



Advanced Input Systems
600 West Wilbur Avenue
Coeur d'Alene, ID 83815

Terms and Conditions of Sale

- 1. ACCEPTANCE** - The following are the Terms and Conditions upon which Advanced Input Devices, d.b.a. Advanced Input Systems, (herein after "Advanced Input") agrees to sell and deliver products to Buyer. In all circumstances, provisions and conditions of Buyer's order which are in any way inconsistent with or in addition to the provisions of these Terms and Conditions shall be inapplicable and not be binding upon Advanced Input unless specifically agreed to by Advanced Input in writing signed on behalf of Advanced Input by the appropriate management representative. No contract for sale shall be formed until Advanced Input issues a Sales Order Acknowledgement.
- 2. DELIVERY, TRANSFER OF TITLE AND RISK OF LOSS** – Advanced Input will deliver all products to Buyer FCA (Advanced Input's shipping dock In Idaho or Michigan as appropriate), Inco Terms (2020)/FOB (Advanced Input's shipping dock) (UCC). Title and risk of loss to the products will pass to Buyer upon delivery to carrier. Unless otherwise agreed in writing, Buyer will be responsible for all shipping charges, premiums for freight insurance, and other transportation costs. Claims against a carrier for damage caused during shipment must be made by Buyer. The scheduled delivery date will be as set forth in Advanced Input's Sales Order Acknowledgement.
- 3. PAYMENT** – Payment terms are contingent upon credit approval review. All payments shall be made in U.S. dollars.
- 4. CANCELLATIONS** - In the event Buyer cancels the contract embodied in Buyer's order and Advanced Input Sales Order Acknowledgment in whole or in part, or such contract is cancelled by Advanced Input because of default by Buyer, then Buyer shall pay Advanced Input by reason of such cancellation or default for all damages sustained, including completed units that are shipped or unshipped, work in process and inventory of custom parts needed to complete Buyer's orders at the current price applicable to the total quantity completed or uncompleted at time of default or decision to terminate.
- 5. RESCHEDULING** – Unless a Lead Time Reduction Agreement or other Agreement has been agreed to: Buyer may request a reschedule delivery (one-time) of products ordered hereunder for delivery up to 30 days later than the original delivery date set forth in Advanced Input Sales Order Acknowledgment, upon giving written notice to Advanced Input at least 30 days prior to the **original shipment date**. Buyer agrees that reschedule requests may be declined, or incur storage and carrying charges.
- 6. CHANGES** - Buyer may request by written notice to Advanced Input changes within the general scope of the order in any one or more of the following: (a) drawings, designs, or specifications where the product to be supplied is specifically manufactured for Buyer; (b) method of shipping or packing; (c) delivery schedule and ship to address; and (d) quantity. The change request will be evaluated to determine its viability and impact. During this evaluation period, unless specifically placed on hold by the Buyer, the order will continue to be processed in accordance with its original terms and these Terms and Conditions. If any such change causes an increase or decrease in the cost or time required for the performance or otherwise affects any other provision of the order, Advanced Input will notify Buyer in writing. If Buyer does not notify Advanced Input in writing that it accepts Advanced Input's proposed change to costs or timing within 2 days of Advanced Input's notice, Buyer's change request will be considered canceled. After an equitable adjustment in the price or delivery schedule or both and the order is modified in writing accordingly, Advanced Input will proceed to complete the order as changed. Buyer shall reimburse Advanced Input for product which is rendered obsolete including all material component cancellation fees, restocking fees, and handling charges; as well as, any labor costs reasonably incurred by Advanced Input as a result of the changes in scope of work.
- 7. LIMITED WARRANTY** – Advanced Input warrants that when shipped all production released products (an Advanced Input part number which carries an alpha revision) shall be free from defects in material and workmanship. Advanced Input does not warrant any component integrated into the product that is manufactured by a third party other than any warranty from the manufacturer that is transferable to Buyer. Buyer understands, acknowledges, and agrees that Advanced Input does not warrant product design attributes and components supplied by Buyer.

These warranties are applicable only if Advanced Input receives notice of such defect via a request for an Return Material Authorization ("RMA") number issued by Advanced Input within one-year from the

Advanced Input is a marketing name for Advanced Input Devices.



date of shipment (Medigenic keyboard products – within two years from date of shipment) and shall not apply to any product or part thereof that is defective, or unworkable due to abuse, mishandling, misuse, accident, alteration, negligence or improper installation. Furthermore, warranties are not applicable to an Advanced Input part number with a numeric revision (i.e. a prototype). A product will not be accepted for return unless clearly marked with a RMA number and properly packaged. Equipment exposed to biohazard environments requires a decontamination statement accompanying returned product. Product shall be returned within 20 working days of issuance of RMA, otherwise that RMA is rendered null and void. The Advanced Input warranty shall be limited to replacing or repairing or giving credit for the purchase price solely at the discretion of Advanced Input. Advanced Input does not accept debits for upgrades or out of warranty repairs. Buyer will be billed for the cost of transportation inbound as well as outbound.

