

**SIGMA 6 ELECTRONICS, INC.**  
**TERMS AND CONDITIONS**

**1. LEAD TIME**

Lead time is quoted as per the following:

- a. First article lead time is quoted **post receipt of final artwork approval.**
- b. Production lead time is quoted **post receipt of final first article approval.**

Any delays accrued during the period of receipt of purchase order to receiving final artwork approval, and the period of receipt of final artwork approval to receipt of final first article approval, will have an impact on all lead times.

**2. PRICES AND QUOTATIONS**

Unless otherwise specified, quoted prices are for a single shipment. Prices are based on specified quantities. Other quantities may require a re-quote. Grouped prices are based on receiving one purchase order for the total quantity of all grouped items at one time and for one shipment.

Unless otherwise specified, prices are based on shipping +/-10% of quantity ordered. Seller reserves the right to correct any quotation containing a pricing or procedural error. Unless otherwise specified, quoted prices are good for 30 days from the date of quotation. A fifty percent deposit is required on NRE charges such as tooling, art and preparation, with the balance due upon approval of first article. A larger deposit may be required upon credit review. Quoted prices are subject to change based on price increase of raw material to seller. Delivery is subject to raw material availability.

Lead-time quoted is after-receipt of purchase order and is based on business days and does not include transit time.

Purchases will be governed by the Uniform Commercial Code as adopted in the state of California, as well as other provisions of California law.

**3. AGREEMENT**

Our acknowledgement is our acceptance of your order subject to Financial Responsibility Approval. See Paragraph 5. Modifications, changes, additions, cancellations or suspensions will not be binding upon us unless accepted by an officer of our company in writing upon terms that will indemnify us against all loss. When your orders contain printed or stamped provisions inconsistent with the written, printed or stamped provisions of our acknowledgement, our acknowledgement will prevail. Clerical errors are subject to corrections. Prices are subject to any

city, county, state, or Federal taxes which are or may become effective and are based on continuous manufacturing in the quantities specified. If quantities are reduced or production held up or interrupted by you, parts will be subject to extra charges for the loss involved. Reorders for parts previously manufactured are considered as placed under the same terms and conditions in the original contract, except for such price changes as may be necessary, when such orders are not placed pursuant to a formal quotation and acceptance.

As we cannot predetermine rejections by our inspection or spoilage, our quotations are based upon purchaser's acceptance of over-runs and under-runs not exceeding ten percent of quantity ordered.

#### **4. DELIVERY AND SHIPMENT**

Upon delivery of material FCA carrier at Seller's factory, all risk of loss, damage, or other incidents of ownership shall immediately pass to Buyer, but title to such materials will be retained by Seller as security for Buyer's performance until payment is received in full.

#### **5. DELAYS**

Seller shall not be liable for delay in failure in performance hereof arising from any cause not within Seller's reasonable control, including, but not limited to, accidents to, or breakdowns to, mechanical failure of, plant machinery or equipment arising from any cause whatsoever, strikes or other labor troubles, labor shortage, fire, flood, war, acts of the public enemy, acts of God, priorities, allocation, limitations, or other acts required or requested by Federal, State or local government or any sub-division, bureau or agency thereof, or failure of usual sources of supply of material.

In the event of delay or failure of performance not excused under the foregoing subdivision, Seller's liability shall not exceed that portion of the invoice price represented by the quantity of the material delayed or not shipped. In no event shall Seller be liable for any consequential, special or contingent damages.

#### **6. PAYMENT**

Buyer's financial responsibility is at all times subject to approval of Seller's Treasury Department, and Seller may at any time require payment in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If payment is not made when due, interest will be charged on any overdue accounts at a rate not to exceed the maximum prevailing legal limit. The buyer shall also be liable for all costs of collection including, but, not limited to, reasonable attorney fees, court cost and reasonable collection agency fees.

Unless otherwise agreed by both parties, in writing, Buyer agrees to Seller's payment terms, 1% 5 days, Net 30 or approved credit, (OAC), FCA Placentia, California.

