



CUSTOMER TERMS AND CONDITIONS

Acceptance

Unless and until a formal written acknowledgment by a person authorized by the Seller signs acknowledgment, no order will become effective as a valid contract binding upon the Seller. Any provisions or conditions of Buyer's order, which are in any way inconsistent with, or in addition to, these terms and conditions (except additional provisions specifying quantity and shipping or billing instructions) shall not be applicable or binding upon Seller.

Credit

First-time purchasers may be required to provide credit information and/or be subject to a credit history check.

Price

Seller reserves the right to change or withdraw prices for the product or service it offers for sale without prior notice, subject to validity conditions set forth in quotations and or contracts. Engineering Change Orders and design changes are billing for time and material. All currency is US dollars.

Taxes

If Buyer claims tax exemption, it shall provide Seller with a tax exemption certificate acceptable to the authorities opposing.

Payment

Unless otherwise specified herein, subject to approval by Seller of amount and terms, Buyer shall make a final payment of the purchase price according to established terms. Terms are payable from ship date. If Buyer delays shipment, payments are to be made as though shipment has been made as specified. Overdue payments are subject to collections. Buyer shall pay Seller's collection or litigation expenses, including attorney fees. If in the judgment of Seller, the financial condition of Buyer at any time does not justify a continuance of production or shipment on the terms of payment originally specified, Seller may upon 10 days notice, require full or partial payment in advance, regardless of the payment terms originally specified. In the event of bankruptcy or insolvency of Buyer, Seller may cancel any order then outstanding and receive reimbursement for its cancellation charge.

Each shipment shall be considered a separate and independent transaction and payment, therefore, made accordingly.

Manufactured Parts Warranty, Remedy, and Returns

Contract discrepancies (quantity or part number) and obvious physical defect or damage must be reported by Buyer within 10 days of receipt of goods. Parts cannot be returned without Ace Electronics Defense Systems RMA and must be returned within 30 days of receipt of goods.

Seller warrants workmanship of manufactured parts for a period of 12 months from the date of shipment. Ace Electronics Defense Systems reserves the right to give written warranties, other than the standard warranty within Terms and Condition. Notice of defects shall be given to Seller in writing upon discovery. So long as such notice is within the warranty period "12 months" and parts are returned with RMA within 30 days, Seller will promptly correct defects by repair or replacement at its option without charge.

Specifically excluded from the terms of this warranty are defects or non-conformance caused by or resulting from improper application, operation, misuse or unauthorized repair, maintenance or storage of the product. Also excluded are items of characteristically indeterminate life, such as bulbs, fuses, etc.

Seller shall not have any liability of any kind under this contract unless Buyer gives Seller notice of its claim immediately upon discovery and the notice is within the warranty period. In no event shall the statute of limitations exceed one year from the date of delivery.

Distributed Parts, Warranty , Remedy, and Returns

Claims for distributed parts must be reported by Buyer within 10 days of receipt of goods. Parts must be returned with Ace Electronics Defense Systems RMA within 30 days. A restocking fee may apply for all distribution products returned.

Inspection

Seller reserves the right for controlled access to its facilities. If access is granted, it shall be in accordance with Seller's regulations for source inspectors and shall be limited to surveillance of acceptance testing of end items in non-proprietary areas after their assignment to Buyers order or contract. Unless otherwise stated in the contract, Ace Electronics Defense Systems will perform acceptance testing at its facility using Ace Electronics Defense Systems standard test procedures. Buyer may witness an acceptance test on a non-interference basis.

Package and Shipping

Unless otherwise specified product shall be shipped in standard commercial packaging. When special or export packaging is required or requested, additional costs may apply.

Export Control

The sale, resale or other disposition of products and any related technology or documentation are subject to the export control laws, regulations and orders of the United States may be subject to the export and/or import control laws and regulations of other countries. Buyer agrees to comply with all such laws, regulations and orders and acknowledges that it shall not directly or indirectly export

any products to any country to which such export or transmission is restricted or prohibited. Buyer acknowledges its responsibility to obtain any license to export, re-export or import as may be required.

Contingencies

Seller's obligations hereunder are subject to delays incident to; labor difficulties, casualties, and accidents, acts of the elements, acts of the public enemy, transportation difficulties, governmental regulations, and any other causes of delay and or shipment or delivery of goods beyond Seller's control. Sales and shipments to be made are subject to Seller's ability to obtain equipment, materials or qualified labor and Seller may apply to prorate shipment of its products to or among its customer as in its judgment is reasonable in the circumstances. Seller shall give Buyer notice of delays, non-delivery or allocation pertinent to Buyer's orders. In no event shall Seller be responsible for failure to perform due to unforeseen circumstances, or to causes beyond its control.

