

TERMS AND CONDITIONS OF SALE

DEC Electronic Assembly LLC

Updated April 7, 2025

The following terms and conditions of sale ("Terms and Conditions" or "T&C") govern all quotations and sales of services, products and materials ("Goods") by DEC Electronic Assembly LLC ("DEC" or "DEC LLC") to the customer ("Customer"). Please review these carefully as they are subject to change.

# 1. TERMS AND CONDITIONS TO GOVERN

- 1.1. Acceptance of a purchase order ("Purchase Order" or "PO") by DEC is based on the express condition that Customer agrees to all of the terms and conditions expressed herein. These terms and conditions will govern unless Customer notifies DEC in writing of the unacceptability with five (5) days from the receipt of these terms and conditions. Customer's failure to object to these terms and conditions within five (5) days, or acceptance of delivery by Customer, will constitute Customer's assent to said terms and conditions.
- 1.2. These terms and conditions represent the final and complete agreement of the parties, and no terms or conditions in any way modifying or changing the provisions stated herein shall be binding upon DEC unless made in writing and signed and approved by an officer or other authorized person at DEC. No modification of any of these terms shall be affected by DEC's shipment of Goods following receipt of Customer's Purchase Order or similar form containing terms and conditions additional to or different from the terms herein.

# 2. <u>QUOTATIONS, QUOTATION EFFECTIVE PERIOD, PURCHASE ORDERS</u>

- 2.1. All quotations ("Quotations") submitted by DEC and the acceptance of a related Purchase Order are subject to these Terms and Conditions of Sale, a copy of which can be downloaded from the dec-assembly.com web site
- 2.2. By placing a Purchase Order pursuant to a Quotation, Customer accepts the related Quotation, these Terms and Conditions, the Delivery Kit Instructions and any additional terms & conditions contained in the related Quotation.
- 2.3. No Purchase Order shall constitute a contract unless and until accepted in writing by DEC.
- 2.4. Unless stated otherwise, a Quotation is firm for a period of 30 days after the Quotation date. After that period, if no Purchase Order has been placed, or if a Purchase Order has been placed but no complete kit has been delivered, DEC shall have the right to update/change the Quotation until such time that an initial Purchase Order is placed and/or a complete kit has been delivered. In the event of a change, DEC will promptly notify Customer of the Quotation.
- 2.5. A Quotation will no longer be applicable if changes are made to the assembly prior to placing a Purchase Order. In that event, a new Request for Quotation must be submitted by Customer.
- 2.6. Quotation Effective Period: If a Quotation has not been changed or revoked pursuant to paragraph c. above, the Quotation shall remain effective for 120 days after the Quotation date and shall automatically expire thereafter, without notice. After expiration of the Quotation Effective Period, DEC cannot accept initial or repeat Purchase Orders based on such Quotation, and the assembly must be re-quoted.
- 2.7. In the event a Quotation includes prices for components/parts and/or 3rd party services in addition to assembly ("Turn Key"), either separate or included in the proposed prices, a Quotation may be subject to change at any time if DEC's cost for such components/parts and 3rd party services change within the Quotation Effective Period.
- 2.8. Quoted prices are based on the design, Bill of Materials (BOM) and/or other documentation supplied by the Customer in support of the Request For Quotation (RFQ).

# 3. DELIVERY KIT INSTRUCTIONS

- 3.1. The proposed delivery of the finished Goods by DEC to the Customer ("Delivery") is based on DEC's receipt and acceptance of a Purchase Order and a complete and defect-free Assembly Kit (Kit) of boards components and instructions, no later than 4:00 PM on the day before the proposed Delivery period commences. DEC will provide notification in the event of receipt of an incomplete or defective Kit, or any other issues that may cause the proposed Delivery to change. In the event of Turn Key, Delivery shall be based also on the receipt of such materials and services ordered by DEC for Customer in accordance with the Purchase Order. In the event a kits remains incomplete for over 30 days; DEC shall have the right to update/change this Quotation. In the event kits remain incomplete for over 120 days, the assembly must be re-quoted and a new Purchase Order must be issued.
- 3.2. All Kits must include at least 10 each, or 10% attrition for passive components, whichever is greater. All passive components must be supplied on tape on reel or on a continuous cut strip. If this Quotation is for Turn Key, such additional components are included in the quoted Price EA. If passive components are not supplied with the minimum attrition or in the manner specified, additional charges for hand placement may apply.
- 3.3. Components classified as Moisture Sensitivity Level 2-5 per J-STD-020 (MSL 2-5 Components) must be properly packaged per J-STD-033D and sealed in the original manufacturer's Moisture Barrier Bag (MBB) with fresh desiccant.
- 3.4. Specific baking requirements provided with the RFQ have been taken into consideration for this Quotation. Baking requirements must be clearly marked on the Purchase Order.
- 3.5. Unless instructed otherwise in writing by Customer, DEC will bake all Printed Circuit Boards (PCBs) provided with the Kit, as DEC deems necessary, in accordance with DEC's established PCB Baking Process, which involves baking of 4 to 8 hours, at a temperature of 250° F depending on PCB materials, thickness and other factors.
- 3.6. If no baking instructions were provided and MSL 2-5 Components are found to be not sealed per J-STD-033D in the original manufacturer's MBB, DEC will contact Customer and ask for baking instructions. This may cause a Delivery delay.
- 3.7. The Customer may authorize DEC in writing to proceed with baking of MSL 2-5 Components without having provided DEC a specific baking instruction. Additional charges may apply.
- 3.8. Considering the requested Delivery and associated time constraints, Customer accepts the fact that the DEC baking processes



