

DAISY DATA DISPLAYS, INC. TERMS & CONDITIONS OF PURCHASE

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1. DEFINITIONS: "Materials" means any materials, machinery, equipment, article, item, service or work described or referenced in this Purchase Order ("Order"); "Seller" means the person, firm or corporation to whom this Order is issued; "Buyer" means Daisy Data Displays, Inc.; "Owner" means the person, firm, corporation or government agency owning the plant or equipment to whom the Materials are ultimately to be delivered by, or at the order of, the Buyer in accordance with this Order.

2. ACCEPTANCE AND ADMINISTRATION: By accepting this Order, either formally or by means of partial or complete performance hereunder, Seller agrees that this Order contains the entire agreement of the parties and supersedes all quotations, prior agreements, and understandings, both written and oral, among the parties with respect to the subject matter of this Order. **THIS ORDER IS AN OFFER TO BUY WHICH EXPRESSLY LIMITS THE SELLER'S ACCEPTANCE TO THE TERMS OF THE OFFER AND THE BUYER WILL NOT BE BOUND BY ANY TERMS WHICH ARE NOT CONTAINED IN THIS OFFER.** The rights and remedies available to Buyer herein are in addition to any other rights or remedies provided by law or equity. Seller will not assign this Order nor substantially delegate any of its duties in connection with this Order without the prior written consent of Buyer. All matters relating to the validity, interpretation, meaning and performance of this Order shall be decided in accordance with the laws of the State of Pennsylvania, U.S.A.

3. DELIVERIES: **TIME IS OF THE ESSENCE IN THE PERFORMANCE OF THIS ORDER.** If delivery or performance cannot be made on time, Buyer may cancel this Order, purchase elsewhere and charge Seller for any loss incurred as a result thereof, except that Seller will not be charged for deliveries or performance which cannot be timely made due to causes beyond its reasonable control, including but not limited to: acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, embargoes or delay or late delivery by a vendor of Seller which reasonably could not have been corrected by Seller. To be exempted under this clause, Seller must notify Buyer, in writing, of any such causes with ten (10) days after Seller becomes aware of such circumstance. Acceptance by Buyer of a later performance of either the whole or a part of this Order shall not constitute a waiver of Buyer's claim for any damage which may have been caused nor of any future late performance.

4. PATENTS: Seller warrants that the sale or use of the Materials furnished hereunder will not infringe any patents, trademarks or trade names or embody any unauthorized use of trade secrets either in the United States or in foreign countries, and Seller agrees to indemnify and hold harmless Buyer, Owner and the users of its products against any and all claims, demands, expenses and liabilities arising from such actual or alleged infringement or unauthorized use.

5. CONFIDENTIAL INFORMATION: **ALL DRAWINGS, SPECIFICATIONS, TECHNICAL INFORMATION, EXPERIENCE, KNOW-HOW, OR SIMILAR CONFIDENTIAL INFORMATION DISCLOSED BY BUYER TO**

SELLER, TOGETHER WITH DOCUMENTS CONTAINING SUCH INFORMATION, ARE THE CONFIDENTIAL PROPERTY OF THE BUYER. Seller shall not disclose such confidential property to its employees or to any third party except on a need-to-know basis to enable Seller to manufacture and supply to Buyer the Materials, and the Seller shall take all reasonable steps to maintain the confidentiality of all such confidential property.

