MS Ultrasonic Technology, LLC

GENERAL TERMS AND CONDITIONS OF PURCHASE

(4/12/21)

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MS ULTRASONIC TECHNOLOGY, LLC

("Buyer")

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. Scope and Acceptance.

a. Scope. These General Terms and Conditions of Purchase ("Terms") automatically apply to and are a part of all written and oral purchase orders and amendments thereto and (collectively referred to as an "Order"). The Terms also automatically apply to and are a part of any request for quotation, blanket purchase order, release, purchase agreement, or similar document issued to Seller by Buyer. If there is a conflict between the contract documents, the Purchase Order shall prevail. All goods and services (whether ancillary to a sale of goods) such as production and service parts, raw materials, equipment, tooling, engineering, and design only, components, intermediate assemblies, work in process, and end products to be provided under an Order are included in the term "Goods".

b. Seller's Acceptance. An Order is an offer by Buyer but not a firm offer and may be revoked prior to acceptance. An Order for which written confirmation is requested may be accepted only by returning a copy thereof signed by Seller within seven days of the date of the Order. However, Buyer may elect to consider Seller's oral acceptance, Seller's preparation to provide the Goods, or Seller's delivery of the Goods, as an acceptance of an Order and its terms (and of no other terms) and enforce an Order.

c. Buyer's Acceptance. An Order does not constitute an acceptance by buyer of any quotation or any proposal of Seller. Reference in an Order to any such quotation or proposal shall not constitute an addition to or a modification of any of the terms and conditions of an Order, except that a specific item of a quotation or proposal referenced and adopted by an Order may be included in an Order without adopting any other portion of the quotation or proposal. Unless specifically otherwise provided in writing by Buyer any reference to any offer to sell or proposal made by Seller is solely for the purpose of incorporating the description and specifications of goods and services contained in the offer to sell or proposal to the extent that the description and specifications do not conflict with the description and specifications contained in the Order.

d. Inconsistent or Additional Seller Terms. Buyer objects to any additional or inconsistent terms in an offer, acceptance, or other communication from Seller and only the Terms and any other terms set out in an Order shall be binding upon the parties. No objection to the Terms or reservation of rights by Seller shall be effective. TERMS AND CONDITIONS IN AN ATTEMPTED ACKNOWLEDGMENT OF AN ORDER, OFFER OR OTHER SELLER DOCUMENT INCONSISTENT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS OF AN ORDER ARE NOT BINDING UPON BUYER UNLESS SPECIFICALLY ACCEPTED BY BUYER IN WRITING, AND BUYER HEREBY OBJECTS THERETO. If these Terms are inconsistent with the specific provisions of any Order, then the

specific provisions of the Order will control. No course of performance or dealing by the parties shall be construed to waive, modify, or otherwise adversely affect Buyer's rights.

e. Website Provisions. An Order shall also include other provisions applicable to the Buyer's purchase of Goods, which may be found on the Buyer's general website. Such provisions may include amendments to these Terms and other obligatory instructions to suppliers. The version of these Terms in effect and published on Buyer's supplier website or on Buyer's general website as of the date of an Order or any renewal of the Order shall be the applicable Terms to such Order.

f. Single Contract. Whether or not the Goods will be provided in multiple deliveries, an Order is for a single contract.

2. Prices, Payment, Audit, and Security Interest.

a. Pricing and Invoices. Seller shall furnish the Goods at the prices in an Order. All prices are firm. All prices are in U.S. dollars and DAP Incoterms 2020 (place of destination). Seller warrants that the price in an Order shall be complete, and no additional charges of any type, including current or increased costs of materials, labor, packaging, labeling, custom duties, taxes, storage, insurance, boxing, and crating shall be added for any reason without Buyer's express written consent. Seller shall submit invoices, in duplicate, which include Seller's supplier number, date and number of Buyer's Order, Seller's tax identification number, the date, place, and quantity of each delivery, and other information requested by Buyer.

b. Payment. Buyer shall pay for Goods on a net settlement basis for all the accounts of Seller arising from the Orders and other agreements Seller has with Buyer.

c. Customs Invoice. If Goods will cross an international border, Seller shall provide a commercial customs invoice as required for customs clearance. The invoice shall be in English, or in the specific language of the destination country as directed by Buyer, and shall include: (i) contact names and phone numbers at Buyer and Seller who have knowledge of the transaction; (ii) Buyer Order number; (iii) Buyer Order line item; (iv) quantity; (v) country of origin of the Goods; and (vi) separate identification of all materials provided by Buyer to Seller to produce Goods which are not included in the purchase price (e.g., consigned material, tooling, etc.); and Order number or other reference information for any consigned materials.

