

1. This quotation is valid for sixty (60) days from the quotation date shown on the cover letter. These terms and conditions of sale are the only terms which govern the sale of the products identified in this quotation ("Products") by IEC to the customer identified in this quotation ("Customer"). This quotation, including these terms and conditions, comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These terms and conditions prevail over any of Customer's general terms and conditions of purchase regardless of whether or when Customer has submitted its purchase order (a "Purchase Order") or such terms. Fulfillment of Customer's order does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these terms and conditions.
2. If not specified in Customer's BOM, IEC has included the cost of protective packaging for shipping in this quotation.
3. Changes to scope of work quoted may result in price adjustment to be negotiated at the time of change.
4. Quotation pricing is based on manufacturing the Products to the following workmanship standards:
 - a. For Products manufactured in Newark, NY, IPC 610 Class II and/or IPC 620 Class II.
 - b. For Products manufactured in Albuquerque, NM, J-STD-001, Class 3.
5. IEC's acceptance of a Purchase Order is subject to credit approval by IEC's Corporate Financial Group. Terms are ½% ten days net 30 days, FOB Origin, unless negotiated otherwise. Late payment will be subject to an additional 1½% per month penalty charge.
6. Product acceptance by Customer shall be complete at either (1) source inspection at IEC manufacturing facility or (2) Customer incoming inspection. Products incorporated into Customer's manufacturing flow or altered in any way, including damage by Customer handling, shall not be subject to rejection by Customer. Repair services for such Products may be provided by IEC at a negotiated cost.
7. WARRANTY:
 - a. Subject to the provisions of this Section 7 and Section 8 (and except for Customer Provided Materials (as defined in Section 8)), IEC warrants that, for a period of twelve (12) months from the date of shipment from IEC (the "Warranty Period"), each Product provided by IEC pursuant to this quotation shall be free from defects in workmanship and materials and shall conform in all material respects to the written Product specifications supplied by Customer.
 - b. Subject to the provision of this Section 7 and Section 8, IEC shall, at its sole discretion and at its expense, repair or replace any such Products which, during the Warranty Period, are proven to IEC's satisfaction to be defective. IEC's obligation under this warranty is exclusive to Customer, and shall be limited to repair or replacement of any defective Products in accordance with this Section.
 - c. IEC shall not be liable for a breach of the warranty in this Section 7 unless, and Customer shall be entitled to a remedy hereunder only if: (i) Customer notifies IEC, in writing, of the alleged breach of warranty within a reasonable period, not to exceed twenty (20) days, after Customer discovers the defect, but in no event after the expiration of the Warranty Period, which notice shall describe the alleged defect in reasonable detail and include the reports of any test results that identify such defects; (ii) IEC is given a reasonable opportunity after receiving the notice of breach of the warranty to examine such Products and Customer (if requested to do so by IEC) returns such Products to IEC's place of business at IEC's cost

for the examination to take place there; and (iii) IEC reasonably determines that the Products are defective. Upon IEC's request, Customer shall provide reasonable assistance and support to IEC for purposes of testing any Products that Customer claims are defective (including providing the procedures and methodology for testing) and identifying the causes of, and remedies for, such defects.

8. LIMITATION OF WARRANTY:

- a. EXCEPT AS EXPRESSLY STATED IN SECTION 7, IEC HEREBY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.
- b. IEC shall not be responsible for any products, materials or components supplied by or purchased from Customer ("Customer Provided Materials"), whether or not such Customer Provided Materials contain, are contained in, incorporated into, attached to or packaged together with, the Products supplied by IEC. Customer Provided Materials are not covered by the warranty in Section 7, and IEC MAKES NO REPRESENTATIONS OR WARRANTIES. EXPRESS OR IMPLIED, WITH RESPECT TO ANY CUSTOMER PROVIDED MATERIALS.
- c. IEC shall not be responsible for any defect caused by improper use, installation, accidents, operation or maintenance of Products, nor for any damage resulting therefrom, or from negligence on the part of Customer or its employees or agents.

