall constitute a breach by Seller, and Seller shall have no right to make a later conforming tender except upon prior written authorization of Buyer.

7. SHIPPING

Buyer's order number and other identification specified shall appear conspicuously on all documents, shipping notices, bills of lading, packing lists, invoices, and other papers, and on each package, box, or other type of container. All goods shall be packaged and packed by Seller adequately to ensure arrival at destination in an undamaged condition.

8. ASSIGNMENT

Seller shall not assign this contract or sub-contract all or any part hereof without prior approval of Buyer in writing.

9. CONFIDENTIALLY

All disclosures, drawings, specifications, patterns, technical or other information furnished to Seller by Buyer (and all rights related thereto) are and shall at all times remain the property of Buyer and are submitted in confidence upon the understanding and agreement by Seller that they shall not be disclosed or furnished to any third party, shall not be used by Seller in whole or in part for any purpose not designated by Buyer and shall be returned to Buyer immediately upon Buyer's request.

10. COMPLIANCE WITH LAWS

In providing Goods and Services under the Purchase Order, Supplier agrees that it shall comply and has complied with all applicable foreign, federal, state, and local laws, rules and regulations, including, without limitation, the Fair Labor Standards Act of 1938, as amended, the Occupational Safety and Health Act of 1970, all anti-corruption/anti-bribery laws, including, without limitation, the U.S. Foreign Corrupt Practices Act, all anti-slavery and anti-human trafficking laws, and, as applicable, US 21CFR parts 11, 801, 803, 806, 820, Medical Device Directive 2007/47/EC and ISO13485:2003. Goods and Services ordered herein may be used by Purchaser in fulfilling a U.S. Government prime or subcontract and may be subject to applicable Government Procurement Regulations, and Supplier agrees to be bound thereby and comply therewith. Supplier shall inform Purchaser promptly of any adverse events and/or any allegations or findings of violations of applicable laws or regulations that have the potential of affecting the quality of the goods and/or services to be delivered. Supplier will hold Purchaser harmless from all liability resulting from any failure by it to comply with this provision.

11. EQUAL OPPORTUNITY

(This clause is applicable except to the extent that the Purchase Order is exempt from any of the requirements set out below pursuant to the rules and regulations published at 41 C.F.R. Sec.60-1.5, 41 C.F.R. Sec. 60-300.3, and Sec. 60-741-4)- In as much as Purchaser is a federal contractor, federal law requires that Purchaser notify Supplier of its equal employment opportunity and affirmative action obligations. This Purchase Order is subject

to and incorporates by reference the applicable provisions and requirements of Executive Order 13496, Executive Order 11246, 41 C.F.R. § 60-1.4, 41 C.F.R. § 60-300, and 41 C.F.R. § 60-741, all as amended.

When applicable, Supplier shall comply with the requirements of 41 C.F.R. 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.

When applicable, Supplier shall comply with the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

12. INDEMNIFICATION

Seller agrees to indemnify, defend, and hold Buyer harmless from and against all losses, damages, liability, actions, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees and other expenses of litigation), suffered, incurred, or asserted by or against Buyer (a) by reason of Seller's breach of a warranty, (b) by reason of Seller's breach of any term of this Purchase Order, or (c) by reason of personal injury, including death, or property damage sustained by a third party, resulting from or arising out of an act or omission of Seller, or Seller's agents, employees, or contractors in fulfillment of this Purchase Order.

13. PATENTS

Seller guarantees that the sale or use of any or all goods delivered hereunder or processes used will not infringe any United States or foreign patent, service mark, trademark, trade name, copyright or other intellectual property right of any third party and agrees that Seller will hold Buyer and its officers, directors, affiliate companies, employees and customers harmless from any expense, loss, damage or liability which may be incurred on account of infringement or alleged infringement of any such intellectual property right by such goods (or the use, sale or distribution by Buyer thereof), and that Seller will at its own expense defend any action, suit or claim in which such infringement is alleged. Seller shall duly notify Buyer as to such suits or claims; Buyer and its successive customers shall have the right to participate in the defense of any such action.