d. Taxes. Seller's price includes all payroll and/or occupational taxes, any value-added tax that is not recoverable by Buyer and any other taxes, fees and/or duties applicable to the Goods purchased under an Order; provided, however, that any state and local sales, use, excise and/or privilege taxes, if applicable, will not be included in Seller's price but will be separately identified on Seller's invoice.

e. Payment Start Date. Unless otherwise stated on the face of an Order, payment terms are due net 90 days from the "Payment Start Date". The Payment Start Date is the later of: (i) the required date identified on the Order; (ii) the received date of the Goods in Buyer's receiving system; or (iii) the date of receipt of a valid invoice by Buyer.

3. Delivery, Documentation and Marking.

a. Delivery. Delivery must be on the date indicated in an Order, if any, unless otherwise requested by Buyer. Buyer may, from time to time, change delivery schedules or direct temporary suspension of scheduled shipments without additional charge. Time is of the essence as to delivery and other performance by Seller.

b. Condition of Goods. All Goods shall be delivered clean and ready for further processing. If any rust inhibitor or other chemical protection is required, it must be water soluble and approved by Buyer in writing prior to use.

c. Shipping Charges. All shipping, drayage, demurrage, storage, insurance, export and import duties, packing, and related charges shall be paid by Seller. If Buyer is specifically, responsible for such charges according to the terms of an Order, they shall be prepaid by Seller, and then billed to Buyer.

d. Packaging. All Goods shall be suitably packed at Seller's cost to avoid damage marked and shipped in accordance with the requirements of Buyer, if any, and of common carriers in a manner to secure the lowest transportation costs consistent with the required delivery schedules and to ensure the Goods arrive in good condition at the destination. No additional charge shall be made to Buyer for packaging or shipping.

e. Documentation. Packing slips identifying the Order number, release number and part number must accompany each shipment in an envelope marked "packing slip enclosed." Seller shall mark each package with an Order number, and where multiple packages comprise a single shipment, each package shall be shown on packing slips, bills of lading and invoices. If Buyer is obligated to pay for shipping, Seller shall pay for all extra charges incurred because of Seller's failure to follow Buyer is shipping instructions, including those related to delivery schedules.

f. Expedited Delivery. Seller shall pay all express and other charges necessary to speed delivery to enable Seller to meet the delivery schedule. Seller shall ship all late shipments by express or other priority methods of delivery at its expense, as requested by Buyer.

g. Special Warnings. Prior to and with the shipment of Goods, Seller must furnish Buyer sufficient warnings and notice in writing (including appropriate labels on Goods, containers and packing) of any hazardous material which is an ingredient or a part of any of the Goods, together with such special handling instructions as may be necessary to advise carriers, Buyer, and their respective employees of how to exercise that measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer.

h. Suspension of Performance. Buyer may at any time, by notice to Seller, suspend performance of deliveries and Seller's other performance obligations for such time as it deems appropriate, without charge. Upon receiving notice of suspension, Seller shall promptly suspend deliveries and work to the extent specified, properly caring for and protecting all work in progress and materials, supplies and equipment Seller has on hand for performance. Buyer may at any time withdraw the suspension as to all or part of the suspended work by written notice specifying the effective date and scope of withdrawal. Seller shall resume diligent performance on the specified

effective date of withdrawal. All Claims for increase or decrease in the time required for the performance of any work caused by suspension must be pursued pursuant to and consistent with the Section on "Changes" or they shall be deemed waived.

4. Risk of Loss and Title to Goods.

a. Risk of Loss. All shipments are at the risk of Seller until receipt at the Buyer's location or other destination designated in an Order or other writing by Buyer, regardless of the delivery point unless risk is otherwise assumed by Buyer in writing. Seller shall insure the Goods at their replacement value for the benefit of Seller and Buyer as their interest may appear and provide to Buyer proof thereof. If risk of loss is assumed by Buyer, all risk casualty insurance for replacement value must be provided by Seller for the benefit of Buyer. The cost of any insurance shall be paid by Seller unless otherwise agreed in writing by Buyer. Under no condition will the risk of loss be that of Buyer unless such insurance is provided. Risk of loss shall not be governed by transfer of title.

b. Title to Goods. Title to all Goods shall vest in Buyer the earlier of the date of an Order and their identification to an Order. Identification shall occur not later than the date Seller acquires or begins manufacture of the Goods. Buyer's obligation to pay for Goods is limited by terms of the Order. Seller shall pay all taxes related to ownership, possession or storage of the Goods until Buyer takes possession of the Goods.

c. Right to Possession. Buyer always has the right to possession of all Goods from the time the Goods are identified to the Order whether or not Seller is in default subject to Buyer's obligation to pay for the Goods upon obtaining possession. This right is separate and apart from any security interest.