9. This quotation includes charges for shipping, duties, and / or taxes for any material that must be sourced outside of the United States. However, special tariff charges, imposed by the U.S. Government from time to time, are NOT included in this quotation. These charges will be compiled periodically and submitted to Customer. Customer agrees to provide Purchase Order funding for these charges within 30 days of submission.

10. Customer shall provide electronic documentation in a computer-readable format (not a scanned image) for the manufacture of the Products. This documentation shall consist of a bill of materials, approved vendor list, assembly drawings, subassembly drawings, piece part/component drawings, mechanical/dimensional drawings, schematics and specifications. Incomplete or missing documentation may result in additional NRE charges and production delays.

11. Product design responsibility remains with Customer and costs incurred by IEC as a result of design issues shall be billable to Customer at the rates prevailing at IEC at time of occurrence.

12. Interruptions or delay in production flow as a result of Customer action may result in additional cost, which shall be borne by Customer. Notwithstanding any provision in any Purchase Order or other agreement between IEC and Customer to the contrary, if IEC's performance of its obligations under this quotation or any Purchase Order accepted by IEC based on this quotation is prevented or delayed by any act or omission of (i) any supplier of materials or components for the Products or (ii) Customer or its agents, subcontractors, suppliers, or consultants, IEC shall not be deemed in breach of its obligations under this quotation or any Purchase Order, or otherwise liable for any costs, charges, damages (including delay damages) or losses sustained or incurred by Customer, in each case, to the extent arising directly or indirectly from such prevention or delay.

13. IEC shall notify Customer in the event that a component and/or process required in the delivery of any Product is unavailable from an original manufacturer or authorized distributor due to obsolescence. IEC will require Customer's approval to use an alternate version of any obsolete component and will consider the authorization as a change to the Purchase Order which may require an adjustment to price or delivery schedule.

14. If, for any reason, an order is canceled, Customer shall pay IEC for all costs incurred, including labor, material, and burden up to the notice of cancellation, along with reasonable profit.

15. IEC and Customer, prior to accepting a change notice from Customer, must agree upon changes in schedule and/or quantity. If agreement cannot be reached, the order will be deemed cancelled and the provisions in Section 14 will apply.
16. Submission of a Purchase Order based on this quotation is deemed acceptance of liability for Non-Cancellable, Non-Returnable raw material listed on the cover letter of the quotation.
17. Customer agrees to be liable for (and pay IEC for) obsolete material resulting from order cancellation, engineering changes, minimum or multiple order quantities, or other actions by Customer that eliminate the demand for the material. IEC will submit a request for funding and Customer agrees to provide a Purchase Order for such material within 30 days of submission.
18. This quotation may include excess material charges on the cover letter of the quotation which result from minimum or multiple order quantities. Customer agrees to provide Purchase Order coverage for this excess material. Excess material will not be invoiced against the Purchase Order if additional orders consuming the material are placed within 90 days. However, should Customer elect not to procure additional Products consuming this material, the remaining material will be invoiced and either moved to Customer-owned inventory or packaged and shipped to Customer.
19. Any Customer Provided Material, whether consigned or purchased, must conform to MAT-082 component packaging and shrinkage requirements. Failure to comply with these requirements may result in additional charges. In addition, IEC reserves the right to reject any Customer Provided Material which it deems to be non-conforming to requirements.
20. If any supplier of components or materials that are to be incorporated into the Products requires IEC to purchase materials or components on an accelerated schedule (in advance of the delivery schedule requested by IEC in order to satisfy IEC's delivery schedule for Products), then Customer shall pay to IEC, upon request, a prepayment or deposit in an amount reasonably requested by IEC to satisfy its obligation to such supplier for such components or materials. Any such prepayment or deposit shall be applied to amounts due from Customer to IEC for Products to be delivered hereunder, as reasonably determined by IEC.