#### **7. WARRANTY AND LIMITATION OF REMEDIES AND DAMAGES**

Seller warrants that under normal use and operation by Buyer our parts will be free from defects in material or workmanship for a period of one (1) year from date of purchase [receipt]. This warranty shall not apply to any claim, problem, or defect which is the result of Buyer's design specifications for a part, or the normal wear and tear, mishandling, misuse, neglect or improper testing or repair of parts by Buyer or any unauthorized third person. Except as performed by us or our authorized representatives, any alteration or modification of a part shall render this warranty null, void, and unenforceable. **WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** Except as expressly set forth above, neither we nor any vendor of our parts or services ("Vendors") makes any other representation or warranty of any kind, whether express or implied (either in fact or by operation of law), with respect to the parts. Any warranty or representation relating to the parts which is inconsistent herewith is unauthorized and expressly disclaimed, and shall not be binding upon either us or Vendors.

Buyer's sole and exclusive remedy under this warranty for an actual defect in the material or workmanship of a part shall be, at our option, to replace or to issue a credit for the purchase price paid for the part. **IN NO EVENT SHALL WE OR ANY VENDOR BE LIABLE FOR INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES.** This exclusion of damages includes any claimed loss of use, lost revenue, lost profits or goodwill, in connection with or arising out of the agreement, including, without limitation but not limited to, labor costs or lost profits resulting from the use of or inability to use the parts or from the parts being incorporated in or becoming a component of any other article, even if we or any Vendor has been advised of the possibility of such incidental or consequential damages. We have the right to inspect parts claimed to be defective before they are returned. Work performed on Buyer's furnished material will be at Buyer's risk. We assume no liability for damage to Buyer's furnished material.

#### **8. DIES, TOOLS, FIXTURES, MATERIALS and ARTWORK:**

Dies, tools, fixtures, materials and artwork will be held by us at your risk, and kept in condition for production by us during the normal life of same. They shall, however, be subject to any existing Federal or Trade Codes and to lien in our favor for all sums due for the cost of making or preparation and any and all other claims which we may have at any time against you, all of which sums and claims shall be paid and discharged before we shall be required to deliver such dies, tools, fixtures materials and artwork. When dies are paid for, they become the property of the customer, but because die charges only represent material and labor cost estimates, dies may not be removed from possession of the manufacturer until engineering and maintenance charge of fifty percent of the original charge is paid by the customer. Dies, tools and fixtures not used for three years may be scrapped without notice.

#### **9. PATENTS**

If parts produced in your behalf infringe or are claimed to infringe letters, patent or copyright, under which claims are made against us, you assume full responsibility for everything done by us in producing such parts and agree to indemnify us and hold us free of any and all losses,

including expenditures made or incurred for judgments, settlements, attorneys' fees, litigation, negotiation, and any and all losses and disbursements directly or indirectly resulting therefrom.

## **10. SCHEDULED RELEASES**

We reserve the right to run the total quantity at one time when an order is placed for scheduled releases. Therefore, no changes may be made by Buyer in design, quantity, or release dates without our prior written approval. Buyer agrees to specify the release schedule for the entire blanket order quantity at the time of purchase order placement. Unless otherwise agreed upon by both parties, Buyer agrees to take possession of the entire blanket order quantity within one year from the original purchase order date.

## **11. CHANGES AND CANCELLATIONS**

All changes and cancellations are subject to change and cancellation fees. Regardless of the reason, the Buyer agrees to pay the Seller for all work started and all costs incurred, plus markup, up to the date of change and/or cancellation.

## **12. EMAIL SUBSCRIPTION AND PERIODIC EMAIL UPDATES**

Sigma 6 Electronics, Inc. maintains certain information on each individual we do business with. Information includes, but is not limited to, your phone number, email address, and physical address. From time to time, we will communicate to our contacts information related to our business. By providing us with your contact information, you understand and agree to allow Sigma 6 Electronics, Inc. to add your contact information to their business system, AND accept periodic email updates including, but not limited to, email promotions, product updates, and major business changes.

Sigma 6 Electronics, Inc. collects contact information from a variety of avenues. Such avenues include, but are not limited to, requesting a quotation or placing an order.

Sigma 6 Electronics, Inc. will NEVER sell or share your contact information with any 3rd party! Should you wish to opt-out of receiving periodic email updates from Sigma 6 Electronics, Inc., please submit your request to opt-out to [sales@sigma6electronics.com](mailto:sales@sigma6electronics.com). Additionally, you may call us at (858) 279-4300 and ask to be connected with customer service.