

**Rhotheta International Inc (“RHI”)**

**Standard Purchase Order Terms (Effective 01/01/2026)**

1. **ACKNOWLEDGMENT AND ACCEPTANCE.** Acceptance of this order is expressly limited to the terms of this order, and the terms hereof shall govern. Any additional or different terms proposed by Seller are objected to and are hereby rejected unless Seller's terms are accepted in writing by an authorized representative of RHI. No proposal, oral agreement, order acknowledgement or other understanding shall in any way modify this order, or the terms or conditions hereof. Seller's action in (a) accepting this order, (b) delivering materials, (c) performing service called for hereunder shall constitute unqualified acceptance of the terms and conditions hereof despite any contrary or inconsistent terms in any other document exchanged by the parties.
2. **PRICE AND DELIVERY.** Seller shall furnish the goods and/or services called for by this order in accordance with the prices and delivery schedule stated on the face of this order. If prices and/or delivery dates are not stated, Seller shall offer its lowest prices or best delivery dates, both of which shall be subject to written acceptance by RHI. All prices include all applicable taxes except sales taxes which are separately shown when applicable.
3. **PACKING AND SHIPPING.** No charge shall be made by the Seller for packaging or storage. All items shall be packaged, marked and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates. Seller shall mark on containers handling and loading instructions, shipping information, order number, item and account number, shipment date and names and addresses of Seller and RHI. An itemized packing list shall accompany each shipment. RHI reserves the right to return shipments or shipments made in advance of the scheduled deliveries at Seller's expense. RHI's count and weight shall be accepted as final and conclusive if a packing slip is not enclosed with shipment. Time is of the essence with respect to all shipping dates itemized on this Order. RHI reserves the right to cancel this Order and reject the goods upon any late delivery by Seller.
4. **PAYMENT.** All invoices shall be rendered in duplicate, and shall state the discount terms, purchase order number, item numbers, and any applicable taxes. Freight and similar charges shall be itemized separately. A bill of lading must accompany each invoice. Payment of invoice shall not constitute acceptance of goods or services and shall be subject to adjustment for errors, shortages, defects in goods or services or other failure of Seller to meet the requirements of this order. RHI may set off any amount owed by Seller or any of its affiliated companies to RHI against any amount owed by RHI to Seller under this order.
5. **RISK OF LOSS.** Seller shall bear all risk of loss or damage to goods covered by this order until delivery of goods to the carrier, if transportation is FOB origin or until acceptance by the RHI if transportation is FOB destination.
6. **ASSIGNMENT.** (a) Seller shall not assign this order or any rights hereunder or any monies due or to become due hereunder without the prior written consent of RHI, and no purported assignment by Seller shall be binding on RHI without its written consent thereto. Seller shall require that no permitted assignee divulge any information concerning this order except to those persons necessarily concerned with the transaction. Payments to an assignee of any claim arising under this order shall be subject to reduction or set-off for any present or future claim or claims, which RHI may have against the Seller. (b) Seller shall promptly notify RHI in writing of any organizational changes made by Seller, including name or ownership changes, mergers or acquisitions.
7. **COMPLIANCE.** (a) Seller is on notice that RHI may utilize the goods specified in this order in the manufacture of products destined for sale to the U.S. Government. Seller is therefore deemed to have assumed the obligation of compliance with Executive Order 11246 and unless otherwise exempt under the rules, regulations and orders of the Secretary of Labor or pursuant to Federal Procurement Regulations (1-12.804) or the Armed Services Procurement Regulations (12-802). This order is subject to the requirements of the Equal Employment Opportunity clause as set forth on 1-12.803.2 and 12-802 (a), said clause being herewith incorporated into this order by reference. (b) Seller warrants that the goods to be furnished and the services to be rendered under this order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations, including but not limited to the Foreign Corrupt Practices Act, 15 U.S.C. § 78 et seq. (the “FCPA”) and all laws and regulations of Seller's place of performance, and in compliance with applicable international prohibitions on child labor. Seller certifies that with respect to the production of the goods and/or the performance of the services covered by this order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable. (c) Seller warrants that all goods delivered under this order are in conformance with the latest OSHA requirements (d) Seller warrants that in the performance of this order, it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations. (e) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not