14. ORDER of PRECEDENCE

In the event of a conflict between these Terms and Conditions and other portions of the Contract, the order of precedence shall be: 1) any typed provisions on the face of Buyer's purchase order specifically modifying the terms of this Contract, 2) these Terms and Conditions.

15. CERTIFICATION OF CONFORMANCE

Seller shall

- Furnish certification that product shipped complies with all requirements of the PO, drawings, and specifications.
- Include the following: Source Code purchase order number, order part number, and quantity shipped.
- Serialized articles shall be identified by serial number.
- Lot controlled articles shall be identified by lot number.
- The words "Certification of Conformance" or "C of C" shall be clearly visible on the certificate.

16. MALPRACTICE AWARENESS AND PREVENTION

Prevention of malpractice, fraud, and falsification (F&F) is a priority for Source Code, and as such, Source Code requires its suppliers to develop, maintain, and enforce a policy that ensures compliance with FAR § 52.203. Contact quality@comarkcorp.com for a copy of our Malpractice Awareness Policy.

17. HAZARDOUS MATERIALS

For any hazardous material, a safety data sheet (SDS) will be required to be delivered with the product.

18. COUNTERFEIT PARTS MITIGATION

The Seller shall have a formal program for the prevention of Counterfeit Parts/Part Substitution being used in Source Code product. This program must meet all requirements identified in DFARS 252.246-7007 and DFARS 252.246-7008. Seller shall report possible or confirmed counterfeit parts delivered to Source Code in writing within 24 hours (one business day).

19. CONFLICT MINERALS COMPLIANCE

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Securities and Exchange Commission Rules adopted in connection therewith, require certain corporations to report the use of "Conflict Minerals" in the manufacture of their products. Generally, Conflict Minerals collectively refers to cassiterite, columbite, tantalite, gold, wolframite, or their derivatives, including tantalum, tin and tungsten, which originate from the Democratic Republic of the Congo or specified adjoining countries. Source Code, as a privately held corporation, is not subject to the Conflict Minerals rules and reporting requirements. However, we understand that our customers may be, and we are committed to helping our customers comply with their reporting requirements. In order to determine if our manufactured products contain Conflict Minerals, we have conducted a survey of our key suppliers to ascertain their use of any Conflict Minerals in the materials they supply to us. The results of that survey demonstrate that our key suppliers do not use Conflict Minerals in the materials they supply to us. Consequently, we can in turn represent that, to the best of our knowledge, our products do not contain Conflict Minerals. We will continue to work with our key suppliers to ensure that we are able to identify the use of Conflict Minerals in our supply chain, and the representations made in this compliance statement remain accurate. To that end, we reserve the right to amend this statement at any time based on subsequent developments or information. Should you become aware of any of your products having Conflict Minerals please contact the Source Code buyer with details. If you have any other questions or concerns regarding this statement, please do not hesitate to contact us.

20. SUPPLIER CODE OF CONDUCT

Source Code adheres to a code of conduct modeled after the Defense Industry Initiative (DII) offering. We stand firmly behind the values defined in the model. The DII model expresses the expectations we hold for our suppliers and mirrors the standards we set for our own employees. See dii.org/home for more information. We encourage Seller to adopt a similar model.

21. TERMINATION FOR DEFAULT

Buyer may, by written Notice of Default to Seller, terminate this Contract in whole or in part, or, at Buyer's sole discretion, if the Seller fails to: (i) deliver the goods or to perform the services within the time specified in this Contract or any extension; (ii) make progress, so as to endanger performance of this Contract; or, (iii) perform any of the other provisions of this Contract.

22. LIMITATION OF LIABILITY

Buyer's aggregate liability arising from or relating to this order is limited to the amount paid by Buyer for the goods and/or services. To the maximum extent allowable under applicable law, buyer shall not be liable under this order for any special, incidental, consequential, indirect, or punitive damages including, without limitation, lost revenues even if Buyer has been advised of the possibility of such damages.

23. FORCE MAJEURE

This Order is subject to termination by Buyer in any event beyond Buyer's reasonable control including, but not limited to: fire, accidents, strikes, government acts or other conditions, upon notification to Seller, and without penalty to Buyer except that cancellation for such causes may not be made without reimbursement to Seller for goods previously delivered.