



TERMS AND CONDITIONS OF PURCHASE

DEFINITIONS

The term "Buyer" shall refer to A&B Precision Metals, Inc. The term "Seller(s)" shall mean the person, institute, company, organization or corporation from whom Buyer purchases Product(s). The term "Products" shall refer to the materials, supplies, items, and services purchased by Buyer. Other defined terms have the meanings given to them herein.

ACCEPTANCE

By accepting Buyer's Purchase Order(s), Electronic Order(s), or other form of Purchase, Seller agrees to the terms and conditions contained herein. Any of the following acts by Seller shall constitute acceptance of a purchase order and the terms and conditions set forth in this Agreement:

1. Sending an acknowledgement and/or confirmation in response to Buyer's purchase order;
2. Delivery of any of the Products ordered; or;
3. Informing the Buyer in any manner of commencement of performance.

ENTIRE AGREEMENT

Buyers Purchase and these Terms and Conditions of Purchase and all attachments and documents incorporated by specific reference herein, including a Statement of Work (collectively the "Agreement" or the "Order") constitute the entire agreement between the Buyer and Seller, each a "Party," and together the "Parties," with respect to the specified Products or Services, and supersede any prior agreement or understanding between them, all other terms, conditions and commitments, verbal or written, unless the Parties have otherwise negotiated and executed an overriding agreement, in which case the terms in such agreement shall take precedence to the extent they conflict with this Order. A conflict between the terms set forth herein and those set forth in a Statement of Work ("SOW") will be resolved in favor of the SOW.

PRECEDENCE

Buyer hereby rejects any additional or different terms or conditions proposed by Seller, whether contained in any forms or on Seller's website, any such additional or different terms will be of no effect. Buyer hereby objects to and is not bound by any term or condition of Seller stated in any quote, acknowledgement, acceptance, invoice, or in any other manner that is inconsistent with or in addition to these Terms and Conditions of Purchase unless authorized in writing by an authorized representative of Buyer.

SHIPMENT

Unless otherwise agreed in writing by Buyer, all Products ordered by Buyer shall be delivered in their entirety, in accordance with the shipping terms, carriers, incoterms, quantities, schedule and dates stated by Buyer on the face of the Order. If Seller ships partial orders, or by any other method, Seller shall pay any resulting increase in the cost of freight. All Products shall be shipped on carriers certified compliant C-TPAT (Customs-Trade Partnership Against Terrorism). Supplier must consolidate all shipments against this or other Orders to be forwarded on the same day via the same mode to one delivery address of one bill of lading, express receipt, or air bill.

RISK OF LOSS AND TRANSFER OF TITLE

Title to Products and risk of loss of all Products shall pass from Seller to Buyer upon receipt and acceptance at the Buyer's facility regardless of whether Buyer or Seller pays for or arranges for the freight. Seller will bear all expenses and risks of loss prior to receipt and acceptance at the Buyer's facility.

PACKAGING

No charge shall be made by Seller for packaging or storage of Products. All Products and their packaging shall comply with all applicable environmental, health and safety laws, rules and regulations, including hazardous identification regulations. All Products shall be marked (or the container shall be marked if there is no room on the Product(s) them(selves) or unless exempted from marking) with the country of origin. Seller shall provide a packing slip with each delivery, which identifies the following:

1. Quantity delivered;
2. Buyer's part number(s);
3. Invoice Number(s), and;
4. Buyers Order Number(s)

Unless otherwise specified in the Order, Seller will pack all Products in accordance with good commercial practices so as to prevent damage during normal transit and to ensure safe arrival of the Products at the location designated by Buyer in the Order. Seller will provide all special handling instructions that are needed to advise carriers, Buyer, and their employees how to take appropriate measures while handling, transporting, processing, using or disposing of the Supplies, containers, and packing. Without prejudice to the Buyer's right to reject the goods and materials, the Seller will be responsible for damages resulting from careless and improper packing, noncompliance with packing and shipping instructions or conditions therein contained. The Buyer may, however, waive such noncompliance and charge any and all costs incurred in rectifying same to the Seller. Rejected articles may be held by the Buyer for instructions and at the risk of the Seller or may be returned to the Seller at the Seller's expense for replacement.