offer or give to any employee, agent, or representative of RHI any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. (f) Seller warrants that neither it nor any of its affiliates, officers, directors, or employees, have been previously or are currently, included in any list of sanctioned or restricted entities, groups, organizations or individuals, as such lists may be maintained and updated by any "Governmental Authority" (including without limitation any agency or department of the United States government, the European Union, any member state of the European Union and the United Nations, and any other jurisdiction where RHI is currently established and/or engaged in business operations). RHI may periodically screen the name of the Seller and its known affiliates, officers, directors, or employees against the above-mentioned lists, and (g) Seller warrants and covenants that no materials which are used in the manufacture of Goods will contain any minerals or materials restricted or required to be disclosed under Section 1502 of the Dodd-Frank Act or other law, rule or regulation. Any breach of this warranty shall be a material breach of every order between RHI and Seller. For orders placed in support of a U.S. Government prime contract the RHI and Seller shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

8. **INTERNATIONAL TRADE COMPLIANCE.** Seller shall comply with all applicable legal and regulatory requirements relating to the importation and/or exportation of the goods identified in this order, including with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C.2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-774; and the requirement for obtaining any export license or agreement, if applicable. Seller shall also provide RHI with all required and/or requested information and documentation, including but not limited to, the country of origin, the applicable Harmonized System Code and the Export Control Classification Number. In the event of any change in the above-mentioned information, Seller shall immediately notify RHI of such change in writing and provide RHI with revised and updated information and documentation.

The obligation of the Seller to supply goods hereunder shall always be subject to all applicable export control laws and regulations of the countries where the goods are manufactured and the import control laws of the countries into which the goods are shipped. To the extent that such laws and regulations are applicable, Seller agrees to perform its obligations hereunder in compliance with such laws and regulations.

The goods supplied by Seller to RHI under this Agreement may be subject to export controls under the laws and regulations of the country from which they are shipped. To the extent applicable, the Seller shall comply with all such laws and regulations governing the export, re-export, transfer and use of the goods and related technology and information, and will obtain all required local authorizations, permits, or licenses. Seller agrees to notify RHI if any deliverable under this order is restricted by export control laws or regulations. Seller and RHI each agree to provide the other with information, support documents, and assistance as may reasonably be required by the other in connection with securing any applicable authorizations or licenses. Seller shall immediately provide notice to the RHI's procurement representative if Seller is, or becomes, listed on any Denied Parties List or if Seller's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency. Seller's obligations under this clause shall survive the expiration or termination of this Agreement.

Seller shall obtain at its own risk and expense all required import and export licenses or other official authorizations necessary to perform under this Agreement. Seller shall provide to RHI, upon request, all licenses or other approvals obtained by Seller in compliance with the requirements of this clause.

Seller shall comply with all foreign and local laws governing the export, re-export, transfer and use of the goods within, into and out of the country or countries in which Seller operates. If Seller is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, Seller represents that it is registered with the Office of Defense Trade Controls, as required by ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

9. **WARRANTY.** In addition to any other express or implied warranties the Seller warrants that all material or services delivered hereunder shall, for the warranty period agreed, starting from the date of receipt of the goods by RHI, be (i) free from defects in workmanship and materials (ii) free from defects in design except to the extent that such goods comply with the detailed designs provided by the RHI; (iii) suitable for the purposes, if any, which are stated on the face of this order, and (iv) in conformity with all other requirements of this order and the specifications for such goods that have been provided to RHI. Goods that are found to fail to meet the requirements set forth in Section 9 shall be defective goods. If any goods covered by this order are defective or otherwise not in conformity with the requirements of this order, RHI may, by written notice to Seller, (i) rescind this order, (ii) accept such goods at an equitable reduction in price, (iii) reject such goods and require the delivery of replacements. Deliveries of replacements shall be accompanied by a written notice specifying that such

goods are replacements. If Seller fails to deliver required replacement goods promptly, RHI may make the repairs necessary to correct said goods and charge Seller with the costs to repair. If RHI returns defective goods to Seller, such return shall be at Seller's expense (with an administration fee of \$100) as RHI may direct. All shipping costs and any reasonable travel, removal, and installation costs incurred in connection with goods to be replaced or repaired or faulty work to be corrected, shall be borne by Seller. Seller may not limit the remedies available to RHI or the damages recoverable by RHI arising out of breach of warranty. All replaced or repaired, or faulty work corrected shall conform with all other requirements of this Agreement and the applicable Purchase Order for the agreed period from the date of receipt of the replaced or repaired Goods are received by RHI or from the date any other faulty work is corrected.

