

## **Terms and Conditions**

- 1. This is a preliminary quote based on the information provided. Quote is valid for 30 days. HiTEM reserves the right to change any pricing if requirement changes affect assembly cost.
  - a. This quote is based on HiTEM's terms and conditions. No assumptions of capabilities or adherence to specific industry standards should be made by the customer beyond HiTEM's explicitly stated capabilities and compliance to industry standards. By entering into a purchase agreement with HiTEM, the customer agrees that HiTEM's terms and conditions take precedence over requirements that may have been expressed or discussed during the quoting phase but not explicitly agreed upon by HiTEM and documented as such. HiTEM will provide the customer detailed information about its capabilities and compliance to standards upon request.
  - b. Due to market conditions, if inventory is no longer available, HiTEM will search for the same price, however with the allocations status on some components if the price increases and it seriously impacts our pricing, the increase will be passed to customer. Also in some cases, recently implemented "tariffs" may cause price increases and HiTEM will alert customers with the specific information if this occurs. Unfortunately, we do not always know which parts will be tariffed and/or what the amount will be.
- 2. Pricing in the quote is based on the quantities listed. In cases where multiple builds are quoted, the price is based on committed orders from the customer which allows HiTEM to purchase material in larger quantities and the stated minimum ship quantities unless otherwise agreed by both parties.
- 3. Quoted price includes HITEM's standard packaging materials (ESD Bags, Box, etc.) unless otherwise specified at the time when the RFQ (Request for Quote) was submitted.
- 4. Quoted price does NOT include the following unless otherwise stated:
  - Functional Testing
  - In-Circuit Testing
  - Conformal Coating
  - Shipping Charges
- 5. HITEM and Customer will periodically review the pricing and determine if any price changes are required. Any price changes will apply only to purchase orders or material releases issued after the effective date of such price changes.
- HiTEM reserves the right to adjust pricing per the actual volumes realized. Quoted prices are based upon Customer's projected PCBA requirements (contained in this quote) over the next 12 months or specified time period.
- 7. Non-Recurring Engineering (NRE) charges are assessed for the custom items or work required specifically for the product (s) being quoted. Charges for PCB (bare board) test set-up and machine programming and debug are a "one-time per revision" charge. Items such as stencil and custom fixtures may be affected by revision changes and additional charges will be incurred for these items if they cannot be used with subsequent revisions.
- 8. In addition, although stencils and custom fixtures do last for a long period of time, they do have a limited life expectancy due to normal wear. HiTEM reserves the right to order/replace such items



and invoice the customer when the integrity of the item is adversely affecting the quality of the product. NOTE: HiTEM will always notify client if/when replacement of a fixture/stencil is required.

- 9. Warranty: HITEM standard warranty policy is one (1) year form the date of shipment for workmanship ONLY. Examples of workmanship issues may include missing/ reversed/ wrong component installation, insufficient or cold solder joints, etc. Mechanical damage such as broken connectors, etc. that may result from shipping damage must be reported within 60 days. Failures resulting from mishandling or electrical failures will be handled on an individual basis unless other agreements are in place between the client and HiTEM. the warranty will be void if any attempt to repair/modify/rework done on the PCA.
- 10. Initial delivery of Turnkey assemblies is based on longest lead-time component plus three (3) weeks, depending on assembly complexity. HiTEM will supply a list of component lead-times quoted by our suppliers at the request of the Customer.
- 11. Freight for finished product is not included in the pricing. The customer will specify the ship carrier and their account number or HiTEM will ship "F.O. B Origin, Freight Prepaid &Add" as a separate line item on invoice shipping via UPS ground. NOTE: Local delivery (San Diego area) is free.
- 12. Standard payment terms are Net 30 days from the date of invoice. The terms are conditions of credit are subject to change at HiTEM's discretion. HiTEM may, at its option, decline to make further shipments and hold all future deliveries if payments are not made in accordance with the invoice and the terms and conditions agreed to between the both parties.
- 13. HiTEM's standard policy is to limit push-out of orders to items due in more than 30 days, unless otherwise negotiated. HiTEM will make every attempt to accommodate customer on pull-in of orders if material and manufacturing capacity is available.
- 14. HiTEM will only purchase components according to the approved vendor list (AVL) including any sourcing plans as provided. HiTEM will procure components not listed on approved vendor list only with written approval from the Customer.
- 15. HITEM will use standard purchasing practices and long lead-time component management in order to meet the forecasted requirements of the Customer. The Customer will be financially responsible for the material purchased by HITEM on behalf of the Customer. This includes all excess material that was purchased in order to meet the minimum buy quantities established by distributors and/or any handling or restocking fees incurred by HITEM in conjunction with the excess material.
- 16. Cancellation policy: If an order is cancelled, the client shall be responsible for all the materials that cannot be returned that were purchased for the cancelled order, restocking fees for material that can be returned (if any), any work in process, and all finished goods.
- 17. HITEM may apply a tariff recovery charge, which will be reflected on the final invoice. Even if a tariff recovery charge is not initially quoted, HITEM reserves the right to apply this charge if a tariff is incurred or if new country of origin information becomes available. Quoted pricing may not include applicable federal, state, or local taxes, sales tax, use tax, or import duties imposed on HITEM or its suppliers.