DELIVERY AND DELAYS

Seller shall notify Buyer a minimum of two (2) business days prior to requested order receipt if Seller cannot meet the delivery date and quantity requested in Buyer's Order. Failure to provide such notice shall be deemed as acceptance of the requested delivery date. Time is of the essence of this Order. Seller agrees to furnish prompt written notice to Buyer of any projected shipping delay stating the reason for delay and corrective actions undertaken. If Seller's deliveries fail to meet such schedule, Seller, at its expense, will use an expedited method of shipment specified by Buyer if requested to do so by Buyer until past deficiencies are corrected and deliveries are on schedule. Failure of Seller to deliver the Products in the quantities and date specified on the Order may result in Buyer cancellation of the Order in whole or in part. In the event of cancellation under this paragraph, Buyer shall be under no obligation to pay for those Products affected by the cancellation. Nothing in this section shall excuse Seller from proceeding with any uncanceled portion of any Order. If this Order calls for delivery in installments and Seller fails to deliver an installment on the designated delivery date, Buyer may decline to accept subsequent installments and terminate the balance of this Order.

Seller agrees to deliver no earlier than five (5) working days prior to the agreed upon due date on the Order unless approved in writing by a designated A&B Precision Metals, Inc., Purchasing Agent or other assigned member of Management. At Buyer's option, Buyer may elect to return goods at Seller's expense for full credit inclusive of freight costs incurred, or Buyer may elect that early deliveries will be subject to a discount of 1% of the purchase price for each week early.

CHANGE ORDERS

Buyer may at any time, without any charge or liability, change any portion of this Order, suspend performance in whole or in part, make changes in drawings, designs, specifications, quantity ordered, the method of shipment or packing, time or place of delivery or the shipment date, on condition that Buyer provides Seller a five (5) day written notice. If any such change causes an increase or decrease in the purchase price or the time required for performance, an equitable adjustment will be negotiated in good faith and any changes agreed to will be incorporated into Buyer's Order by written change order. Change orders will be binding upon issuance of a revised A&B Precision Metals, Inc. Purchase Order.

RESCHEDULING

Buyer may request that delivery of Products be rescheduled for up to six (6) months from the original scheduled delivery date by providing written notice to Seller. Requests may be submitted up to five (5) business days prior to scheduled shipment. Upon receipt of such rescheduling request, Seller shall reply to Buyer within two (2) business days confirming Seller's acceptance of the rescheduled delivery date. Failure by Seller to respond within such time period shall, at Buyer's discretion, be deemed either acceptance by Seller of Buyer's request or grounds for Order cancellation.

CANCELLATION

Buyer may terminate for its convenience, all or any parts of an Order at any time prior to shipment by written or electronic notice to Seller. All cancellations for standard, non-exclusive Products, or cancellations made more than sixty (60) days before the scheduled delivery date may be made without penalty to Buyer.

For customized Products unique to Buyer that are supplied exclusively in accordance with Buyer's design or specification and cannot be reworked, sold or utilized on any other customer product, Buyer agrees to the lesser of the Seller's cancellation fee or liability for deliveries scheduled as follows:

0-30 calendar days' notice – Actual costs which only include the costs for materials expended for the cancelled Order that were ordered within standard component lead time and the costs of labor expensed to the date of cancellation;

31-60 calendar days' notice – Raw material on hand at Seller at time of notification and not exceeding the lesser of the quantity required to produce the Order or ninety (90) calendar days supply;

Additionally, Seller shall in good faith take all necessary and appropriate actions to reduce time and material exposure to Buyer. Buyer shall have the right to audit all elements of any termination claim, and Seller shall make available to Buyer on request all books, records, and papers relating thereto.

TERMINATION FOR CAUSE

If (i) Seller materially breaches any of the terms of this Agreement or materially defaults in the performance of any of its duties or obligations hereunder, and such breach or default is not remedied within ten (10) days after delivery by Buyer of written notice of such breach or default; or (ii) Seller fails to make any delivery or perform any services in accordance with a purchase order and does not remedy such failure within ten (10) days after receipt of written notice thereof; or (iii) Seller fails to make progress to such an extent that performance of an Order is endangered; or (iv) any proceeding is filed by or against Seller in bankruptcy or insolvency, or for appointment for the benefit of creditors; Buyer may (in addition to any other right or remedy provided by this Agreement, the Order, or by law) terminate all or any part of any Order that has not been delivered by written notice to Seller without any liability and may purchase substitute items elsewhere and Seller shall be liable to Buyer for any excess costs occasioned by Buyer thereby.