10. **INSPECTION.** All goods sent by the Seller must be inspected to confirm that all such goods conform to the RHI's specifications. All goods delivered under this order shall also be subject to inspection and test by RHI, to the extent practicable, at all times and places, and in any event prior to acceptance. RHI may inspect the premises of the Seller or any of its subcontractors engaged in the performance of this order except in those areas as determined by the Seller to be restricted proprietary areas. Seller shall not be relieved of its obligations to replace any defective goods or work by reason of any failure on the part of RHI to direct Seller's attention to any defect.
- a) RHI incoming goods inspections may be limited to checking goods delivered for identity and volumes, as well as for externally visible transport damage and externally detectable faults. Seller's liability for meeting delivery quality shall remain unaffected by RHI's incoming inspection.
  - b) RHI reserves the right to check conformance with the specifications by taking random samples.
  - c) Cases of non-conformance detected by Seller must be promptly reported to RHI, with at least the following detail:
    - i. Quantity of goods affected;
    - ii. Type of and reason for non-compliance;
    - iii. Measures planned or already taken to eliminate the fault and its repetition; Seller shall be required to demonstrate such actions have been taken through non-conforming product management records and corrective and preventive action process and the records shall be retained per ISO9001, AS9100C or ISO13485 (under whichever ISO standards Seller is certified).
    - iv. Effects on the delivery deadline.
  - d) Seller shall provide technical support to RHI to determine if goods can be used conditionally. All goods that are conditionally accepted by RHI will be subject to a 25% price reduction. For all conditionally accepted goods, the full warranty period of twenty-four (24) months shall apply.
  - e) Returns to Seller will be made with a return slip and a debit note.
  - f) Seller shall notify RHI of the cause of and corrective measures for each defect. For the systematic analysis, remediation and exclusion of repeat faults, RHI reserves the right to request a nonconformance report or an 8D report for each defect in case of cumulative faults. If necessary, RHI may monitor the measures to remedy the nonconformance, if applicable, by auditing Seller's facilities.
  - g) If requested, Seller must provide a completed 8D report within 10 working days, otherwise RHI will impose an additional 10% price reduction penalty on the defective lot(s) of goods.
  - h) If Seller discovers that there is systemic process or production failure(s) which resulted in defective Goods being shipped to RHI, Seller must disclose this information to RHI immediately with all supporting documentation including technical data and statistical process control trends.
  - i) RHI shall initiate a product recall, upon appropriate technical evaluation, at RHI's sole discretion, if RHI detects any systemic quality failure or defect in the Goods.
  - j) If a recall is initiated, Seller is solely responsible for all financial costs and liabilities which impact RHI, including all the costs and liabilities imposed on RHI by RHI's customers.

For orders placed in support of a U.S. Government prime contract, all goods covered by this order may be inspected and tested by RHI, its customers, higher tier contractors and the U.S. Government at all reasonable times and places. Seller shall provide without additional charge all reasonable facilities and assistance for such inspections and tests. In its internal inspection and testing of goods covered by this order, Seller shall use an inspection system accepted by RHI in writing. All inspection records relating to such goods shall be available to RHI during the performance of this order, and such longer periods specified by RHI in its acceptance of the Inspection System. Final inspection and acceptance by RHI shall be at destination unless otherwise specified in this order. No inspection (including source inspection) tests, approval (including design approval) or acceptance of goods ordered shall relieve Seller from responsibility for defects or other failure to meet the requirements of this order or for latent defects, fraud, gross mistakes, and Seller's warranty obligations. Rights granted to RHI under this Section are in addition to any other rights or remedies provided elsewhere in this order or in law.