THE WARRANTY SET FORTH IN THIS SECTION 7 IS EXCLUSIVE AND IN SUBSTITUTION FOR ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO OTHER PERSON, FIRM OR CORPORATION IS AUTHORIZED TO ASSUME FOR ADVANCED INPUT ANY OTHER LIABILITY IN CONNECTION WITH THIS SALE.

8. **CONFIDENTIAL AND PROPRIETARY INFORMATION** - Each of Advanced Input and Buyer shall use the other's Confidential Information solely for the purpose of fulfilling their respective obligations under these Terms and Conditions and any contract formed pursuant thereto and shall not disclose or transfer any such Confidential Information to a third party other than as may be specifically authorized by the disclosing party in writing. Advanced Input and Buyer shall take reasonable steps to protect the other's Confidential Information, including, without limitation, by restricting disclosure of such Confidential Information only to those persons with a "need to know" and who are subject to confidentiality undertakings. Each of Advanced Input and Buyer shall use at least as much care in the protection of the other's Confidential Information as it uses to protect its own trade secrets. "Confidential Information" means all non-public information, documents and materials provided by one party to the other before or after the date of order, including, without limitation, specifications, prices, sales data, research and development, information regarding costs and know-how. The term Confidential Information shall not include information that is or becomes publicly available without breach of this Section 8 or was known to receiving party at the time of disclosure, as demonstrated by files in existence at the time of disclosure.

Product designed and manufactured by Advanced Input contains Advanced Input intellectual property and trade secrets. All rights of ownership to the design, development, and tooling made in performance of any contract pursuant to these Terms and Conditions, are retained by Advanced Input whether or not recurring payments have been made by Buyer and whether or not the form of such payments was a lump sum or amortized.

9. **COMPLIANCE WITH LAWS** - Buyer shall comply with all United States and foreign laws, regulations and other governmental requirements applicable to exportation, importation, sale and use of the product, in particular, without limitation, the U.S. Foreign Corrupt Practices Act. If the ship to address is outside the United States, Buyer represents and warrants to Advanced Input that it is familiar with all applicable laws and regulations and other governmental requirements concerning the importation, sale and use of the product in the jurisdiction where the product is to be exported. Advanced Input shall not be liable if any license or governmental approval is delayed, denied, revoked, restricted or not renewed, and Buyer will not be released thereby from its obligation to pay Advanced Input for products or other damages under these Terms and Conditions. Buyer covenants and agrees to not sell, assign or otherwise transfer the products outside the United States or other jurisdiction without obtaining all necessary approvals. No component of the product may be exported, re-exported or made available into (or to a national or resident of) any country or jurisdiction to which the United States has embargoed goods; or anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Table of Denial Orders; or to any person, country or jurisdiction otherwise prohibited by law. Buyer shall hold Advanced Input harmless against any loss, cost (including reasonable attorneys' fees) penalty, claim or demand of any kind arising out of or occasioned by any violation of this Section or charge thereof.

All Parties agree to cooperate to effect compliance with all applicable U.S. export and/or import regulations. Neither party will export or re-export, directly or indirectly or indirectly, any product, software, or technical data provided under this Order, or the "direct product" of such software or technical data, to any country without first obtaining any required U.S. government approvals or licenses. In addition, the parties agree to comply with all applicable local country export and/or import laws and regulations of the country(ies) of procurement, production, and/or destination of the product. The Parties understand and agree that the foregoing obligations are legal requirements and that they shall survive and term or termination of this Order. All Parties will not



export or re-export the Products and related technology and documentation to any country or entity to which such export or re-export is prohibited, including any country or entity under sanction or embargoes administered by the United Nations, U.S. Department of Treasury, U.S. Department of Commerce or U.S. Department of State. The Customer will not use the Products and related technology and documentation in relation to nuclear, biological or chemical weapons or missile systems capable of delivering same, or in the development of any weapons of mass destruction.

All Parties agree that if they are located within the United States and are in the business of either manufacturing or exporting Defense Articles or Defense Services, as defined in ITAR Part 120, they are required to register with the U.S. Department of State, Directorate Defense Trade Controls (DDTC). If information furnished contains Export-Controlled Technical Data, then all Parties shall control access to such information and shall only assign personnel to perform work who are: (a) U.S. citizen; or (b) U.S. permanent resident alien; or (c) who have U.S. protected individual status as defined by 8 USC 1324b(a)(3); or (d) who are working under a valid U.S. Export Authorization (License or Agreement). The Parties shall indemnify each other for direct damages that may be imposed or incurred in connection with any violations of such laws and regulations as it relates to this clause.