OVER / UNDER QUANTITIES

No variations in quantities called for in Buyer's Order will be permitted without Buyer's prior written approval. Any shipment whose quantity does not match the quantities specified in the Order shall be deemed a nonconforming delivery (see section Delivery and Delays) of these Terms and Conditions, and Buyer shall have the right to return such nonconforming shipment as set forth herein.

PRICE AND PAYMENT

The price of Products shall be as stated in the Order. Seller warrants that the prices charged for the Products or Services or similar products or services are the lowest prices charged by Seller to any other customer under similar conditions. If requested by Buyer, Seller will provide access to any and all supporting records to Buyer's auditors for purposes of verifying such competitive pricing, provided such auditors have signed a confidentiality agreement. If another customer's prices are lower, Buyer and Seller will mutually agree to an adequate remedy. If there is no price stated in the Order, the price shall be the lower of the price most recently charged or quoted by Seller to Buyer for each Product.

TAXES AND OTHER CHARGES

Unless otherwise agreed in writing, the contract price includes separate line items for all applicable foreign, federal, state, and local taxes, any tariffs, import and export duties, commissions, and other charges, except Sales Tax which is separately shown where applicable.

INVOICING

Seller shall invoice Buyer for Products at time of delivery receipt, and the invoice must reference the applicable Order including Buyer's part numbers and descriptions. The Seller shall indicate on its invoices and delivery notes the country of origin for all Products. Failure to comply may result in payment delays. Payment of an invoice will be pursuant to the terms stated in the purchase order and shall not constitute acceptance of Products ordered and shall be subject to appropriate adjustment for failure of Seller to meet the requirements of the purchase order. Buyer may off-set any amount owed by Seller or any of its affiliated companies to Buyer against any amount owed by Buyer under the purchase order or terms of this Agreement.

REJECTION AND REVOCATION OF ACCEPTANCE

Buyer may inspect the Products ordered and reject any nonconforming Products or deliveries and required the delivery of replacements. Buyer's right of inspection and rejection, whether exercised or not, shall not affect Buyer's right to revoke acceptance or pursue other remedies if defects or nonconformities are discovered at a later date. Seller shall remove all nonconforming Products within five (5) days of notice of nonconformance. If Seller fails to remove the nonconforming Products with such five (d) day period, Buyer shall have the right, at its option, to return the entire shipment at Seller's expense, or to sort the shipment, return or scrap nonconforming Products at Seller's expense and invoice Seller for any labor performed at the actual burdened rate for Buyer's employees performing the labor. Seller shall credit Buyer the invoice amount of any Product returned for nonconformance and shall re-invoice for the Product once replaced with conforming Product and re-shipped. Seller shall bear all freight costs associated with the return and re-shipment of nonconforming Products.

OBsolescence AND COPY EXACT

Seller shall provide Buyer with at least six (6) months advance written notice of any Product or Service change, including but not limited to, design or manufacture changes, obsolescence of components, Product end of life, process change, facility location change, ownership change or closure of the business in whole or business unit. In the case of ownership change, Seller is required to submit, if applicable, new owner information, new credit information, and new tax reporting information. Upon receipt of such notice, an authorized representative of Buyer shall acknowledge receipt of the notice in writing. For a minimum period of six (6) months following the date of Buyer's written acknowledgement, Seller shall continue to fulfill Buyer orders for the affected Product or Service.

