

**E4D TECHNOLOGIES****TERMS AND CONDITIONS**

These terms and conditions are incorporated into the purchase order or other agreement between D4D Technologies, LLC (d/b/a E4D Technologies) (“E4D”) and its supplier or vendor (“Supplier”), as an essential part of the agreement between the parties. In the event of a conflict between a term herein, in a supplier agreement, a Master Services Agreement, or purchase order (any of which are an “Order”), the term in the Order shall prevail if signed by E4D. By agreeing to an Order, or beginning work with E4D, the Supplier is expressly accepting these terms and conditions. No change to these terms and conditions, or any substitute terms, will be accepted or binding on the parties unless agreed to in writing signed by both parties.

**SECTION 1: SERVICES AND PAYMENT**

1.1 Deliverables; Acceptance of Deliverables. Supplier and E4D have or will enter into Orders detailing the specific deliverables to be produced and/or provided to E4D, and details of the production and delivery thereof (collectively, the “Deliverables”). Supplier shall review, evaluate and/or test, as the case may be, each of the Deliverables and ensure that they meet requirements prior to delivery to E4D. Once received by E4D, the Deliverables may be rejected as non-conforming to the Order or as defective after inspection. Such inspection will take place no later than 90 days after delivery (with respect to each Deliverable, the “Acceptance Period”). If any Deliverable fails to conform to the Order or is defective, then E4D will notify Supplier thereof, in writing, specifying the nonconformity (a “Rejection Notice”). Thereafter, Supplier shall replace the Deliverable, and the replaced Deliverable will be resubmitted for acceptance by E4D

1.2 Shipping. The Deliverables shall be packaged by Supplier in such a way as to protect the Deliverables during shipping, in accord with the highest commercial standards. Within each package Supplier will include an accurate and complete Bill of Lading and packing list. Each package shall be clearly labeled and barcoded with purchase order number, party number and quantity. The Deliverables will be delivered to E4D EXWORKS the Supplier’s location, and therefore E4D is responsible for freight costs. Supplier will arrange for shipping with E4D’s directions and specifications only.

1.3 Payment Terms E4D will pay on all proper and undisputed invoices within 60 days after receipt.

1.4 AS9100 Requirements. In accordance with E4D’s certification under AS9100, we are required to communicate the following items to our vendors/suppliers. The below requirements for the goods you provide will be stated to you orally or in writing:

(a) the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions); (b) the approval of: 1. products and services; 2. methods, processes, and equipment; 3. the release of products and services; (c) competence, including any required qualification of persons; (d) the external providers’ interactions with the organization; (e) control and monitoring of the external providers’ performance to be applied by the organization; (f) verification or validation activities that the organization, or its customer, intends to perform at the external providers’ premises; (g) design and development control; (h) special requirements, critical items, or key characteristics; (i) test, inspection, and verification (including production process verification); (j) the use of statistical techniques for product acceptance and related instructions for acceptance by the organization; (k) the need to: implement a quality management system; use customer-designated or approved external providers, including process sources (e.g., special processes); notify the organization of nonconforming processes, products, or services and obtain approval for their disposition; prevent the use of counterfeit parts; notify the organization of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain the organization’s approval; flow down to external providers applicable requirements including customer requirements; provide test specimens for design approval, inspection/verification, investigation, or auditing; retain documented information, including



## E4D TECHNOLOGIES

retention periods and disposition requirements; (l) the right of access by the organization, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain; and (m) ensuring that persons are aware of: their contribution to product or service conformity; their contribution to product safety; the importance of ethical behavior.

### SECTION 2: CONFIDENTIALITY OBLIGATIONS

2.1 Confidential Information. The term “Confidential Information” shall mean any and all information or proprietary materials (in every form and media) not generally known in the relevant trade or industry and which has been or is hereafter disclosed or made available by either party (the “disclosing party”) to the other (the “receiving party”) in connection with the efforts contemplated hereunder, including (i) all trade secrets, (ii) existing or contemplated products, services, designs, technology, processes, technical data, engineering, techniques, methodologies and concepts and any information related thereto, (iii) information relating to business plans, sales or marketing methods or merchandising techniques, plans or information, and actual or potential customer lists or requirements, (iv) financial information or materials, (v) cost data, (vi) user lists and information, (vii) actual or potential vendor lists and information, (viii) procurement requirements, (ix) purchasing information, (x) manufacturing or development information, (xi) pricing, (xii) information about employees, consultants, independent contractors, interns, officers, directors, shareholders, investors, lenders, accountants, attorneys, and any other agents of either party, (xiii) information about actual, under development, or what might reasonably be anticipated to be or become business and contractual relationships, (xiv) actual or potential lender, investor or “partner” lists and information, and (xv) other proprietary business information of either Party. “Information” as it relates to people or entities includes all contact information, including name, title, position, address, phone numbers, and email addresses. Further, “Confidential Information” includes any and all technical and non-technical information or material in which either party has rights, opportunities, or obligations, whether or not owned or developed by such party (or people or entities such party may have disclosed to or received from pursuant to non-disclosure agreements). Without limiting the foregoing, Confidential Information expressly includes E4D’s designs and product information.

