

PURCHASE ORDER TERMS AND CONDITIONS

1. **Terms of Purchase.** This offer is made solely on the terms and conditions stated in this purchase and any documents referenced herein. Seller acceptance is limited to these terms and conditions. Any additional or different terms or conditions proposed by Seller shall be void and of no effect unless expressly agreed to in this order. Buyer hereby expressly rejects any proposed changes. Upon acceptance by Seller, this purchase order shall be exclusive and complete agreement between the parties hereto.
2. **Acceptance of Purchase Order.** This purchase order shall be considered an offer by Buyer to purchase the items or services stated therein. Any of the following acts by Seller shall constitute acceptance by Seller; (I) returning an acknowledgment of the purchase order, (II) furnishing of any of the merchandise or service in the order, (III) acceptance of any payments under the order, (IV) commencement of performance of the purchase order.
3. **Definitions.** "Purchase Order, "Order" or other reference to a contractual document means the terms and conditions on the face of the Purchase Order, these Purchase Order Terms and Conditions and all terms and conditions stated, attached to or referenced therein. "Buyer" means the legal business entity registered as Elcom Technologies Incorporated, having its corporate address at 11 Volvo Drive Rockleigh, NJ. 07647. "Seller" means the business entity whose name and address appear in the header of this purchase agreement. "Merchandise" means all articles, materials, work or services to be performed or furnished pursuant to this purchase agreement.
4. **Warranties.** Seller expressly warrants that the merchandise will (I) conform to the specifications, drawings, samples or other descriptions furnished or specified, (II) be merchantable and of good material and workmanship and free of any defects in design, workmanship and materials, (III) be fit for the purpose required by Buyer, (IV) not infringe or wrongfully use any patent, trademark, trade secret or copyright and (V) conform to all requirements of this purchase order. These warranties shall survive Buyers inspection, testing and acceptance and shall run to Buyers assigns, successors, customers and users of Buyers products.
5. **Compliance with Law.** Seller shall comply with all federal, state, and local laws, regulations, and ordinances.
6. **Inspection.** Seller shall provide a complete inspection system, covering all elements of this order. Buyer shall have the right to inspect, at Sellers place of business during customary business hours, all material that is subject to this purchase. All material shall be subject of final inspection and acceptance at Buyers place of business. Buyer shall have the right to reject and return or hold all materials not conforming to the requirements of this order.
7. **Rejection.** If Buyer discovers at any time, any merchandise not in conformance with this purchase order or Seller warranties, Buyer shall have the option of returning the merchandise for credit, require prompt correction and replacement of non-conforming

merchandise. Seller shall be responsible to Buyer for all damages suffered by Buyer for such nonconformity.

8. **Packing and Shipping.** Seller shall ship as specified in this purchase order. Merchandise ordered f.o.b. shipping point must be forwarded PREPAID, unless specifically authorized otherwise by Buyer. Seller shall pack and otherwise prepare the merchandise for shipment. If Seller determines shipment method, the most advantageous method, price and other factors included, shall be used.
9. **Changes.** Buyer may at anytime, by written notice, make changes within the general scope of this purchase order, including but not limited to drawings, design, specifications, method of shipment or packing, place of inspection and acceptance, time of delivery and method of performance. If requested for adjustment is received from Seller within 30 days from the date of receipt of a change, an equitable adjustment shall be made to the order.
10. **Invoices and Payments.** Invoices must be submitted in duplicate to the address stated in this purchase order. Taxes, shipping charges and other charges must be stated as a separate item on the invoice. Adjustments in Sellers invoice resulting from shortages, late delivery, rejections or other failures to comply with the terms of this order, may be made at Buyers option, prior to payment. Failure to adjust shall not deprive Buyer of its right to make subsequent adjustments.
11. **Risk of Loss.** Vendor shall be liable for any loss, destruction, or damage to merchandise until received by Buyer. Vendor shall be liable for any loss, damage or destruction to any of Buyers property furnished to Seller. Seller shall return any Buyer furnished material upon Buyers request.
12. **Termination.** Buyer may terminate this order at anytime for (I) Sellers breach of any warranty, (II) Seller's failure to perform any obligation under the purchase order, (III) Buyers convenience, (IV) adverse financial change in Sellers financial conditions. Any claim for termination settlement will be effected by mutual agreement, litigation, or arbitration pursuant to the State of New Jersey Uniform Commercial Code.
13. **Gratuities.** Seller warrants this it has not and will not offer to make nay gift to any employee of Buyer or any of its agents or representatives for doing or forbearing to do any act, or for showing any favor or disfavor to any person with respect to award of this purchase order or its performance.
14. **Governing Law Venue and Jurisdiction.** This purchase order shall be governed and constructed in accordance with the laws of the State of New Jersey, United States of America.
15. **Proprietary Information.** Seller agrees to maintain complete confidentially on all aspects of this order. Seller acknowledges that all Buyer provided data, including drawings, specifications, tooling, equipment, etc, is the proprietary and sole property of Buyer and may not be disclosed without expressed written authorization of Buyer. Any non-authorization disclosure shall be a breach of contract and Seller shall be liable for any resulting damages.
16. **Assignments and Subcontracts.** Seller may not assign any of its rights or delegate any of its obligations under this purchase order without prior, written permission of Buyer. Purchase of materials, equipment, services or normal subcontracts necessary and

common in the normal course of business shall not be constructed as delegation of responsibility under this order.

17. **Modifications in Writing**. This purchase order may be modified or revised only in writing, executed by the parties to this order. Only the Buyers duly authorized agent, acting, within the limits of his/her authority shall sign on behalf of the Buyer. Any modifying agreement, verbal or other, entered into outside the scope of this clause shall be non-binding and without legal merit.
18. **Time of Essence**. Time and strict and punctual performance are of the essence with respect to each provision of this order.
19. **No Prior Understandings**. This purchase order contains the entire agreement between the parties relative to the subject matter of any provision of the order and this order supersedes any prior understanding, agreements, representations and warranties with respect thereto.
20. **Indemnifications**. Seller shall indemnify Buyer and Buyer's customers against all liabilities, costs, expenses, attorneys fees and claims (collectively the "Claims") and all liabilities, costs, expenses, attorneys fees and claims arising from the defense of such claim and any action or proceeding brought by such claim arising from (A) any breach or default in the performance of any obligation to be performed by Seller under this order, (B) any negligence by Seller or any Seller's agent, employee, representative, licensee, or contractor concerning any obligation to be performed under this order., (C) the design, manufacture, sale or use of the merchandise purchases under this purchase order, (D) the infringement of any copyright, patent, trademark, service mark, or trade name in the connection with the design, manufacture, sale or use of such merchandise, and (E) any violation of any international, federal, state or local law, regulation or ordinance in connection with the design, manufacture, sale or use of such merchandise. If any action or proceeding is brought against Buyer and/or Buyer's customers by reason of any claim, Seller, upon notification from Buyer and/or Buyer's customers, shall defend the action or proceeding at Seller's sole cost by counsel satisfactory to Buyer.
21. **Federal Government Contract Provisions**. If this purchase order identifies and/or reference a prime contract with the United States, provisions of the Federal Acquisition Regulations (FAR) and any departmental supplements (e.g. DODFAR, NASAFAR, DOTFAR, etc.) to the FAR are hereby included in and made a part of this order, to the extent stipulated by law. For the purpose of this order in such event, the term "Contractor" shall mean Seller, the term "Government" shall mean Buyer and the term "Contractor Office" shall mean authorized agent of Buyer.