

Conditions for Purchase Orders

THESE CONDITIONS (the "Conditions") APPLY TO ALL PURCHASES OF PRODUCTS AND/OR SERVICES BY UNICIRCUIT, INC. ("Buyer").

Acceptance of this order is expressly limited to the conditions contained herein and any additional or different terms or conditions contained in Seller's "standard" terms and conditions and/or response hereto shall be deemed objected to by the Buyer without need of further notice of objection and shall be of no effect nor in any circumstances binding upon the Buyer. Seller will be deemed to have assented to all conditions contained herein if any part of the described items is shipped or services rendered. These Conditions constitute the entire and only agreement between the parties hereto; and any representation, affirmation of fact, and course of prior dealings, promise or condition in connection therewith or usage of the trade not expressly incorporated herein shall not be binding on either party. No waiver, alteration, or modification of any of the provisions hereof shall be binding unless in writing and signed by a specifically authorized representative of Buyer. The validity of this order and its interpretation shall be governed by the laws of the State of New York, U.S.A. This agreement shall be construed to be between merchants. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this agreement or any goods relating thereto.

1. PRICE

The price for the items and/or services to be performed hereunder shall not be higher than that appearing on the face of this order. Seller warrants that prices charged for the products ordered herein are not higher than those to any other customer, including any federal, state or local government or agency thereof for the identical product or products of like grade and quality in similar or lesser quantity.

2. EXTRA CHARGES

No charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by Buyer in writing. Price is to cover net weight of material, unless otherwise agreed.

3. DELIVERY

All goods shall be delivered DDP (Incoterms 2000) to the location(s) stated by Buyer. Items shall be packed and shipped in accordance with the instructions and specifications on the face of this order. In the absence of any such instructions, the Seller shall comply with best commercial practice to ensure safe arrival at destination at the lowest transportation cost. Any item delivered more than five (5) days prior to the scheduled delivery date may be returned at Seller's risk and expense unless specifically agreed to in writing by Buyer.

4.

- A. **TERMINATION FOR DEFAULT OF SELLER.** Time is of the essence in this order, if Seller shall (a) fail to deliver the items or to perform the services ordered hereunder within the time scheduled, or (b) fail to perform any other provision of this purchase order, or (c) become insolvent, or (d) file or have filed against it a petition under any state or federal bankruptcy or Insolvency law, then, and in any such event without prejudice to Buyer's other rights and remedies Buyer shall have the right, at its option, upon written notice, to terminate this purchase order, in whole or part without any further liability by Buyer. Upon such termination Buyer may: (1) require Seller to deliver forthwith any or all of the items, or parts thereof, which have been produced, or are in process of production pursuant to this purchase order, in which event Buyer shall pay Seller the purchase order price for the acceptable completed items so delivered and shall

reimburse Seller for its costs actually incurred with respect to the acceptable parts, and partially completed items so delivered; provided, however, that such costs in no event shall exceed the purchase order price equitably allocated therefor, and/or (2) procure on such terms and in such manner as it may deem appropriate, items and services similar to those so terminated, and to recover from the Seller excess costs incurred by Buyer in procuring such similar items and services.

- B. TERMINATION FOR CONVENIENCE.** Buyer may terminate all or any part of this order at any time without cause by written notice to Seller. In the event that Buyer terminates this order: (i) Seller shall immediately cease production and mitigate costs, and cause all subcontractors to immediately cease production and mitigate costs, (ii) Buyer shall purchase all fully finished goods in Seller's possession at the effective termination date; and (iii) the parties agree to discuss in good faith a mutually-satisfactory resolution to Seller's work-in-progress and inventory, provided, however, the Seller must return all inventory which is not otherwise useable in its operations and must present Buyer with a detailed written accounting of the inventory and work-in-progress within 60 days after the effective termination date.

5. REJECTIONS

If any of the goods are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of the order, including drawings and specifications, if any, Buyer, in addition to any other rights which it may have under warranty or applicable law, shall have the right to reject and return such goods at Seller's expense, for a refund or replacement, at the discretion of Buyer.

6. INSPECTION

Buyer and its customer may inspect and test material, work in progress and supplies at all times and places during manufacture and otherwise. If inspections and tests are made on Seller's premises, Seller, without additional charge, shall provide reasonable facilities and assistance for the safety and convenience of the inspectors in performing their duties. Inspections and tests by the Buyer shall be performed in such manner as not to delay the work unduly. Buyer may charge to Seller any additional cost of inspection and test when material, work, or supplies are not ready at the time such inspection and test is requested by Seller. In case of rejection, neither Buyer nor its customer shall be liable for any reduction in value of samples used in connection with such inspection or test. Except as otherwise agreed in writing, all shipments and supplies furnished under this purchase order shall be subject to final inspection and acceptance by Buyer after receipt by Buyer at destination notwithstanding any previous source inspection or acceptance. Seller shall maintain an inspection and quality control system acceptable to Buyer and its customer.