QUALITY EXPECTATIONS

Seller shall use an appropriate inspection plan and measurement system to ensure conforming parts are delivered to Buyer. Buyer reserves the right to request a specific inspection plan or other measurement system. A First Article Inspection Report (FAIR) that ensured all drawing characteristics and notes are inspected by appropriate methods is required for the first order on all new parts or part revisions. The FAIR shall be recorded on Buyer supplied forms, or a manually agreed alternative format. FAIR forms shall record actual measurements and is subject to A&B Precision Metals, Inc. review and approval prior to shipment. All inspection records relating to items covered by an Order shall be available to Buyer during the performance of the Order and for such longer periods as specified by record retention period set forth herein. It is the expectation of Buyer that the Seller will drive an active and continuous improvement program designed to improve cost, delivery, and quality of performance. If at any time data from either Seller's or Buyer's control and measurement systems indicates that the quality or reliability of Products has fallen below the minimum established levels, Seller shall immediately commence corrective action and continue such action until the quality and/or reliability again meets or exceeds the minimum acceptable level. Nothing in this section is intended to limit Seller's Warranty obligations.

RECORDS RETENTION

Unless otherwise indicated on the Order, manufacturing and quality records must be maintained on file for a minimum of ten (10) years beyond the termination of the Order. All requirements for record retention must be flowed down to any sub-tier vendor/supplier participating in the completion of this Order. Records must be legible, identifiable, retrievable and available to the Buyer.

RIGHT TO INSPECT

Seller shall allow Buyer or its designee the right upon reasonable prior communication to enter the manufacturing, storage, and/or operation facilities of Seller during regular business hours to inspect and spot check the Products, tools, equipment, molds, and Product manufacturing facilities, in order to confirm Seller's compliance with the terms of an Order. Seller shall make available an authorized representative of its organization to facilitate Buyer's exercise of the foregoing inspection rights with reasonable assistance. When requested by Buyer, Seller will provide to Buyer such data, drawings, specifications, test results, quality documentation, schedules and other documents and information as is reasonably required by Buyer to confirm Seller's compliance with the terms of an Order.

SELLER WARRANTY

In addition to any other express or implied warranties, Seller warrants that for a period of twenty-four (24) months all Products delivered: (a) are free from defects in materials, workmanship and manufacture; (b) conform to any and all specifications, descriptions, drawings, plans, examples, samples, or models furnished by or to Buyer or its customers; (c) are of merchantable quality and fit for the purposes intended; and (d) where design is Seller's responsibility, are free from defects in design. Seller further warrants that Seller has good title free and clear of all liens, claims, security interests or encumbrances to all Products furnished under the Agreement, and that all Products do not and shall not infringe any patent, trademark, copyright, trade secret or other intellectual property right of a third party.

Without limiting Buyer's right to pursue any applicable remedies, in the event of a breach of any warranty, Buyer may require prompt correction, repair, or replacement of the defective or nonconforming Products or receive a credit or full refund in an amount equal to the purchase price of the Products. All returns, replacements and corrections will be at Seller's expense including all labor, materials, installation, repair, service, transportation and any other charges. Seller's warranty will run to Buyer, its successors, assigns, customers and users of the products.

ADVERTISING

Seller will not advertise, publish or disclose to third parties (other than to Seller's professional advisors on a need-to-know basis) in any manner the fact that Seller has contracted to furnish Buyer the Products covered by the Order or the terms of the Order, or use any trademarks or trade names of Buyer in any press release, advertising or promotional materials, without first obtaining Buyer's written consent.

HAZARDOUS MATERIALS

For any Products provided hereunder that include materials which are or contain dangerous goods, chemicals, contaminants, substances, pollutants, or any other materials that are defined as hazardous by relevant local, state, national, or international law, regulations and standards (Hazardous Materials), Seller shall provide to Buyer all required Safety Data Sheets, and other complete and accurate product-content information prior to or with the shipment of the Products.

RELATIONSHIP OF THE PARTIES

Nothing in this Agreement OR THE COURSE OF DEALING OF THE Parties may be construed to constitute the Parties hereto as partners, joint venturers or as agents for one another or as authorizing either Party to obligate the other in any manner. The specifications and all other materials and information provided to Seller by Buyer shall remain the exclusive property of Buyer.