5. Changes. Buyer reserves the right at any time to make changes in quantities, drawings, specifications, testing or quality control, packing, shipment, scope of work and other terms of an Order. The specifications shall include those in an Order and any statement of work or statement of requirements issued by Buyer or its customer. Any purported change shall be binding on Buyer only if made in a writing signed by Buyer. Any difference in costs or time for performance necessarily resulting from such changes shall be adjusted and an amendment to the Order shall be provided by Buyer in writing if Seller makes demand for such adjustments and delivers all supporting documentation within 10 days of receipt of Buyer's written notice of change or withdrawal of suspension. Time is of the essence for such demand. Notwithstanding anything to the contrary, the price shall be adjusted solely to compensate Seller for increased costs of materials and other direct production costs (excluding overhead and profit) necessarily incurred because of the changes, and the times for performance shall be adjusted only for the period required to comply with the changes, as determined by Buyer in its sole discretion. Seller may not substitute materials or change the specifications of the Goods in any way without prior written authorization from Buyer. Seller shall diligently perform the Orders and all changes while its claim is being evaluated and during any period of dispute regarding requested adjustments.

6. Quality, Development, and Inspection.

a. Quality Requirements. Seller shall, at Seller's cost, participate in any supplier quality and development programs and comply with all quality requirements and procedures as specified by Buyer from time to time. Buyer may inspect the Goods in process and Seller's facilities at reasonable times, but such inspection or approval shall not constitute acceptance of the Goods or a waiver to insist on strict performance. Seller shall design and manufacture the Goods to be suitable for installation and use in the Buyer's products to be sold to the end user.

b. Inspections. All Goods shall be received subject to right of inspection and rejection by Buyer for a reasonable period of not less than 60 days. To access Seller's work quality, conformance with Buyer's specifications and compliance with this Order, upon reasonable notice by Buyer, all Goods, materials and services related in any way to the Goods (including without limitation raw materials, components, intermediate assemblies, work in process, tools, and end products) shall be subject to inspection and test by Buyer. If Buyer inspects Goods prior to use, Buyer may reject an entire shipment based on sampling testing.

c. Defective Goods. Defective Goods and Goods otherwise not in conformity with Buyer's specifications or an Order will be held pending Seller's instructions at Seller's risk and expense and, if Seller so directs, may be returned at Seller's expense. If Seller fails to provide written instructions within seven days of notice, Buyer may return the Goods freight collect or otherwise dispose of them at Seller's expense. Goods returned as defective or nonconforming shall not be returned to Buyer and shall be replaced within 24 hours unless instructed otherwise by Buyer. Payment for the Goods prior to inspection shall not constitute an acceptance thereof or waive Buyer's right to revoke acceptance. Acceptance, whether it has been revoked, shall not release Seller's responsibility for defects, non-conformities, warranty, or other claims.

d. Inspection on Seller's Premises. If any inspection or test is made on the premises of Seller or its subcontractor, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and tests on the premises of Seller or its supplier shall be performed in such a manner as not to unduly delay Seller.

e. Process Control. Seller shall provide and maintain an inspection and process control system acceptable to Buyer and its customer covering the Goods. Records of all manufacture, testing and inspection by Seller of the Goods shall be kept complete, separate, and available to Buyer and its customer during the performance of an Order and for such longer periods as may be specified in an Order, but not less than 10 years after the last delivery of the Goods to Buyer.

f. Seller's Responsibilities. Buyer's failure to inspect, accept, reject, or detect defects by inspection shall neither relieve Seller from responsibility for Goods that are not in accordance with an Order requirement nor impose liabilities on Buyer. Seller shall provide and maintain an inspection, testing and process control system acceptable to Buyer and its customer covering the Goods to ensure compliance with an Order. Acceptance of such control systems by Buyer shall not alter the obligations and liability of Seller under an Order.

g. Certification. If Seller is certified under ISO-9001, QS-9001, TS-16949, Seller shall maintain such certification during the performance of any Order. If Seller is not so certified, Seller shall begin and continue the certification process under ISO-9001, QS-9001 and/or TS-16949 as selected by Buyer, in a diligent manner. Seller warrants that its performance of an Order shall follow the provisions of such standards, applicable to the obligations of Seller under the Order, whether Seller is certified or registered under such standards.

h. Service Parts. Seller shall for 15 years after the issuance of an Order sell the Goods and components thereof as required by Buyer as service parts for the products it sells to its customers.