7. WARRANTY

Seller warrants that the goods and/or services covered by this purchase order will conform to the design and specifications and to drawings, samples or other descriptions referred to in this purchase order, will be free from defects in material and workmanship, and, to the extent that the Seller knows or has reason to know of the purpose for which the supplies are intended will be fit and sufficient for such purpose. The warranties contained in this paragraph shall run to Buyer and its customers. All goods shipped and services rendered under this order shall be subject to all implied, statutory and express warranties including those created by acts and statements by the Seller. Any exclusion of such warranties by the Seller shall be of no effect.

8. CHANGES

Buyer shall have the right to make changes in the order, but no additional charge will be allowed unless authorized in writing by the Buyer. If such changes affect delivery or the amount to be paid by Buyer, Seller shall notify Buyer immediately and negotiate an adjustment.

9. QUANTITIES

It is the Seller's responsibility to furnish the proper quantity called for on this order. No variation in the quantities specified herein will be accepted as compliance with this order, except by prior written agreement. The Buyer reserves the right to return excess shipments at Seller's expense.

10. NON ASSIGNMENT

Assignment of this order or any interest therein or any payment due or due to become due hereunder, without the written consent of Buyer, shall be void.

11. SET OFF

Buyer shall be entitled at all times to set off any amount owing at any time from Seller to Buyer or any of its affiliated companies, against any amount payable at any time by Buyer or any of its affiliate companies to Seller.

12. COMPLIANCE WITH LAWS

Seller shall comply with all applicable state, federal and local laws, rules and regulations. Without limiting the generality of the foregoing, Seller, in accepting this order, represents that the goods to be furnished or the services to be rendered hereunder were or will be produced or performed in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended and of all valid and applicable regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof. Seller shall insert a certificate on all invoices submitted in connection with this order stating that the goods and services were produced or rendered in accordance with the foregoing representation provided, however, that Buyer's acceptance of a shipment without a certificate does not constitute a waiver of Seller's representation.

13. EQUAL EMPLOYMENT OPPORTUNITY

This purchase order hereby incorporates the provisions of Executive Order 11246 and the Equal Employment Opportunity Rehabilitation Act of 1973, and the Vietnam Era Veterans Readjustment Act of 1974, and The Americans with Disabilities Act of 1990, in each case, as amended and in effect. By acceptance of this contract or purchase order, Seller will comply with these laws, rules and regulations unless exempted.

14. FEDERAL, STATE AND LOCAL TAXES

Except as may be otherwise provided in this purchase order, the prices include all applicable federal, state and local taxes and duties.

15. LABOR DISPUTE

Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this order; Seller shall immediately give written notice thereof to Buyer and include a description of the nature of the disruption and the likely timetable for resolution.

16. BUYERS PROPERTY

Unless otherwise agreed in writing, all tools, equipment or material of every description, furnished to Seller by Buyer or specifically paid for by Buyer, and any replacement thereof, or any materials affixed or attached thereto, shall be and remain the personal property of Buyer. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of Anaren Microwave, Inc." and shall be stored properly separate and apart from Seller's property. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer and shall subject to removal at Buyer's written request, in which event Seller shall prepare such property for shipment and shall redeliver to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted.

17. CONFIDENTIAL PROPRIETARY INFORMATION

Any information or data furnished by Buyer to Seller with the order in whatever form shall be deemed confidential and proprietary information of Buyer. Such information shall remain the property of Buyer and shall be kept confidential by Seller. Seller shall not use such information or data for any purpose other than performance of its obligations in accordance with this order. The obligations under this paragraph shall survive the cancellation, termination, or completion of this order.

18. INFORMATION DISCLOSED TO BUYER

Any knowledge or information which the Seller shall have disclosed or may hereafter disclose to the Buyer in connection with the purchase of goods or services covered by this order, shall not, unless otherwise specifically agreed upon in writing by the Buyer, be deemed to be confidential or proprietary information, and shall be acquired free from any restriction, (other than a claim for patent infringement), as part of the consideration for this order.

19. ADVERTISING AND ANNOUNCEMENTS

No news release, public announcement, denial or confirmation of same of any part of the subject matter of this purchase order or any phase of this purchase order shall be made without the prior written approval of Buyer's Contract Manager.