11. **INDEPENDENT CONTRACTOR.** The Seller shall perform hereunder as an independent contractor and not an employee or agent of the RHI.
12. **INSURANCE.** Seller agrees at its own expense to procure and maintain during the term of this order, insurance policies with the following minimum coverages:  
**Commercial General Liability Insurance.** Combined single limit for bodily and property damage of not less than \$1,000,000 for each occurrence and \$2,000,000 annual aggregate providing:
- Broad form property damage coverage,
  - Broad form contractual liability coverage, and
  - Goods and completed operations coverage.
- Seller upon written request from RHI shall furnish RHI a Certificate of Insurance evidencing such coverage and naming RHI as loss payee and an additional insured. Nothing in this Section shall be deemed to limit Seller's responsibility to the amount stated above or to any limits of Seller's insurance policies.
13. **INDEMNIFICATION.** Seller shall defend and indemnify the RHI and hold it harmless from and against all liabilities, losses, claims, expenses or damages, including reasonable attorney's fees, which may result in any way from accident, injury, or damage either to person or property or from death of any persons arising out of the design, manufacture, use or distribution of the goods or by reason of any act or omission on the part of the Seller, its agents, employees, or subcontractors except to the extent that the accident, injury, damage, or death is due solely and directly to the negligence of the RHI. Seller shall also defend and indemnify RHI and hold it harmless from and against all liability, loss, claims, expenses and damages, including reasonable counsel fees, resulting from any actual or claimed trademark, patent or copyright infringement or trade secret misappropriation, or any litigation based thereon, with respect to any part of the goods covered by this order or their intended use, and such obligation shall survive acceptance of the goods and payment therefore by the RHI.
14. **CHANGES.** RHI may at any time by written change order suspend performance in whole or in part; make changes in drawings, designs, specifications; make changes in method of shipment or time or place of delivery; or require additional or diminished work. If any such change causes an increase or decrease in the cost of or the time required for performance of this order, then equitable adjustment shall be made to the Purchase Order price or delivery dates or both, and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 14 shall conclusively be deemed to be waived unless asserted in writing (including the amount of the claim) and delivered to RHI within (30) days of receipt by Seller of the change order. If the cost of property is made obsolete or excess because of a change is paid by RHI, then RHI may prescribe the manner of disposition of such property. No change order shall be binding on RHI unless issued by an authorized representative. RHI's engineering and technical personnel are not authorized to change this order. Nothing in this Section 14 shall excuse Seller from proceeding with this order as changed.

**Change Management.** Seller shall notify RHI in writing and in a timely manner of all relevant changes in the manufacture of its goods (including but not limited to changes in the form, fit or function of the goods) before implementation of such changes is scheduled (at a minimum 3 months prior to a change, except for a change of the manufacturing site, in which case notification must be at least 6 month in advance). Such changes shall include, but not be limited to, changes in manufacturing processes, materials, purchased parts, tooling, switching subcontractors, moving production sites or facilities for product testing, or changing quality assurance measures. All changes shall require RHI's prior written approval. Seller shall submit a qualification plan to RHI for review and obtain written approval from RHI prior to making the change(s) and shall bear all financial cost for RHI to qualify and evaluate the change(s). Seller shall explain the type of change on the cover for the sampling documentation. Seller shall bear the costs of subsequent sampling inspections.

Seller shall inform RHI immediately if their ISO certification(s) is being revoked or Seller's facility is subject to any regulatory scrutiny or actions by government agency.

If Seller neglects to inform and obtain written approval from RHI prior to making any of the above changes, Seller will be responsible for all financial and liability impact to RHI because of quality issues, delivery lead time and ultimately any impact to RHI's customers.