NOTICES

All notices to Buyer shall be in writing and, unless otherwise specified, shall be sent to:

A&B Precision Metals, Inc.
Attention: V.P. of Operations
13715 Mt. Anderson Street
Reno, NV 89506

CONFIDENTIALITY

"Proprietary Information" as used herein shall mean non-public technical and/or business information of Buyer that is disclosed during the term of this Agreement, and includes without limitation;

Blueprints	Research	Research
Design Drawings	Formulae	Product Information
Subcontracts	Trade Secrets	Manufacturing Capabilities
Inventions	Processes	Costs
Innovations	Machines	Forecasts
Improvements	Plans	Pricing
Discoveries	Articles of Manufacture	Profit
Solid Models	Samples	Sales
Specifications	Molds	Lists of Customers
Drawings	Computer Programs	Business Methods
Plans for Future Development		

. . . and any other information that is of such a nature that a reasonable person would believe it to be confidential, whether or not labeled as Confidential.



Seller agrees to maintain strict confidence and shall not advertise, publish, or disclose to any third party any Proprietary Information, which is received in confidence from the Buyer including the terms, details, pricing or specifications of this Order. Seller shall take all reasonable precautions to prevent unauthorized disclosure, and to treat such information as it treats its own information of a similar nature. This Agreement shall not be construed as a license from Buyer to Seller of any of Buyer's intellectual property rights. Furthermore, patent rights embodied in designs, tools, patterns, drawings, information and equipment supplied by Buyer under this Order and exclusive rights for the use and reproduction thereof are reserved by Buyer. Seller assigns and agrees to assign to Buyer all of Seller's right, title and interest in any and all Proprietary Information, whether now existing or later developed, discovered or created. Proprietary Information shall be used and disclosed by Seller only to the extent necessary for the performance of this Order, and Seller shall limit disclosure on a need-to-know basis. Seller will not at any time use for Seller's benefit or disclose to any person for any purpose any Proprietary Information, or permit any person to use, examine and/or make copies of any documents, files, data or other information sources that contain or are derived from Proprietary Information, without the prior written consent of Buyer. All obligations under this Section shall survive the termination of this Agreement and completion of any individual Order unless specified otherwise in writing by Buyer, until the information becomes rightfully available to the public through no fault of the Seller. Upon termination of any specific business relationship between Buyer and Seller (including, but not limited to, the completion of an Order), all documents, data, devices, and all other items which disclose or embody Proprietary Information under this Agreement will be returned to Buyer upon request within fifteen (15) days after such termination. Seller warrants that each employee, agent or subcontractor who performs work pursuant to this Order have been informed of the obligations contained herein and have agreed to be bound by them.

LIMIT OF LIABILITY

In the event that Buyer breaches its obligations under this Agreement, after receiving written notice of such default, and fails to cure within a commercially reasonable time, Seller's sole and exclusive remedy shall be to receive direct damages for the Products in question as if such Products were cancelled. Buyer's liability in connection with the agreement or the purchase of products or services shall not exceed the purchase price of the specific Products or services for which the claim is made.

IN NO EVENT SHALL BUYER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, DOWNTIME, INCLUDING ADDITIONAL CANCELLATION OR INCIDENTAL FEES, LOST PROFITS OR COMMERCIAL LOSSES OR INDIRECT DAMAGES FOR ANY REASON WHATSOEVER, AND SELLER WAIVES ALL SUCH CLAIMS AGAINST BUYER WHETHER OR NOT BASED UPON BUYER'S NEGLIGENCE, BREACH OF WARRANTY, CONTRACT, STRICT LIABILITY IN TORT AND/OR ANY OTHER CAUSE OF ACTION OCCURRING AS A RESULT OF BUYER'S BREACH OF ITS PERFORMANCE OBLIGATIONS UNDER THIS ORDER.

PATENT INFRINGEMENT

Seller agrees to indemnify and hold harmless Buyer, and its successors, assigns, parent, subsidiaries and affiliates, and the officers, directors, employees, agent and customers of each of them, from and against all liability, loss, damage and expense, including reasonable counsel fees, resulting from any actual or claimed trademark, patent or copyright infringement with respect to any part of the Products covered by this Agreement or their use, except to the degree such infringement is caused by Seller's compliance with a detailed specification furnished by Buyer. If an injunction is issued which limits the use of any items provided by Seller due to the aforementioned patent infringement claims, Seller shall at no additional cost to Buyer either supply Buyer with non-infringing replacement goods of similar kind and quality or procure for Buyer a license to use infringing goods, or modify the infringing goods to make them substantially equal but non-infringing.