Purchase Orders may not be accepted without a signed product End User Statement or executed supplier agreement/contract that require compliance with all applicable U.S. export and/or import regulations.

10. **BUYER DIRECTED SUPPLIERS** – Advanced Input reserves the right to qualify a Buyer directed supplier and apply same supplier management processes Advanced Input employs with all of its preferred suppliers. In the event the Buyer directed supplier does not qualify, Advanced Input reserves the right to pursue sourcing with its preferred supplier. Advanced Input and the Buyer will execute a three-way Expectations Agreement with the supplier to document expectations related to communications, quality, on-time delivery, and changes. Advanced Input will not be liable for any Buyer's fees, penalties, consequential damages, or other charges caused by Advanced Inputs missed delivery dates caused by Buyer's directed supplier's inability to meet Advanced Input's order schedule.
11. **LICENSE** - The delivery of product under these Terms and Conditions does not grant or imply a license under any present or pending patents now owned or controlled by Advanced Input , except to the extent expressly granted by Advanced Input .
12. **TAXES** - In the event any sales tax, manufacturer's tax, other taxes, duties, customs, tariffs or similar charges as is applicable to any shipment made on Buyer's order, such tax shall be added to the selling price and shall be paid by Buyer.
13. **LIMITATION OF LIABILITY** - In no event shall Advanced Input be liable for indirect, incidental, consequential, special, or punitive damages of any kind or nature arising out of or relating to these Terms and Conditions or connected with or resulting from the manufacture, sale, delivery, resale, repair, replacement, or use of any products or the furnishing of any service or part thereof, whether such liability is based on contract, tort, negligence, strict liability or otherwise, even if such party had been warned of the possibility of such damages.

The cumulative liability, if any, of Advanced Input for direct damages arising under any provision of these Terms and Conditions or any contract formed pursuant hereto and under any theory of liability with respect to the products is limited to an amount not to exceed the price paid by Buyer for the particular product giving rise to the liability. The right to recover damages within the limitations specified in this Section 13 is Buyer's exclusive alternative remedy in the event any other contractual remedy fails in its essential purpose.
14. **PERFORMANCE** – Advanced Input will not be in default with respect to these Terms and Conditions or any contract formed pursuant hereto because of any failure or delay if the failure or delay is due to any occurrence beyond its reasonable control, including acts of God, acts of government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, civil commotion, war or war-like operation, acts of terrorism, invasion, military or usurped power, sabotage, and severe weather condition.
15. **INDEMNIFICATION** - Buyer hereby specifically agrees to hold Advanced Input harmless and indemnify Advanced Input against any and all claims for damages or profits, and for all costs and attorney's fees incurred by Advanced Input resulting from any suit or suits arising from alleged infringement of patents, designs, copyrights or trade-names with respect to all goods manufactured either in whole or part to Buyer's specifications.
16. **ASSIGNMENT** - Buyer shall not assign in whole or in part any of its rights and obligations with respect to these Terms and Conditions or any contract formed pursuant hereto without the express written consent of Advanced Input .



17. **ATTORNEYS' FEES** - If either Advanced Input or Buyer retains legal counsel to enforce any of these Terms and Conditions, or to recover damages from the other, arising from the other's alleged breach of these Terms and Conditions, or the other commences a suit against Advanced Input or Buyer for any alleged breach of contract that is not successful, then the other party shall pay the reasonable attorneys' fees together with cost of suit at both trial and appellate levels of either Advanced Input or Buyer, as the case may be.
18. **APPLICABLE LAW; JURISDICTION** - The validity, interpretation, performance of these Terms and Conditions shall be governed by the laws of the State of Idaho, USA, without giving effect to its conflict of laws provisions. Advanced Input and Buyer irrevocably agree and consent that the federal and state courts of Kootenai County, Idaho, USA shall have exclusive personal jurisdiction over the parties and proper venue with regard to any claims arising in connection with the purchase, sale or performance of any product, and any objection to the jurisdiction or venue of any such court is hereby waived.
19. **EEO / AFFIRMATIVE ACTION** – Buyer warrants that all goods and services sold hereunder shall have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations including EEO and affirmative action to which they are subject. Federal contractors are notified that they may be subject to the provisions of 41 CFR Section 60-1.4(a), CFR 60-300.5 (a), 41 CFR Section 60-250.4, 41, 41 CFR Section 741.5(a) and 29 CFR part 471, appendix A to subpart A with respect to affirmative action program requirements.

This Contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.