15. **THE RIGHT TO AUDIT.**

- a) RHI is entitled to perform quality audits at Seller's facility with timely prior notice. In addition, in case of quality problems or complaints, RHI is entitled to analyze Seller's manufacturing process on-site to a practical degree at any reasonable time. Seller shall ensure that the same right to an analysis shall also be provided to RHI at Seller's subcontractors. The Seller's sole responsibility for the quality of the products manufactured or supplied is not in any way impacted by the fact that audits have been performed.
- b) If it turns out that the quality assurance measures taken by Seller are incomplete or inefficient so that product quality and

competitiveness are impaired, Seller agrees to amend its quality assurance procedures such that their effectiveness is ensured.

c) All findings resulting from the audit will have to be addressed within 10 business days. This must include at a minimum, root cause analysis, corrective and preventive action and effectiveness, verification of corrective and preventive actions taken. Before closure of such findings, RHI must be satisfied and approved with all the actions taken.

d) If the Seller requires more than 10 business days to address the findings, a formal request for extension must be sent to RHI for review and approval with proper justification of the extension.

#### 16. **DRAWING REVIEWS / TECHNICAL FEASIBILITY.**

a) Before accepting this order, Seller has:

i) Determined that it can meet the quality requirements defined in the technical documents; including all regulatory and statutory requirements.

ii) Reviewed whether the technical documents are complete and unambiguous to Seller;

iii) Determined that the production of the goods according to the technical documentation is feasible and ensured.

iv) Ensured that any existing questions are answered.

b) Seller has analyzed the suitability of the manufacturing systems, processes and testing equipment it intends to use including, if necessary, by means of process capability studies through statistical process control, which shall be documented. All such quality records shall be retained for verification by RHI.

c) Test measurements, safety-relevant dimensions and other specific characteristics are specifically marked in the RHI drawings. When reviewing the drawings, Seller shall also review the markings for comprehensibility.

d) All of the above in this Section 16 must be resolved and accepted by Seller and RHI before Seller shall proceed to accept this order from RHI. Upon acceptance, If Seller fails to deliver goods to RHI per agreed specifications and hence affect RHI's production schedule, RHI shall charge Seller for all the losses and liabilities RHI might incur as a result of impacting RHI's customers.

#### 17. **QUALITY MONITORING.**

a) Seller must ensure quality by means of

i) Proper incoming goods inspections using statistical techniques;

ii) Process monitoring through statistical techniques;

iii) Systematic inspection during production;

iv) 100% final outgoing and pre-shipment testing and inspection.

b) Unless otherwise stipulated by RHI, Seller shall define the scope of testing considering process capability, the significance of each characteristic, and the potential effects of defects. Special characteristics shall be specifically considered and documented in Seller's test schedule.

#### 18. **INITIAL SAMPLES.**

a) For all goods destined for series production at RHI, Seller shall provide initial samples and an initial sample test report as soon as such samples are first manufactured. Initial samples are goods completely manufactured using series manufacturing equipment under series conditions. For economic reasons and at Seller's risk, initial samples may be manufactured together with the manufacture of the first series lot. However, the acceptance of the first series lot will be contingent upon the acceptance of the initial sample or first article.

b) The initial sample test report shall include the documentation agreed on with RHI. If the content of the initial sample test report has not been explicitly agreed on, complete information for verifying the quality of the product and manufacturing processes shall be enclosed, e.g., measuring reports, material certificates, results of functional or reliability tests, capability analyses of processes and measuring equipment.

c) As a rule, all statements in drawings and specifications must be verified and agreed upon by both parties. Such agreement shall be documented.

d) Initial samples shall be packaged separately from series goods and clearly marked and identified with as "initial samples."

19. **DESIGN SURFACES / VISIBLE SURFACES.**

a) Design surfaces or visible surfaces shall be marked as such in the drawings. For these surfaces, there is a strict requirement for cleanliness. Quality requirements and monitoring measures shall be explicitly agreed on between Seller and RHI.

b) During the initial production runs and the manufacturing of initial samples, boundary samples shall be defined. Boundary samples shall be saved and used as reference samples for monitoring manufacturing efficiency and effectiveness.

c) Seller is solely responsible for ensuring that all packaging methodology and/or design shall meet and comply with industrial packaging requirements including IATA and DOT regulatory requirements. Seller shall bear the cost of all damages because of transportation damage, including packaging inadequacy or defect. In the event the packaging design is a joint effort between Seller and RHI, it is Seller's responsibility to ensure that the final packaging design is adequate to prevent any shipping and handling damages. Seller will be held responsible for all liabilities because of the damage.