7. Maintenance and Safe Use. Seller shall provide with the Goods, in English and in writing, all information necessary (a) for the safe installation, use, maintenance, and repair of the Goods and (b) to maximize the efficient use and useful life of the Goods. Prior to and with the shipment of the Goods, Seller shall furnish to Buyer sufficient warning and notice in writing (including material safety data sheets and appropriate labels on the Goods, containers and packing) of any hazardous material that is an ingredient or a part of any of the Goods, together with such special handling instructions as may be necessary to advise carriers and Buyer, how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer. If requested by Buyer, Seller shall promptly furnish to Buyer in such form and detail as Buyer may direct, in addition to standard material safety data sheets: (i) a list of all ingredients in the Goods; (ii) the amount of all ingredients; (iii) information concerning any changes in or additions to such ingredients; and (iv) other information required by International Material Data Systems.

8. Electronic Data Interchange and Computer Secrets.

a. Network Connections. If Buyer's access to Seller's system or Seller's access to Buyer's system requires a network connection between Buyer's wide area network ("WAN") and Seller's WAN, Seller and Buyer shall take reasonable and customary precautions to prevent unauthorized access to or use of the network connection through their respective networks. Each party is responsible for the security of its own network. Neither party shall be liable to the other for unauthorized access to the network connection, so long as such party shall have taken reasonable and customary precautions to prevent such unauthorized access.

b. No Virus. Neither Buyer nor Seller shall knowingly engage in creating or transmitting computer vims software or other programs which could contaminate or otherwise cause the malfunction of any system (e.g., viruses, trojan horses, trap doors, worms, etc.). When providing electronic materials (any electronic media method, including but not limited to CD-ROMs) to Buyer or Seller under these Terms, both parties shall exercise the same standard of care that it uses to safeguard against the transfer of known computer viruses or other system errors which could contaminate or otherwise cause the malfunction of its own computer system.

c. No Disabling Features. Any electronic media tool, including but not limited to CD-ROMs, laptops, or any other form of software or hardware provided or used by Seller, shall be free from any vims, or any other system error that may contaminate or otherwise cause harm to Buyer's

computer environment. Seller warrants that any software, and related documentation in electronic form, shall not contain, or result in the creation or insertion of, any disabling device (i.e., any vims, timer, clock, counter, time lock, time bomb, or other limiting design, instruction, or routine) that would erase data or programming, cause any Goods to become inoperable or otherwise incapable of being used in the full manner for which Goods were intended to be used, or cause any software or documentation, any portion thereof, or any other programs, hardware, equipment, or data to become inoperable or otherwise become incapable of being used in the full manner for which it was designed, intended, and created.

d. No Limiting or Tracking Features. Seller warrants that any software and related documentation in electronic form, shall not contain any computer code that would: (a) permit Seller or any third party to remotely, and without Buyer's knowledge or approval, access the software through a device such as those referred to as a " trap" , " access code" , or " trap door" ; or (b) permit Seller or any third party to track, monitor, or otherwise report on the use or operation of such software.

e. Seller's Liability. If such virus or other contaminant enters Buyer's computer environment, by or through Seller, Seller shall reimburse Buyer for all labor and materials costs incurred by Buyer to identify, contain and correct the effects of such virus or containment. The hourly rate paid by Seller for the identification, containment, and correction of the effects of such virus shall be at the prevailing hourly rate incurred by Buyer.