6. WARRANTIES: SELLER EXPRESSLY WARRANTS THAT THE MATERIALS FURNISHED UNDER THIS ORDER WILL BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP, WILL CONFORM IN QUANTITY, QUALITY, PERFORMANCE, FORM AND CONTENT TO APPLICABLE SPECIFICATIONS, DRAWINGS, SAMPLES OR OTHER DESCRIPTIONS GIVEN, WILL BE FIT FOR THE PURPOSE INTENDED, MERCHANTABILITY, FREE FROM DEFECTS OR ERRORS, AND WILL BE FREE FROM DEFECTS IN DESIGN to the extent that such design is not furnished by Buyer, but Seller shall immediately inform Buyer of any real or perceived defect in Buyer's design which Seller discovers. In the event of any defect, error or failure in Seller's Materials, Seller, at Buyer's option, shall without any increase to the contract price replace such Materials or correct such defects or failure within ten (10) days after written notice from Buyer, including all freight charges, provided that Buyer reserves the right to reject any or all Materials which do not meet the requirements of this Order, at Seller's expense for removal, freight and handling, and to pursue any other remedy available to Buyer. **THE AFORESAID EXPRESS WARRANTIES SHALL BE IN EFFECT FOR TWO (2) YEARS FROM THE DATE WHEN THE MATERIALS ARE PLACED IN OPERATION BY THE OWNER, BUT NOT TO EXCEED THIRTY (30) MONTHS FROM THE DATE OF RECEIPT BY BUYER. ALL WARRANTIES AND SERVICE GUARANTEES SHALL INURE TO THE BENEFIT OF THE BUYER AND THE OWNER, INTERCHANGEABLY.**

7. INSPECTION: All Materials purchased hereunder shall be subject to inspection by the Buyer, or at the Buyer's option by the Owner, at all reasonable times and places before, during and after design, manufacturing, assembly, or performance. Buyer's inspection or failure to inspect shall in no way relieve Seller of any responsibility or liability with respect to such Materials.

8. QUANTITY: Buyer shall be obligated to purchase and accept only the quantity stated herein; Buyer may return any excess Goods received at Seller's expense.

9. SELLER'S EMPLOYEES: In any case where it is necessary for employees or representatives of Seller to go upon the premises of Buyer or Owner, Seller agrees to assume full responsibility for such employees and representatives while on said premises with respect to observance of all applicable laws and regulations and all plant rules, particularly as to safety precautions. If this Order requires Seller to furnish labor in connection with the Materials at the site, Seller shall furnish Buyer with a certificate or other evidence satisfactory to Buyer indicating that such labor is adequately covered by Workmen's Compensation insurance and Employer's Liability insurance with limits acceptable to Buyer.

10. PACKING CHARGES: No charge will be allowed for loading, packing, boxing, crating, freight, or cartage, unless stated as a separate item of this Order, but damage to any Materials not loaded,

packed, boxed, crated, or shipped reasonably to ensure proper protection during storage, shipment, and delivery, will be charged to Seller.

11. COMPLIANCE WITH LAWS: Seller warrants that all Materials furnished hereunder conform with all applicable local, state, and federal laws, ordinances, executive orders, and regulations, as originally issued, and as amended, both at the place of manufacture and the place of installation and use. Unless otherwise exempted by rules, regulations, or orders of the secretary of labor, vendor agrees to comply with the provisions of the Equal Opportunity & Non-Segregated Facility laws, the Affirmative Action for Handicapped Workers clause, and the Affirmative Action for Disabled Veterans and Veterans of The Vietnam Era Clause, which are by reference incorporated herein. **SELLER WILL DEFEND AND HOLD BUYER HARMLESS FROM LOSS, COST OR DAMAGE BY REASON OF ANY SUCH ACTUAL OR ALLEGED VIOLATION BY SELLER.**

12. INDEMNITY: Seller agrees to defend and save Buyer and/or Owner harmless in contract, tort, strict liability, equity or any other form against all loss, expenses and damages, including but not limited to, direct, special, indirect, secondary, consequential or punitive damages of any kind or nature, arising out of or caused in whole or in part by any substantially negligent act or omission, or breach of warranties or guarantees, express or implied, or by any significant breach of any other terms of this Order, by Seller, its agents, employees or representatives in the performance of this Order.

13. CANCELLATION: Buyer shall have the right to cancel this Order in the event that the Seller is in default of any provision of this Order or becomes bankrupt or insolvent or makes an assignment for the benefit of the creditors. In addition to all other rights which Buyer may have to cancel this Order, Buyer shall have the further right to terminate any work hereunder without cause, in whole or in part, at any time by written notice. As compensation to the Seller for such termination without cause, Buyer will pay a fair and reasonable portion of the contract price for materials in process, based on their percentage of completion and their likely usefulness to Buyer, at Buyer's reasonable discretion. Termination without cause costs shall be subject to Buyer's detailed audit, and if not substantiated to Buyer's reasonable satisfaction, will be subject to reduction or disallowance.