20. **FORCE MAJEURE.** Neither RHI nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that performance of this order is hindered, delayed or adversely affected by causes of the type described above ("Force Majeure"), then the Party whose performance is so affected shall so notify the other Party's authorized representative in writing and, at RHI's option, this order shall be completed with such adjustments to delivery schedule as are reasonably required by the existence of Force Majeure or this order may be terminated for convenience pursuant to Section 24.

21. **DELAYS.** Seller shall promptly notify RHI if circumstances have arisen that make it reasonably clear Seller will not be able to meet the delivery deadline specified in this order, and in such notice, Seller shall also state the reasons for and duration of the delay. In the event the Seller fails to supply any item of goods or complete the provision of services by the date(s) specified in this order, other than as caused by Force Majeure, the RHI shall have the right to require the Seller, after a grace period of one week, to pay or to deduct from the order price, as liquidated damages (and not as a penalty) a sum calculated at the rate of ten percent (10%) of the price of the goods and/or services, or part thereof, so delayed, for each week of delay between the date of delivery specified in this order and the actual date of delivery. However, if the Seller for any reason not provided for above fails to proceed with the performance of this order or to make deliveries within the time specified in this order, or if the RHI shall have reasonable doubt as to Seller's ability to perform its obligations, RHI in addition to its remedies at law may at its option approve a revised delivery schedule or terminate this order or such part or parts hereof as to which there has been delay or any doubt, without liability to RHI. The Seller due to the delay in delivering the order on time, shall use any means possible to expedite the delivery using the fastest transportation method available at the time of shipping at the Seller's cost.

22. **COUNTERFEIT GOODS.** "Counterfeit Goods" are defined as Goods or separately identifiable items, materials, parts or components of Goods that are;

a) an unauthorized copy or substitute of an Original Equipment Manufacturer ("OEM") item;

b) not traceable to an OEM sufficient to ensure authenticity in OEM design and manufacture;

c) do not contain proper external or internal materials or components required by the OEM or are not constructed in accordance with OEM design;

d) have been re-worked, re-marked, re-labelled, repaired, refurbished, re-manufactured, or otherwise modified from the OEM design but not disclosed as such or are represented as OEM authentic or new, or;

e) have not successfully passed all OEM required testing, verification, screening, and quality control processes

22.1 Seller warrants that Counterfeit Goods shall not be supplied to the RHI or incorporated in the RHI's products by the Seller or by any of the Seller's subcontractor's or suppliers operating on behalf of the Seller.

22.2 The Seller warrants that only new and non-counterfeit Goods shall be delivered under the Contract to the RHI.

22.3 Counterfeit Goods delivered or furnished to the RHI under this Contract are deemed non-conforming. If the Seller becomes aware or suspects that it has supplied or furnished Counterfeit Goods to the RHI, Seller shall promptly notify the RHI and replace, at the Seller's expense, such Counterfeit Goods with OEM or other RHI approved Goods that conform to the requirements of this Contract. Seller shall be liable for all costs and expenses related to the replacement of Counterfeit Goods and any testing or validation necessitated by the installation and/or commissioning of authentic Goods after Counterfeit Goods

have been replaced. The remedies contained in this Section are in addition to any remedies the RHI may have at law, or under other provisions of this Contract.

22.4 The Seller shall flow down this Section to its subcontractors and suppliers for any items that are intended for the RHI. Any inability or unwillingness of a subcontractor or supplier of the Seller to comply with the provisions of this Section 22 shall be documented in writing and submitted immediately to the RHI.