9. Confidentiality.

a. Confidentiality. At all times prior to, during and after an Order, Seller shall: (i) maintain the confidentiality of any information disclosed by Buyer or any of its affiliates, customers and contractors, any technical, process or economic information derived from drawings, specifications and other data furnished by Buyer in connection with an Order, whether or not identified as " confidential" upon disclosure (" Confidential Information"); (ii) not disclose or permit the disclosure of any Confidential Information to any person other than its employees or subcontractors for whom such knowledge is essential for performance of an Order; and (iii) not use Confidential Information except for performance of an Order. Seller shall immediately notify Buyer of any disclosure of any Confidential Information that is not permitted by these Terms or other misuse of any Confidential Information or breach of these Terms. Except as required for the efficient performance of an Order, Seller shall not: (x) use Confidential Information or make copies or permit copies to be made of Confidential Information without the prior written consent of Buyer; or (y) sell to any third party any Goods which are constructed with or incorporate Confidential Information obtained by Seller from reverse engineering of the Goods. If any copies of Confidential Information are made with prior consent, notice referring to the requirements of this Subsection shall be placed on the copies. Without limiting the direct liability of Seller's employees and others who may have received Confidential Information directly or indirectly from Seller, Seller shall be responsible for the improper disclosure or other misuse of Confidential Information by Seller's employees and others in privity with Seller, and Seller shall immediately take such steps as may be necessary to terminate any continuing improper disclosure or misuse by any of Seller's employees and others of which Seller becomes aware. Buyer makes no representation or warranty of any kind, express or implied, with respect to any Confidential Information. Buyer may, at its sole discretion, elect at any time, by written notice to Seller, to terminate Seller's further use

of Confidential Information for any purpose. Upon receipt of such notice, Seller shall, and shall cause Seller's employees and its subcontractors to, promptly cease all further use of Confidential Information, return to Buyer all physical materials containing Confidential Information, whether the materials were originally provided by Buyer or copied or otherwise prepared by Seller or any of Seller's employees or contractors, and erase or otherwise destroy any Confidential Information kept by Seller or any of Seller's employees or contractors in electronic or other non-physical form. Such termination by Buyer shall not affect Seller's continuing obligations in this Subsection.

b. Seller' s Non-Confidential Information. Any knowledge or information disclosed by Seller or on its behalf to Buyer, its affiliates, or contractors, which in any way relates to an Order, shall not, unless otherwise specifically agreed to in writing by Buyer, be deemed confidential or proprietary information, and shall be acquired by Buyer, free from any restrictions (other than restrictions under valid patents), as part of the consideration for an Order, and Buyer may disclose such information.

c. Indemnification. Seller at its expense shall defend, indemnify, and hold harmless Buyer and its successors, assigns, customers and users with respect to every claim that may be brought against Buyer or others that use the Goods, for any actual or alleged infringement of any present or future patent, copyright, industrial design right or other proprietary right based on Seller's activity under an Order, or the manufacture, sale or use of the Goods: (i) alone; (ii) in combination by reason of their content, design or structure; or (iii) in combination in accordance with Seller's recommendations. Seller shall investigate and defend or otherwise handle every such claim, and at Buyer's request, assist Buyer in Buyer's investigation, defense or handling of any such claim. Seller shall pay all expenses and damages, or settlement amounts that Buyer and others selling Buyer's products or using the Goods of an Order may sustain by reason of each such indemnified claim. If the use or sale of the Goods is enjoined, Seller shall, at its own expense and at Buyer's option, either: (x) procure the right to continue using the Goods; (y) replace same with a non-infringing equivalent; or (z) remove the Goods and refund the purchase price and the transportation and installation costs thereof. Seller's obligations shall apply even though Buyer furnishes all or any portion of the design and specifies all or any portion of the processing used by Seller.

10. Warranties.

a. Express Warranties. Seller warrants and represents to Buyer that all Goods sold as new shall be: (i) merchantable; (ii) free from failure in the final product as sold to the end user for the periods of all Buyer's warranties to its customer but not less than one year from the date of delivery as defined herein; (iii) free from all defects, including for example, design, workmanship and materials; (iv) fit for the particular purposes for which they are purchased; including the specified form, fit, function and performance as a component and in the component system, as a part of the final product subsystem, in the location within the final product specified by Buyer and in the environment in which the Goods are or reasonably may be expected to perform; (v) in strict compliance with the specifications, samples, drawings, designs, Seller's advertisements, statements on containers and labels, statements of work and requirements of Buyer and its customers and other requirements (including performance specifications) approved or adopted by Buyer as of the date of delivery or such other date provided by Buyer in writing; (vi) in strict compliance with all government requirements; (vii) composed of all new materials and

components; (viii) produced and provided with the highest degree of care; (ix) furnished promptly; (x) produced by experienced and well trained personnel in a professional and workmanlike manner and in accordance with industry best practices; (xi) in conformity with all sales and other information provided by Seller orally or in writing; (xii) free of liens; and (xiii) to the satisfaction of Buyer and its customers. If there is any conflict or overlap of warranty provision, the more demanding provision shall apply. Any attempt by Seller to limit, disclaim, or restrict any such warranties or any remedies of Buyer, by acknowledgement or otherwise, in accepting or performing an Order, shall be null, void, and ineffective without Buyer's prior written consent. Approvals by Buyer of Seller's design drawings, specifications, samples, etc., are to assist Seller without charge to Seller, but they do not replace, modify, or cause Seller to share Buyer's responsibility and do not waive or limit any warranty of Seller. Buyer may assign Seller's warranties to customers.

b. Assignability. All warranties are assignable by Buyer to its customers, end users and other third parties.