20. INDEMNITY AND INSURANCE

Seller shall take all necessary precautions to prevent the occurrence of any injury to persons or property during the progress of work, and, except to the extent that any such injury or damages is due solely and directly to an intentional or grossly negligent act or omission of Buyer, Seller shall defend and indemnify Buyer against any claim which may result in any way from any act or omission of the Seller, its agents, employees, or subcontractors. Seller shall maintain comprehensive general liability (including contractual liability coverage insuring the liabilities assumed above), automobile liability, and employer's liability insurance with limits reasonably required by Buyer, as well as appropriate workers' compensation and disability insurance as will protect Seller from all claims under any applicable workers' compensation and/or occupation disease laws, rules and/or regulations. In lieu of any other warranty against intellectual property infringement, statutory or otherwise, it is agreed that Seller will defend, at its expense, any claim, action or suit against Buyer or its customer based on a claim that use or sale of any item furnished or any service performed under this order infringes any patent, trade secret, copyright, semiconductor mask work or other intellectual property right provided Seller is notified in writing of such claim and given authority, and reasonable information and assistance by Buyer, for the

defense thereof. Seller agrees to pay any damages and costs finally awarded against Buyer or its customer. Nothing in this provision shall be construed as requiring Seller to defend a suit or pay damages or costs if either the infringement claim or judgment is based upon use of any furnished item in combination with other products, if the infringement would not have occurred but for such combined use. If the use or sale of the item is enjoined as the result of a suit, Seller, at no expense to Buyer, shall obtain for Buyer and its customer the right to use and sell the item or shall substitute an equivalent item acceptable to Buyer and this indemnity shall be applicable to such substituted item.

21. FOR WORK ON BUYER'S OR ITS CUSTOMER'S PREMISES

If Seller's work under the order involves operations by the Seller on the premises of Buyer or one of its customers, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and except to the extent that any such injury is due solely to Buyer's or its customer's intentional or grossly negligent act or omission as the case may be, shall indemnify Buyer and its customer against all loss which may result in any way from any act or omission of the Seller, its agents, employees, or subcontractors, and Seller shall maintain such public liability, property damage and employer's liability and compensation insurance as will protect Buyer from said risks and from any claims under any applicable workers' compensation and/or occupational disease laws, rules and/or regulations.

22. DISPUTES

Any dispute arising under this order which is not settled by agreement of the parties, shall be settled by appropriate legal proceedings pursuant to the Laws of New York State. Seller agrees that any legal proceeding arising hereunder shall be commenced in the courts located in the State of New York. Seller irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising hereunder in the State of New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this order, Seller shall proceed diligently with the performance of this order in accordance with the decision of the Buyer.

23. STOP WORK

Buyer may order Seller in writing to stop, suspend, or interrupt all or any part of the work for a period not to exceed 90 consecutive days unless both parties agree to a longer period. If suspension or interruption causes an increase or decrease in the cost or time of performance of this order, the Seller must notify the Buyer in writing within 20 days of the date of the stop work notification. The Seller's claim will be evaluated, an equitable adjustment will be negotiated and the order will be modified in writing to incorporate the adjustment. Seller must make every effort to minimize the incurrence of costs allocable to work covered by the stop, suspend or interrupt work order.

24.

- A. **HAZARDOUS MATERIAL.** The Seller shall insure that all materials and chemicals that are harmful to human health, safety, or property are properly contained in accordance with applicable federal, state and local specifications. All containers shall be plainly marked with chemical labels displaying appropriate warnings, precautions, instructions, and storage conditions as required by DOT and OSHA. Material safety data sheets (MSDS) must be provided with chemicals as required by OSHA standards 1920.1200. Mercury and radium shall not be used in processes or manufacture of the materials for this order.

- B. **OZONE DEPLETING COMPOUNDS.** Seller must comply with the latest EPA regulations on ODC elimination (Ref: Fed. Reg Part 82 Subpart E).

25. PROCUREMENT INTEGRITY

Seller is aware that the provisions of Subsection 27 of the Office of Procurement Policy Act. Seller warrants that it and its officers, employees, agents, consultants and representatives are in compliance with the provisions of this law. In the event it is subsequently determined that Seller or any of its officers, employees, agents, or representatives have violated any provision of this law, Seller shall indemnify Buyer from any claims or penalties which may accrue as a result of said violation.

26. SEVERABILITY AND WAIVER

If any portion or portions of these Conditions shall be for any reason invalid or unenforceable, the remaining portion or portions shall nevertheless continue in full force and effect and the rights and obligations of the Parties shall be construed and enforced as if this order did not contain the particular provision held to be invalid or unenforceable. The failure of Buyer to enforce or insist on the strict performance of any of the Condition(s) in this order shall not constitute waiver of such Condition(s).