14. RISK OF LOSS: **UNLESS OTHERWISE SPECIFIED, THE F.O.B. POINT OF THIS ORDER SHALL BE BUYER'S PLANT OR DESIGNATED DESTINATION** and all risk of loss or damage, title, and the responsibility of insuring the Materials against transportation loss and any other loss or damage, shall remain Seller's until the Materials have been delivered to Buyer and have been inspected and accepted by Buyer or Buyer's agent.

15. COUNTERFEIT PARTS: For subcontractors, contract manufacturers and Franchised distributors.

Only new and authentic materials are to be used in products delivered to Buyer. No counterfeit or suspect counterfeit parts are to be contained within the delivered product. Parts shall be Purchased directly from the OCMS/OEMS, or through the OCM/OEMS franchised distributor. Documentation must be available that authenticates traceability to the applicable OCM/OEM.

Independent Distributors (brokers) shall not be used without written consent from Buyer. If suspect/counterfeit parts are furnished under this P.O. and found in any of the goods delivered hereunder, such items will be impounded by Buyer. The Seller shall promptly replace such suspect/counterfeit parts with parts acceptable to the Buyer and Seller shall be liable for all costs relating to the removal and replacement of said parts. Buyer reserves all contractual rights and remedies to address grievances and detrimental impacts caused by suspect/counterfeit parts.

Definitions:

Counterfeit - a part that is an illegal or unauthorized copy or substitute of an OEM item; 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; an item or component thereof that is used, refurbished or reclaimed but the Seller represents as being a new item; 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; or 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. Parts that have been modified pursuant to a specific Buyer's Purchase Order requirement, such as refinished, up-screened, or up-rated parts that are properly identified as such are not considered suspect or counterfeit.

Suspect counterfeit - a part in which there is an indication by visual inspection, testing, or other information that it may have been misrepresented by the supplier or manufacturer and may meet the definition of a counterfeit part.

OCM - Original Component Manufacturer

OEM - Original Equipment Manufacturer

Franchise distributor - a distributor with whom the OCM has a contractual agreement to buy, stock, repackage, sell, and distribute its product lines. Franchised distributors normally offer the product for sale with a full manufacturer's warranty. Franchising contracts may include clauses that provide for the OCM's marketing and technical support, failure analysis and corrective action, and exclusivity of inventory.

Independent distributor (broker) - a distributor that purchases parts with the intention to resell them. Independent distributors may be franchised for selected, but not all, product lines. For purposes of counterfeit risk mitigation, a distributor is considered independent when not franchised for the item to be procured.

16. CONFLICT MINERALS POLICY STATEMENT: Human rights abuses and armed conflict in the Democratic Republic of Congo (DRC), and surrounding areas, have been linked to revenues derived from the mining and trading of tin, tantalum, tungsten, and gold or "*Conflict Minerals*." *Daisy Data Displays* acknowledges and perceives the significance of our company's policy regarding the impact of Conflict Minerals upon our society and environment. Therefore, it is ethical for *Daisy Data Displays* to commit to the following guidelines:

- *Daisy Data Displays* believes in manufacturing safe, reliable products which are conflict minerals-free as stated in Section 1502 of the Dodd-Frank Act.
- *Daisy Data Displays* is fully aware of the importance of this issue, and we have obligated our suppliers to do the same.
- We shall establish relevant management policies or rules to effectively detect and track sources of raw material in order to meet our customer requests and preclude conflict minerals.
- The manufacturers of purchase items and downstream companies are expected to comply with the Dodd-Frank Act requirements.

Daisy Data Displays shall enforce this policy and all relevant rules that pertain to its suppliers. It is our intent to keep public relations and customer relationships our main priority regarding the use of conflict minerals.

Revisions:

Feb07 – ORIGINAL

05Nov12 – Added Clause 15. COUNTERFEIT PARTS

15Feb15 – Added Clause 16. CONFLICT MINERALS POLICY

1Aug20 – Update Clause 6. WARRANTIES