Cancellation and or Rescheduling of Manufactured Goods

Cancellations and or rescheduling of shipments will be accepted given adequate advance notification only with the specific written approval of the Seller and shall be subject to cancellation/rescheduling charges acceptable to Seller. Required notification period and charges may vary according to the type of class of product.

Specifications

If the product performance or utility is not materially and adversely affected, or contract stipulation violated, Seller may modify items sold or their specifications and substitute products of another design. Buyer requested contract changes require Seller prior written consent and changes will result in fees and/or extension of performance time.

Patent Indemnity

The preceding agreements by Seller shall not apply to any product or any part thereof manufactured to Buyers designs, nor to any infringement relating to the use of said product or part in combination with other products not furnished by Seller. Seller disclaims any liability for patent infringement.

Sales Convey No License

The sale of products covered by this order does not convey any license, expressly or by implication, estoppels or otherwise, under any patent covering any product, assembly, system, circuit, combination, method or process in which such products may be used, notwithstanding the fact that such products may have been designed for use in, or may in any way be useful in such patented equipment assembly, system, circuit, combination, method or process or may have been purchased and sold for such use. Seller expressly reserves all its rights under such patents.

Assignments

Buyer shall not assign any interest or rights to this contract without prior written consent of the Seller.

Governing Law

This contract shall be construed in accordance with the Laws of the Maryland a uniform, commercial state.

Entire Contract

These terms and conditions of sale and Seller written quotation constitute the entire contract. This contract represents the entire agreement between parties and shall be incorporated into any order document from Buyer. No amendment shall bind the Seller unless in writing and signed by an authorized Seller representative.

Headings

The headings contained in these terms and conditions of sale are for convenience of reference only and are not intended to have any substantive significance in interpreting this document.

Binding Agreement

By executing these terms and conditions of sale, Buyer acknowledges that it is entering into a binding agreement and that it has read and understands all provisions of these terms and conditions of sale. Buyer further acknowledges that it has had the opportunity to have counsel of its own choosing review of these terms and conditions of sale and by executing these terms and conditions of sale, Buyer knowingly waives any rights it may otherwise have under law. Buyer further acknowledges that its authorized officer or agent has executed these terms and conditions of sale on behalf of Buyer and that these terms and conditions of sale have been executed upon Buyer's own free volition. A purchase order from the Buyer constitutes execution of these terms and conditions.

Accuracy/Completeness

Ace Electronics Defense Systems does not warrant the accuracy or completeness of the information, texts, graphics, links, or other items contained within these materials. Ace Electronics Defense Systems may make changes to these materials or products at any time without notice. Ace Electronics Defense Systems shall not be responsible for updating the material, and reserves the right to update this policy as needed.

Liability

Ace Electronics Defense Systems shall not be liable for any injury, loss or damage, direct or consequential, arising out the use of, or the inability to use the product. Before using, the user shall determine the suitability of the product for his/her intended use, and user assumes all risk and liability whatsoever in connection therewith. The foregoing may not be changed except by an agreement signed by an officer of Ace Electronics Defense Systems.

Ace Electronics Statement on Conflict Minerals

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, and its implementing regulations, United States law now requires that public U.S. companies report to the U.S. Securities and Exchange Commission ("SEC") on the origin and use of Conflict Minerals within product lines manufactured by the company. If Conflict Minerals are found to be included in a company's products, action, and due diligence is expected. The goal of the Dodd-Frank Financial Reform Law of 2010 is to reduce funding of armed groups engaged in conflict and human rights abuses.

Conflict minerals are defined as tin, tungsten, tantalum and gold which originated from the Democratic Republic of Congo (DRC) or adjoining countries.

Ace Electronics has made a preliminary determination that substantially all of its assembly consumables do not and will not contain Conflict Minerals, and due diligence will be conducted upon any exceptions noted.

Ace Electronics Policy on Conflict Minerals

As a non-publically traded company, Ace Electronics Defense Systems maintains its responsibility of conflict minerals reporting as a valuable member of numerous supply chains. Accordingly, Ace Electronics Defense Systems has adopted a conflict minerals policy, as outlined below. Under Ace Electronics' conflict minerals policy...

- Suppliers are expected to supply materials that are conflict free, which means either: 1) any tin, tungsten, tantalum and gold necessary to the functionality or production of supplied materials must not directly or indirectly fund armed conflict in the DRC or adjoining countries, or 2) any tin, tungsten, tantalum and gold must be from recycled or scrap sources;
- Suppliers to Ace Electronics are advised to adopt a policy regarding conflict minerals consistent with Ace Electronics' policy, and further implement compliance with their policy;
- Ace Electronics' suppliers are expected to complete and pass on the CFSI public Conflict Minerals Reporting Template to their suppliers until the smelter/refiner is identified (if necessary).

Further Inquiries

Inquiries regarding the conflict mineral status of any Ace Electronics product may be directed to your local Ace Electronics sales office.