2.2 Nondisclosure of Confidential Information. E4D and Supplier shall each (i) hold the Confidential Information of the other in trust and confidence and avoid the disclosure or release thereof to any other person or entity by using the same degree of care as it uses to avoid unauthorized use, disclosure, or dissemination of its own Confidential Information of a similar nature, but not less than reasonable care, and (ii) not use the Confidential Information of the other party for any purpose whatsoever except as expressly contemplated under this agreement or any DSOW. Each party shall disclose the Confidential Information of the other only to those of its employees, independent contractors, permitted subcontractors (including their employees and independent contractors) having a need to know such Confidential Information in furtherance of this agreement or a DSOW, provided that such persons and entities have signed a non-disclosure agreement containing provisions no less restrictive than those contained in this section.

2.3 Confidentiality Obligations Not Applicable. The obligations of either party under this section will not apply to information or materials that the receiving party can demonstrate (i) was in its possession at the time of disclosure and without restriction as to confidentiality, (ii) at the time of disclosure is generally available to the public or after disclosure becomes generally available to the public through no breach of agreement or other wrongful act by the receiving party, (iii) has been received from a third party without restriction on disclosure and without breach of agreement or other wrongful act by the receiving party, (iv) is independently developed by the receiving party without reference to the Confidential Information of the other party, or (v) is required to be disclosed by law or order of a court of competent jurisdiction or regulatory authority, provided that the receiving party shall furnish prompt written notice of such required disclosure and



## E4D TECHNOLOGIES

reasonably cooperate with the disclosing party, at the disclosing party's cost and expense, in any effort made by the disclosing party to seek a protective order or other appropriate protection of its Confidential Information and any disclosure under this clause (v) is limited to the extent of the legal requirement.

### SECTION 3: WARRANTIES

3.1 Warranties. Supplier provides these warranties for the Deliverables: (a) The Deliverables shall have been produced by qualified technicians; (b) they shall be free of material defects in workmanship for a period of 24 months; and (c) they shall be fit for the purpose for which E4D is purchasing them.

### SECTION 4: TERM AND TERMINATION

4.1 Term. The term of this agreement will commence on the date indicated in the Order and will remain in effect until the Order has been completed, unless terminated in accordance with this agreement.

4.2 Termination. Either party may modify or terminate this agreement with 90 days prior written notice to the other party.

4.3 Effect of Termination or Modification. Termination of this agreement does not affect the Supplier's responsibility to pay for work performed prior to the termination date, nor does it affect the confidentiality provisions above, or other provisions herein that logically should survive termination. E4D will not incur any penalties or liability for cancellation or termination of an Order prior to receipt by E4D, except to the extent that the Deliverables contain non-cancellable/non-returnable ("NC/NR") items that are unique to E4D's Order, if (and only if) Supplier has expressly identified any such NC/NR items to E4D in writing at the time of the Order. In such a case, E4D will be responsible only for the Supplier's actual costs in procuring such NC/NR items, and E4D will have the right to take possession of the NC/NR items after payment.

### SECTION 5: REPRESENTATIONS, WARRANTIES, COVENANTS, AND INDEMNITIES

5.1 Representations and Warranties. Each person signing this agreement warrants and represents that he/she has full authority to enter into this agreement and bind the party for which he/she signs, and that all warranties and representations in this agreement, are true and correct. Each party hereto represents and warrants that: (a) it is duly constituted and lawfully authorized to conduct business and enter into this agreement; (b) it will perform under this agreement in accordance with all applicable federal, state, and local laws and regulations; (c) entering into and performing under this agreement will not constitute the breach of any agreement, the violation of property rights of any person, or violation of any order; and (d) it will not, directly or indirectly circumvent (or attempt to circumvent) the purposes of this agreement. E4D represents and warrants that it owns, or has license rights to, its Intellectual Property. Supplier represents and warrants that it owns, or has license rights to, the Supplier Intellectual Property.

5.2 Covenants. Supplier covenants and agrees that during the Term it will not move its manufacturing facilities without giving E4D at least 6 months prior written notice.