### 23. TERMINATION.

a) Without cause. The RHI may terminate this Order in whole or in part at any time for any reason by serving upon Seller a written notice For Purchase Orders placed in support of U.S. Government Prime Contracts, such termination settlement shall be made in accordance with the principles contained in Federal Acquisition Regulation (FAR) 52.249-2 as in effect as of the dated of this order, except that any termination claim must be submitted to RHI within ninety (90) day after the effective date of termination, and "Contractor" shall mean "Seller", "Contracting Officer" shall mean "RHI Authorized Procurement Agent", and "Government" shall mean "RHI" and the "Government".

b) With cause. If Seller fails to make delivery in accordance with the agreed delivery date or schedule, except as provided in a), or otherwise fails to observe or comply with any of the other instructions, terms, conditions, or warranties applicable to this order or fails to make progress so as to endanger performance of this order or in the event of any proceeding by or against Seller in bankruptcy or insolvency or for appointment of a receiver or trustee or an assignment for the benefit of creditors, RHI may, in addition to any other right or remedy provided by this order or by law, terminate all or any part of this order by written notice to Seller without liability by RHI to Seller on account thereof. If this order is terminated as provided in this Section the RHI in addition to any other rights provided in this clause, may require the Seller to transfer title and deliver to the RHI (i) any completed goods and (ii) such partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights as the Seller has specifically produced or specifically acquired for the performance of this order. If after notice of the termination of this order "with cause", it is determined that the failure to perform is due to causes totally beyond the control and totally without the fault or negligence of the Seller, such notice of default shall be deemed to have been issued pursuant to Section a)(a) hereof and the rights and obligations of the parties hereto shall be governed by (a).

### 24. DISPUTES.

(a) RHI and Seller shall attempt to resolve any disputes arising out of or in relation to this order by good faith discussions. In the event of the occurrence of such a dispute, either party may, by written notice to the other party, have such dispute referred to the individuals designated below or their respective successors, for attempted resolution by good faith negotiations within thirty (30) calendar days after such notice is received. The initial designated individuals are as follows:

For Seller: \_\_\_\_\_

For RHI: Baruch "Ventura" Rigol, President

(b) If the parties are unable to resolve any dispute pursuant to (a) within the time period set forth therein, either party may thereafter initiate an arbitration hereunder to resolve that dispute and any directly related matters. Any claim or controversy arising out of or relating to this Agreement, or the transactions between Seller and RHI contemplated hereby, which cannot be resolved by good faith negotiation shall be finally and exclusively settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), except as otherwise agreed herein. The arbitration shall be held in Fort Lauderdale, Florida. The arbitration shall be conducted before an arbitration panel consisting of three arbitrators. Seller and RHI shall each appoint one arbitrator and these two shall select the third. Decisions of such arbitration panel may be entered as a final judgment by any court having competent jurisdiction. Each party shall pay its own costs incurred in connection with such arbitration, and fifty percent (50%) of the fees assessed by the AAA arbitrators. Notwithstanding such agreement regarding arbitration of disputes, either party may at any time seek injunctive or other similar relief from a court with appropriate jurisdiction in order to enjoin any breach of this Agreement or otherwise maintain the status quo, provided that such procedure shall only be available for such limited purpose pending the final resolution of any such dispute pursuant to arbitration in accordance herewith.

25. **RHI'S EQUIPMENT.** Unless otherwise agreed in writing, all tools, equipment or material of every description furnished to Seller by RHI or specifically purchased by Seller and paid for by RHI, and any replacement thereof, or any materials affixed or attached thereto, shall remain the personal property of RHI. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of RHI" and shall be safely stored and properly maintained by Seller. Seller shall not substitute any property for RHI's property and shall not use such property except in filling RHI's orders. Such property shall always be available for inspection by RHI and shall be subject to removal at RHI's written request, in which event Seller shall prepare for shipment and shall redeliver such property to RHI in the same condition as originally received by Seller, reasonable wear and tear excepted.