may or may not comply with J-STD-003D Table 4-1, unless specifically requested. Customer specifically waives and releases any and all claims against DEC arising from or related to the baking by DEC of Customer Components.

- 3.9. Unless quoted otherwise, DEC's default assembly and inspection criteria comply with IPC-610 Class 2 requirements. In addition, DEC will assemble and inspect to the requirements of IPC-610 Class 3, J-STD-001 Class 2, J-STD-001 Class 3, or J-STD-001 with Space Addendum, if quoted. These requirements must be clearly marked on the Purchase Order.
- 3.10. All residual materials will be returned to the Customer unless other instructions are provided on the Purchase Order.
- 3.11. If serial numbers need to be applied, these must be provided at the time of placing the Purchase Order. The Delivery may be delayed otherwise.
- 3.12. DEC will ship via best way pre-pay, and will add shipping expense to the invoice if the Customer's shipping account(s) & instructions are not clearly identified on the Purchase Order.

### 4. FORCE MAJEURE

4.1. Delay in delivery or non-delivery in whole or in part by DEC shall not be a breach of this agreement if performance is made impracticable by the occurrence of any one or more of the following contingencies, the non-occurrence of which is a basic assumption on which this agreement is made: (a) Fires, floods or other casualties; (b) Wars, riots, civil commotion, embargoes, governmental regulations, or martial law; (c) DEC's inability to obtain necessary materials (finished or otherwise) from its usual sources of supply; (d) Shortage of cars or trucks or delays in transit; (e) Existing or future strikes or other labor troubles affecting production or shipment, whether involving employees of DEC or employees of others, and regardless of responsibility or fault on the part of the employer; and (f) Contingencies of manufacture or shipment, whether or not of a class or kind mentioned herein, not reasonably within DEC's control.

# 5. <u>TAXES</u>

5.1. All taxes and excises of any nature whatsoever now or hereafter levied by governmental authority, whether foreign, federal, state, or local, upon the sale, use, or transportation of any Goods covered hereby, shall be paid and borne by Customer. Customer is required to provide DEC with an exempt use certificate for state sales taxes or at DEC's option DEC shall collect or the Customer shall directly pay state sales tax and shall provide DEC with proof of payment of taxes.

# 6. <u>TITLE OF GOODS</u>

6.1. Title of the Goods shall pass to Customer upon delivery thereof to Customer or to the carrier FOB the DEC facility. Delivery to carrier shall constitute delivery to Customer, and thereafter the Goods shall be at Customer's risk of loss. Any claim by Customer against DEC for shortage or damage occurring prior to such delivery must be made within five (5) days after receipt of the Goods and accompanied by original transportation bill signed by carrier noting that carrier received the Goods from DEC in the condition claimed by Customer.

# 7. WARRANTY, INDEMNIFICATION

- 7.1. Subject to the terms and conditions set forth below, DEC warrants the Goods to be free from defects in workmanship. This warranty shall extend for a period of twelve months from date of shipment. In the event that DEC purchases materials, parts or components ("Parts") that will be included or made part of the Goods, such Parts will be warranted in accordance with the terms offered by the supplier(s) of such Parts to DEC.
- 7.2. DEC's warranty does not apply if, and DEC shall have no liability for Goods returned by Customer as to which DEC's examination reveals that: (i) the Goods have been exposed to unusual or excessive environmental, mechanical, electrical or thermal stress during the course of installation or use; (ii) the absolute maximum ratings are exceeded for any reason including, but not limited to, equipment variations, environment variations, the effects of changes in operating conditions due to variations in device characteristics, improper equipment design, improper device installation or application; (iii) Goods malfunction is the result of misuse, abuse, improper installation or application, alteration, accident, or negligence in use, storage, transportation or handling or if the original identification markings on the Goods have been removed, defaced or altered; (iv) Goods malfunction, unsatisfactory assembly, or unsatisfactory workmanship is the result of defective, improperly marked, incorrect, unclear components, parts, drawings or instructions supplied by Customer. All warranty claims are subject to verification by DEC.
- 7.3. The liability of DEC hereunder is solely and exclusively limited to repair for any Goods which are returned by Customer during the applicable warranty period and which are found by DEC to be subject to adjustment under this warranty. Customer must notify DEC of any warranty claim within ten (10) days of discovery of the basis therefore, and if Customer fails to so notify DEC by such time, Customer shall be deemed to have waived such warranty claim.
- 7.4. The foregoing warranties extend to Customer only, and not to Customer's customers or to users of Customer's products. These warranties may not be transferred or assigned, and Customer shall make no warranty with regard to the Goods to any of its customers or other users of Customer's products, and Customer shall indemnify and hold DEC harmless against any and all claims, demands, liabilities, losses, costs, fees, expenses, damages and injuries (including reasonable attorney fees) (collectively, "Claims") incurred by DEC in connection with, or relating to, any such warranty claim made by Customer. These warranties are the only warranties made by DEC and shall not be enlarged by representations, descriptions, course of dealing, trade usage, rendering of technical advice, service, samples, models, or otherwise, and DEC makes no other warranties express, implied, or statutory, including but not limited to any implied warranty of merchantability or fitness for a particular purpose.
- 7.5. In no event shall DEC be liable for punitive, exemplary or consequential damages, anticipated or lost profits, incidental damages or loss of time or other losses or expenses incurred by Customer or any third party, directly or indirectly, arising from any cause whatsoever, regardless of the form of the action, whether in tort (including negligence), contract, strict liability or otherwise, and regardless of whether dec has been advised of the possibility of such costs or damages. Moreover, in no event shall DEC's total liability (together with the liability of its officers, directors, employees and agents) exceed the amount theretofore paid by buyer in respect of the goods hereunder.



