

## Purchase Order Terms and Conditions

These Terms and Conditions are applicable to all **Intellipower, Inc. (hereafter referred to as “Buyer”)** Purchase Orders awarded to third parties (hereafter referred to as “Seller”).

1. **ACCEPTANCE:** Commencement of performance pursuant to this Purchase Order (PO) constitutes acceptance by Seller. If PO delivery dates cannot be met by the Seller, Seller must inform the Buyer in writing no later than five [5] business days from the date of this PO with Seller’s proposed delivery date(s) for Buyer’s acceptance and of any exceptions taken.
2. **TIME OF DELIVERY:** Time is of the essence and the Buyer’s production schedules are based upon Seller’s on time delivery in accordance with required on dock delivery dates and specified delivery destination(s) as cited in this PO. If the Seller is unable to meet the required PO delivery dates on time, the Buyer reserves the right to cancel this PO at no cost to the Buyer and purchase elsewhere and may hold seller accountable. Buyer’s acceptance of late deliveries shall not be deemed as a waiver of any loss or damage resulting therefrom, nor shall it be considered a modification of Seller’s obligation to make further deliveries in accordance with the required PO delivery dates.
3. **PRICE & PAYMENTS:** The price(s) of the components, materials or services are as specified within this PO and can only be changed by the Buyer. Invoice payment will be made in accordance to the PO payment terms. Invoices must reference the PO and match quantities and prices of the PO exactly.
4. **TAXES:** PO’s which purchase inventory components and materials for production requirements are for resale and not taxable by the Seller. Copies of Buyer’s resale certificate will be made available to the Seller upon request. PO’s for non-inventory purchases are taxable and will reflect applicable sales tax amounts.
5. **PACKING AND MARKING:** Seller is responsible for safe and best practice packaging of all PO items. Seller must number all packages, indicating the corresponding number on all packing lists and invoices. An itemized packing slip with the correct PO number must be included in or on each package shipped to the Buyer. No additional charges for packing material will be paid unless included in the PO beforehand by the Buyer.
6. **EVIDENCE OF SHIPMENT:** Seller must transmit a bill of lading, signed by the carrier, on the date of shipment, to the Buyer, as evidence that shipment has been made.
7. **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:** Seller shall comply with all applicable Federal, State and Local laws and ordinances, and all lawful orders, rules and regulations thereunder, including, but not limited to, the applicable provisions of the fair labor standards act of 1938 as amended (29 USC201-219), the occupational safety and health act (OSHA), the worker’s compensation act, and all regulations and standards and any amendments issued pursuant thereto. Seller warrants that the items delivered shall comply with the foregoing, and agrees to indemnify the Buyer and customers for any loss or damage that may be sustained by Seller’s noncompliance.
8. **CHANGES TO THE PO:** The Buyer’s PO sets forth the sole agreement and conditions of sale and no changes can be imposed nor accepted without a written change order to the PO and accepted by the Buyer and Seller. The PO terms and conditions cannot be added to, modified, superseded, or otherwise altered without written approval by the Buyer to the Seller. Each delivery shall be deemed to be in accordance with the PO terms and conditions, notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice, or other form from the Seller.
9. **BINDING EFFECT:** – This PO and the Seller’s acceptance of it creates a binding contract between the Buyer and Seller made in the state of California and governed by the laws thereof.
10. **QUALITY REQUIREMENTS:** Seller will notify the Buyer if shipped product is subsequently found to be nonconforming; Seller will notify the Buyer of changes in product definition; Seller will provide right of access to the Buyer, its customer, and regulatory authorities to all facilities involved in the PO and to all applicable records. Seller will retain all quality records pertaining to the Buyer’s PO’s for a minimum of 10 years.

11. **COUNTERFEIT PART PREVENTION REQUIREMENT:** Seller shall not deliver products that contain counterfeit items (such as, but not limited to, software, material and electrical/mechanical parts/assemblies). SAE AS5553 provides guidance for counterfeit prevention. Suppliers delivering counterfeit part(s) to IntelliPower shall be responsible for any costs incurred by IntelliPower or its customers as a result of the counterfeit part(s), including, but not limited to any rework, repair, or replacement. A Certificate of Conformance is required with all shipments to IntelliPower.