26. **USE OF RHI'S DATA.** Seller shall not, without RHI's written consent, disclose any drawings, plans, specifications, confidential information, know-how, discoveries, production methods and the like (herein referred to as "technical information") furnished to Seller by RHI, or on RHI's behalf, for the performance of this order to any person other than personnel of Seller directly concerned with the manufacture of said goods or otherwise required by Seller in the performance of this order; and Seller shall require any of its suppliers under this order to enter into a similar agreement. Seller shall take reasonable precautions against any such technical information being acquired by unauthorized persons and shall not employ any such technical information for its own use or for any purpose whatsoever except in the performance of this order. The RHI shall retain title to all such technical information and Seller shall, at RHI's request or upon completion of this order, return or deliver all such tangible technical information to RHI. The term "technical information" as used herein shall not include information which is generally published or lawfully available to Seller from other sources or which was known to Seller prior to disclosure thereof to Seller by RHI or on RHI's behalf.
27. **CESSATION OF PRODUCTION.** If production of goods covered by this order is to be permanently discontinued at any time within one (1) year after final delivery under this order, Seller shall give RHI a least one (1) year prior written notice of such discontinuance during which time Seller shall accept order from RHI for a quantity of goods up to a minimum of 200% of the quantity of goods purchased in the previous twelve (12) months.
28. **WAIVER.** Failure of RHI to insist upon strict performance of any terms and conditions of this order, or to exercise any right or privilege contained in this order, or the waiver of any breach of the terms or conditions of this order shall not be construed as thereafter waiving any such terms, conditions, rights or privileges, and the same shall continue and remain in force and effect as if no waiver had occurred. All rights and remedies reserved under the terms and conditions hereof shall be cumulative and in addition to any further rights and remedies provided in law or equity.
29. **COMPLETE AGREEMENT.** This order contains the complete and entire agreement between the parties hereto, and supersedes any previous communications, representations or agreements, whether verbal or written, with respect to the subject hereof. NO CHANGE, ADDITION, OR MODIFICATION OF ANY OF THE TERMS OR CONDITIONS HEREOF SHALL BE VALID OR BINDING ON EITHER PARTY UNLESS IN WRITING SIGNED BY AN OFFICER OR DESIGNATED PURCHASING AGENT OF RHI.
30. **HAZARDOUS MATERIAL.** In the event that any part of the material to be supplied hereunder identified as "Hazardous" by the OSHA Hazard Communication Standard (29 CFR Part 191D), or any corresponding State Law or Public Act, Seller shall provide RHI Material Safety Data Sheets (MSDS, OSHA Form 20) or equivalent, and shall comply with all other related rules and regulations governing that portion of the material deemed hazardous pursuant to the OSHA Hazardous Communication Standard.
31. **"RoHS and WEEE".** Seller agrees that Seller and the goods, as defined herein, are in compliance with all terms and conditions of the RoHS, REACH and WEEE directives. Supplier shall maintain traceability records for a period of no less than 7 years and records shall at a minimum reflect part number, quantity & revision status of material supplied to each order. Seller shall provide to RHI, Letter of Declaration of Conformance upon request.
32. **EICC BUSINESS CODE OF CONDUCT.** From our executive leadership team to our employees at all levels, we strive to conduct our business worldwide in a socially responsible and ethical manner.
33. **NOTICE OF LABOR DISPUTES.** Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this order Seller shall immediately notify RHI in writing of all relevant information with respect to such dispute.
34. **PROPRIETARY INFORMATION.** All written information obtained by Seller from RHI in accordance with this order and which is identified as proprietary by the RHI shall be received in confidence and shall remain the property of RHI and shall be used and disclosed by Seller only to the extent necessary for the performance of this order.
35. **PUBLICITY.** Seller shall not make or authorize any news release, advertisement or any other disclosure which shall deny or confirm the existence of this order without the prior written consent of RHI except as may be required to perform this order.
36. **SUBCONTRACTORS.** Seller shall not subcontract for any tasks it is obligated to perform under this order without RHI's prior written approval.
37. **CHOICE OF LAW.** Irrespective of the place of performance, this purchase order shall be governed and construed and all disputes arising under or related to this purchase order shall be resolved in accordance with the laws of the State of Florida without regard to its conflict of laws principles

38. **LIMITATION OF LIABILITY:** RHI SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, ARISING OUT OF DESIGN, MANUFACTURE, SALE, DELIVERY, INSTALLATION, SERVICE OR USE OF THE GOODS. IN NO EVENT WILL RHI'S AGGREGATE LIABILITY UNDER, OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY PURCHASE ORDER, RESULTING FROM ANY CAUSE OR ACTION, WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY, EXCEED THE FACE VALUE OF THE PURCHASE ORDER WHICH GIVES RISE TO THE CLAIM.