27. NOTICE

Any notice required or permitted to be given in accordance with these Conditions shall be sufficient if in writing and if personally delivered or sent by certified mail, return receipt requested, or overnight courier to the parties at the address indicated on the face of this order.

28. GOVERNMENT CONTRACTS

All or part of this Subcontract/P.O. may be issued under a government contract in which case the following Federal Acquisition Regulations. (FAR) and Defense Department Fed. Acquisition Regulations (DFARS) are incorporated herein by reference (as per FAR 52.252 2 Clauses Incorporated by Reference). Each of the referenced clauses is applicable unless the clause itself contains dollar thresholds or other requirements making it inappropriate for the Subcontract/P.O. Unless otherwise noted, the revision of the FAR/DFAR clause in effect on the date of the prime contract award is applicable. Where necessary, to make the clause applicable to the Subcontract/P.O., the terms "Government" and "Contracting officer" or equivalent phrases mean Buyer. The term "Contractor" shall mean Seller, the term "contract" shall mean Subcontract/P.O.

52.202 - 1 DEFINITIONS

52.222 - 1 NOTICE OF LABOR DISPUTES

52.228 - 7006 ACCIDENT REPORTING/INVESTIGATE

52.203 - 1 OFFICIALS NOT TO BENEFIT

52.222 - 20 WALSH HEALY PUBLIC COAT. ACTS

52.230 - 2 THRU - 5 COST ACCTING

52.203 - 3 GRATUITIES

52.222 - 21 THRU - 26 & - 28 NON SEGR/EEO

252.231 - 7000 SUPPLMTAL COST PRINCIPLES

52.203 - 5 CONTINGENT FEES

52.222 - 35 THRU - 37 AFFIRMATIVE ACTION

52.232 - B DISCOUNT

52.203 - 6 SUBCONTRACTOR GOVT SALES

52.223 - 1 THRU - 3 CLEAN AIR/WATER

52.232 - 11 EXTRAS

52.203 - 7 ANTI KICKBACK

52.223 - 5 & - 6 DRUG FREE WORKPLACE

252.232 - 7006 FRAUD

52.203 - 10, 11 & 12 IMPROPER ACTIVITIES

252.223 - 7004 DRUG FREE WORKFORCE

52.242 - 13 BANKRUPTCY

252.203 - 7001 EMPLOYMENT PROHIBITIONS

52.224 - 2 PRIVACY ACT

52.243 - 1 CHANGES (CHANGES 30 TO 15 DAYS)

52.204 - 4 SECURITY REQUIREMENTS

52.225 - 9 BUY AMERICAN

52.244 - 5 COMPETITION IN SUBCONTRACTING

252.204 - 7005 FOREIGN PROCUREMENTS

252.225 - 7001 BUY AMERICAN

52.245 - 17 & 18 SPECIAL TOOLING /TEST EQUIPMT

52.208 - 1 JEWEL BEARINGS

52.225 - 10 DUTY FREE ENTRY

52.226 52.246 - 2 INSPECTION OF SUPPLIES

252.208 - 7000 THRU 7006 REQ'D SOURCES

252.225 - 7025 FOREIGN SOURCE

252.226 52.247 - 63 & 64 PREFER U.S. AIR CARRIERS

52.209 5 & -8 DEBARMENT/SUSPENSION

52.225 - 11 CERTAIN COMMUNIST AREAS

52.226 52.248 - 1 VALUE ENGINEERING

252.209 - 7000 INF TREATY

252.225 - 7008 & - 7009 DUTY FREE

252.226 52.249 - 1 & - 2 TERMINATION FOR CONVENIENCE

52.210 - 5 & -7 NEW, USED, RECOND. MAT'L

252.225 - 7014 PEF FOR DOMESTIC METAL

252.226 52.249 - 8 DEFAULT52.212 - 8 PRIORITY RATING

252.225 - 7016 ANTI FRICTION BEARINGS

52.212 - 13 STOP WORK ORDER

52.213 252.225 - 7025 FOREIGN SOURCE RESTRICTION

52.214 - 26 & - 28 AUDIT, MODS, COST/PRICE DATA

52.215 252.225 - 7031 ARAB BOYCOTT

52.216 - 22 THRU - 27 & - 39 SUBS COST/PRICE DATA

52.217 52.227 - 1 THRU - 3 & - 10 THRU - 13 ROYALTIES

52.218 - 8, - 9& - 13 SMALL DISADV, WOBIPLAN

52.219 252.227 - 7013/18/26/27/30/33/34 & 7035 DATA RIGHTS

52.220 - 1, - 3 & - 4 LABOR SURPLUS AREAS

52.221 52.227 - 14 THRU - 18 DATA RIGHTS