INDEMNIFICATION

Seller, at its own expense, shall defend, indemnify and hold harmless Buyer, and its successors, assigns, parent, subsidiaries and affiliates, and the officers, directors, employees, agents and customers of each of them, from and against, all losses, claims, expense of any nature (including attorneys' fees) which result from or arise out of Seller's performance, non-performance, or breach of the Agreement or any negligent act or omission of Seller, its agents, employees, or subcontractors except to the extent that such damage is due directly to the negligence of Buyer. Seller shall at all times maintain sufficient liability, property damage, and employee liability insurance to protect Buyer and shall supply upon request certificates satisfactory to Buyer evidencing such coverage.

WAIVER

Failure of Buyer to strictly enforce any term or condition of the Agreement shall not be construed as a waiver of such terms or conditions in the future. All rights and remedies under the Agreement are cumulative and in addition to any other rights or remedies provided in law or equity.

SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be illegal or unenforceable, such term or provision will be construed, limited or, if necessary, severed to the extent necessary to eliminate such invalidity or unenforceability, the other provisions of this Agreement will remain in full force and effect, and the Parties shall promptly endeavor to bring about the desired economic result by agreeing on a provision that is permitted by law.

ASSIGNMENT

Seller shall not assign or delegate any Order or any rights or interest or obligations or any portion thereof without prior written consent of Buyer.



GOVERNING LAW

The validity, performance and construction of the Agreement or any Order shall be governed by the laws of California, without regard to its conflict of laws rules and litigated exclusively in a state or federal court located in Washoe County, Nevada. The Parties agree to submit to the personal and exclusive jurisdiction of the courts located in California for the resolution of all legal disputes arising under the terms of this Agreement or any Order. The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply. If either Party commences litigation concerning any provision of the Agreement or if the Parties agree to alternative dispute resolution and the resulting judgement is in favor of Buyer, Seller is responsible for both his and Buyers associated attorney's fees, experts' fees, expenses and court costs.

AMENDMENT

No waiver, amendment, modification, or revision of this Agreement or an Order shall be valid unless in writing and signed by an authorized representative of Buyer.

COMPLIANCE

COMPLIANCE WITH LAWS

Supplier agrees to comply with all applicable international, Federal, State, and Local laws, rules, regulations, ordinance or legislation regarding the manufacture, production and sale of Products and provision of Services to which it is subject and will defend and hold A&B Precision Metals, Inc., harmless from loss, cost or damages as a result of any actual or alleged violation or non-compliance with same.

CODE OF ETHICS AND CONDUCT

Supplier agrees to adhere to the guidelines for social responsibility and code of conduct contained in the A&B Precision Metals' Code of Ethics and Conduct posted at <http://www.precisionmetals.com>. Supplier further acknowledges that all Products produced for A&B Precision Metals, Inc., have not had any materials or components sourced from known conflict mineral nations as designated by United States Securities and Exchange Commission (SEC), United States government, or United States Secretary of State.

EXPORT RESTRICTIONS

Supplier agrees to comply with all national and international import/export/re-import control regulations, restrictions, customs and tax provisions that are applicable to its Products, and any information, Products, software or technologies.

PERSONAL DATA

If the Supplier processes or receives personal private data from A&B Precision Metals, Inc., a duty to comply with data privacy rules must be imposed on its employees as provided for in the Federal Data Protection Act (BDSG). The Supplier shall use and process such private data only for the purposes provided for in the Order.

FAIR LABOR STANDARDS

In performance of this Order, Seller shall comply with all applicable requirements of the U.S. Fair Labor Standards Act prohibiting discrimination against qualified individuals on the basis of protected veteran status or disability, gender, ethnic origin, color, religion, sexual orientation, disability or age. Seller shall take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status. Seller will not tolerate forced labor or child labor and shall comply with all laws against slavery and human trafficking.

SUB-TIER SUPPLIERS

Supplier agrees to flow these compliance requirements and the guiding principles of sustainability and responsibility as defined by the Responsible Business Alliance (RBA) Code of Conduct to its supply chain. Information may be located at <https://www.responsiblebusiness.org/code-of-conduct/>.