5.3 Indemnities. In the event of a breach of any representation, warranty or covenant in this agreement, the breaching party will indemnify, defend and hold harmless the non-breaching party from and against any and all claims, causes of action, liabilities, losses, damages, costs, disbursements and expenses, including court costs and reasonable attorneys' fees and expenses arising out of or relating to any such claim.

**E4D TECHNOLOGIES**

## SECTION 6: GENERAL

6.1 General. The parties agree that this agreement is solely for the benefit of the parties hereto, their successors and permitted assigns, and no provision of this agreement shall be deemed to confer upon any other person or entity any remedy, claim, liability, reimbursement, cause of action or other right whatsoever.

6.2 Notices. Any notice required hereunder may be effectively given by letter delivered either by hand delivery, US certified mail (return receipt requested), delivered by overnight delivery service, or by other electronic means so long as the recipient has acknowledged receipt (for purposes of this section an automatically generated receipt confirmation does not qualify as acknowledgement of receipt), addressed to the recipient at the address indicated in the Order.

6.3 Waiver. A waiver by any party of any provision of this agreement in any instance shall not be deemed to waive it for the future. A party's failure to insist on strict compliance with any of the terms of this agreement on one or more occasions is not a waiver of any rights or obligations under this agreement.

6.4 Severability. Each of the provisions of this agreement (and each part of each such provision) is severable from every other provision hereof (and every other part thereof). In the event that any provision (or part thereof) contained in this agreement or the application thereof to any circumstance shall be invalid, illegal or unenforceable, in whole or in part, and to any extent: (i) the validity, legality or enforceability of such provision (or such part thereof) in any other jurisdiction and of the remaining provisions contained in this agreement (or the remaining parts of such provision, as the case may be) shall not in any way be affected or impaired thereby; (ii) the application of such provision (or such part thereof) to circumstances other than those as to which it is held invalid, illegal or unenforceable shall not in any way be affected or impaired thereby; (iii) if possible, such provision (or such part thereof) shall be construed or re-written as closely as possible to conform to the intent of the parties, in which instance parole or extrinsic evidence may be considered to do so; (iv) if not susceptible to such construction, such provision (or such part thereof) shall be severed from this agreement and ineffective to the extent of such invalidity, illegality or unenforceability in such jurisdiction and in such circumstances; and (v) the remaining provisions of this agreement (or the remaining parts of such provision, as the case may be) shall nevertheless remain in full force and effect.

6.5 Governing Law. This agreement shall be governed by and construed in all respects in accordance with laws of the State of Texas (without regard to conflict of law provisions).

6.6 Venue and Jurisdiction; Injunctive Relief. The parties agree that this agreement is performable in substantial part in Collin County, Texas, USA. The venue for any action or claim at law or in equity hereunder shall be exclusively in the state or federal courts in Collin County, Texas, and the parties hereto consent to the exclusive jurisdiction of those courts. Notwithstanding anything to the contrary herein, any party may seek a temporary restraining order, preliminary injunction or permanent injunction arising out of or related to this agreement in any appropriate jurisdiction.

6.7 Attorneys' Fees. In the event of a dispute relating to the subject matter of this agreement, the prevailing party shall have the right to collect from the other party its reasonable costs and attorneys' fees incurred in enforcing this agreement.



## E4D TECHNOLOGIES

6.8 Entire agreement. This agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof.

6.9 Counterparts. This Order may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same agreement.

6.10 Amendments. No modification, revision, supplementation, abrogation, termination, extension, waiver, or amendment to or of this agreement may be made unless it is in writing and executed by duly authorized representatives of the Parties.

6.11 Assignment. The obligations and rights hereunder, and this agreement, may not be assigned by either party without the express prior written consent of the other party. These terms and conditions are binding on the parties' successors and assigns.

6.12 Force Majeure. Neither party shall be liable for its failure to perform hereunder or for any delay or default if caused by conditions beyond its control including, but not limited to Acts of God, failure of distributors, failure of suppliers, subcontractors, carriers, riots, pandemics, floods, or any other cause beyond its reasonable control.

6.13 Headings. All headings used in this agreement are for convenience only and are not to be interpreted to limit or restrict the substance of any part of this agreement.

Other elements: They can't move their factory without giving us 6 months notice So our product is approved for a location and they can't move it without advice and time.

Also if ownership changes, what do they have to do to advise us and honor orders?

Should we also talk about packaging for shipment in a way that protects the product or as we've defined in an order (we typically don't define, but expect them to ship in away that protects) Should be barcoded with PO #, part # and quantity Should include packing list and bill of lading

Should we put uas as having an incoming inspection window for our first push back against defective parts? In fact, we haven't actually accepted them nor do we owe payment for them until they pass the first incoming inspection?