

Order acceptance subject to credit approval

1) Unless otherwise noted in the attached quotation, payment terms for invoices received will be Net 30 Days payable in U.S. dollars. All shipments will be F.O.B. Richardson TX and transported best way. Special packaging not included unless listed.

2) All quotes will be valid for 30 days. QC Graphics, Inc. (QCG) quote number should be referenced on purchase order or contract.

3) Delivery schedule of assemblies of finished products will be as agreed upon between QCG and Client. Delivery will be pending shop load and availability of material at time of order. Lead time included in each quotation should be used as a planning guideline.

4) QCG will provide labor and material to produce assemblies as quoted. Workmanship will be in accordance with IPC 610 class II requirements (unless otherwise noted in the quote).

5) QCG will be responsible for building each assembly per the revision level quoted and the documentation provided by the Client. QCG warrants its products to be free of workmanship defects for a period of 90 days from the date of shipment. For products tested by QCG, a technical defects warranty will be in place for a period of 90 days from the date of shipment for items covered by the test performed.

6) Purchaser must provide written notification for delivery schedule changes. Said notification must be a minimum of 60 days prior to the scheduled delivery. Otherwise, any delivery within the 60 day window must be accepted by the Purchaser as scheduled.

7) Flying Probe Test and functional test if applicable will be included in each quotation. Cost associated with maintaining or upgrading Client owned test equipment will be the responsibility of the Client. QCG will notify Client in advance if cost to maintain or repair is in excess of \$250.00 per occurrence.

8) Client will be responsible for all excess and NCNR material procured for this order as noted on the quote. In the event a follow on order is not awarded within 30 days of final shipment, QCG will invoice Client for all excess and NCNR material. Stranded material caused by Client ECN will be invoiced upon implementation of ECN or revision change.

9) Requests for ECN will be processed when received. Client shall list implementation requirements for process. QCG will quote both ECN and new production revision upon receipt. In the event a production hold is issued during the manufacturing process, QCG at its option may invoice Client for production expense associated with product line shutdown.

10) RMA requests will be completed by QCG Client Services. No unauthorized RMA will be accepted within the QCG facility. Should an RMA be returned and diagnosed as no trouble found, Client will be contacted for technical resolution before unit is returned. Additional work performed to no trouble found units may be subject to additional charges.

11) All finished goods shipped under Client purchase orders will be in accordance with procurement requirements. Annual blanket orders, Kanban, or forecasted release requirements will require a separate contractual agreement between QCG and Client unless otherwise approved by QCG.

12) In the event the Client should cancel orders in whole or in part, the Client must provide an updated purchase order listing the required action. The purchase order should also contain a cost not to exceed the total value of the assemblies remaining and any excess material charges listed in the original quotation. QCG reserves the right to bill for all production and material costs incurred. These costs shall include but are not limited to, documentation, programming, setup, revision changes, tooling charges, stranded, NCNR, excess material, and related procurement expense.

13) QCG will bar code all assemblies for warranty tracking unless specifically requested not to do so. The standard label is a LAT-6 sized 1" x ¼". Different size labels may be used as required.

14) QCG reserves the right to ship over builds/under builds not to exceed 2% of procured quantity. QCG will ship and bill any over build with final shipment.

15) The quoted price does not include sales tax or freight shipping to customer's destination.