#### 8. ORDERS / INVOICES / PAYMENT

- 8.1. Upon receipt of a Purchase Order by DEC from Customer, Customer shall become liable for payments for the Goods as per the payment terms specified in the quotation submitted by DEC to Customer and accepted by Customer. DEC shall invoice Customer accordingly and Customer shall make payments accordingly. DEC reserves the right to require payment for the Goods in advance, or satisfactory security, if the financial responsibility of Customer is or becomes unsatisfactory to DEC, or if other circumstances warrant such advance payments. DEC charges a \$35 service fee for check payments that are not honored / returned by the issuer's bank.
- 8.2. In the event that DEC purchases Parts, after having received a Purchase Order by Customer, which will be included or made part of the Goods, the purchase of these Parts by DEC shall be non-cancelable and non-reschedulable ("NCNR") and the associated Goods are non-returnable except pursuant to a valid warranty claim.

### 9. CANCELLATIONS

9.1. If Customer fails to make payment in accordance with the terms of this agreement, or any collateral agreement, or fails to comply with any provision hereof, DEC may, at its option (and in addition to other remedies, that may be available at law or in equity), cancel any unshipped portion of this order, with Customer remaining liable for all unpaid accounts. Goods cannot be returned and orders, once accepted, cannot be canceled without DEC's prior written consent. If Customer cancels an order, it will be responsible for all of DEC's costs.

#### 10. DELIVERY

10.1. All deliveries will be made F.O.B. DEC's facility at 1790 McFadden Ave, Suite 105, Santa Ana, CA 92705. Customer shall be responsible for all shipping and handling costs. Delivery of the quantity of Goods ordered +/- 10% within ten business days of the proposed date of delivery shall constitute timely delivery.

# 11. PATENTS/COPYRIGHTS

11.1. DEC makes no representation or warranty as to whether the Goods infringe any patent, trademark, service mark or copyright or other intellectual property right (collectively, "Intellectual Property"), and Customer shall indemnify and hold DEC harmless against any and all Claims arising from any actual or claimed infringement of any Intellectual Property that arise by virtue of any use of the Goods by Customer or any of Customer's customers or other users of Customer's products, but only to the extent that any such infringement arises out of compliance with specifications furnished to DEC by Customer.

### 12. EXPORT RESTRICTIONS

- 12.1. Customer shall obtain all licenses, permits and approvals required by any government and shall comply with all applicable laws, rules, policies and procedures of the applicable government and other competent authorities, including all U.S. export control laws and regulations such as, but not limited to, the International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR).
- 12.2. Customer will indemnify and hold DEC harmless for any violation or alleged violation by Customer of such laws, rules, policies or procedures. Customer shall not transmit, export or re-export, directly or indirectly, separately or as part of any system, the Goods or any technical data (including processes and services) received from DEC, without first obtaining any license required by the applicable government, including without limitation, the United States Government and/or any other applicable competent authority. Customer also certifies that none of the Goods or technical data supplied by DEC hereunder will be sold or otherwise transferred to, or made available for use by or for, any entity that is engaged in the design, development, production or use of nuclear, biological or chemical weapons or missile technology.

#### 13. SEVERABILITY

13.1. If any part, term or provision of these Terms and Conditions shall be held illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over these Terms and Conditions, the validity of the remaining portions of these Terms and Conditions shall not be affected thereby.

# 14. GOVERNING LAW

14.1. These Terms & Conditions shall be deemed a contract made in the State of California and governed by the laws thereof. In the event of a dispute, the other party shall reimburse the prevailing party all reasonable legal expense.

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