11. Liability, Indemnity, Insurance and Performance on Buyer's Premises.

a. Liability and Indemnity. In addition to any rights to indemnification or remedy provided to Buyer by the applicable law, Seller shall defend and indemnify Buyer and its employees, agents, contractors or representatives for any and all damages and reasonable expenses (including reasonable attorney fees) incurred because of property damages, personal injury or other claims or liabilities arising out of the condition, labeling, engineering, use, sale, storage, design, safety, etc., of the Goods whether or not incorporated in another product, if the damages claimed were not caused solely by Buyer or other third party. Seller waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's indemnity.

b. Insurance. Seller shall furnish an insurance carrier's certificate showing that Seller has adequate insurance coverage in the following minimum amounts: workmen's compensation - statutory limits for jurisdictions in which work is to be performed; employer's liability - $1,000,000; general liability - $10,000,000 single limit; automobile liability - bodily injury $5,000,000 per person and $10,000,000 per occurrence; and property damage $5,000,000. Seller shall maintain general liability and completed operations insurance in the amount of at least $10,000,000 and waives subrogation against Buyer. All policies shall be issued by an insurer licensed to do business in the state, province, and country where Buyer shall use and sell the Goods. Liability coverage shall include products, completed operations and (if available) recall. Buyer shall be named as an additional insured under the policies. Seller shall furnish to Buyer a Certificate of Insurance completed by its insurance carrier(s) certifying that the required insurance coverages are in effect and will not be canceled or materially changed until 30 days after prior written notice has been delivered to Buyer. The certificate must set forth the amount of each coverage, number of policies, date of expiration and Buyer as an additional insured. If Seller is a self-insurer of workers compensation liability, Seller shall furnish Buyer a certificate of the Department of Labor, or similar government authority of the jurisdiction in which any labor is to be performed approving the self- insurance. The purchase of such insurance coverage or the furnishing of a certificate shall not be a satisfaction of Seller's liability hereunder, or in any way modify Seller's obligation to indemnify Buyer.

c. Performance on Buyer's Premises. If Seller's performance under an Order involves operations by 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 persons or damage to property during the progress of such work, and except to the extent that any such injury or damage is due solely and directly to the negligence of Buyer or a third party, Seller shall defend and indemnify Buyer against any claim which may result in any way from any act or omission of Seller, its agents, employees or subcontractors arising under or related to an Order. The Buyer is not obligated to provide any tools, materials equipment, or other personal property to enable Seller to perform on the premises of Buyer or one of its customers. If Buyer does provide such personal property it shall be as bailor for the benefit of Seller AS-IS WHERE-IS. Any such permission may be withdrawn by Buyer at any time. Supplier shall return all such personal property to the control of Buyer upon demand in the same condition as when bailed, reasonable wear and tear accepted. Seller shall have the sole responsibility for the selection, proper and safe use, and protection of such personal property. Seller shall defend and indemnify Buyer and its customer against all liabilities, Claims or damages for injuries or damages to our person or property arising out of the selection, use and storage, and loss of such personal property.

12. Termination for Other than Breach. In addition to any other rights of Buyer to cancel or terminate an Order or any releases, Buyer may at its option immediately terminate all any part of an Order or any releases for Buyer's convenience by giving written notice to Seller. Upon a termination under this Section, Buyer shall pay to Seller the following amounts without duplication: (a) the Order price for all conforming Goods which have been completed in accordance with an Order not previously paid; (b) direct costs of protecting Buyer's property; and reasonably incurred by Seller in furnishing the Goods under an Order to the extent such costs are reasonable in amount and are properly allowable or apportionable, under generally accepted accounting principles, to the terminated portion of an Order or any releases issued pursuant to an Order; less, however, the reasonable value or cost (whichever is higher) of any Goods or materials subsequently used or sold by Seller with Buyer's written consent and of the cost of any damaged or destroyed Goods or materials. Notwithstanding the foregoing or any transfer to Buyer, Buyer shall not be liable to pay for finished Goods, work in process or raw materials obtained, fabricated, or processed by Seller in amounts more than those authorized in releases (if releases are required or contemplated by an Order), for any undelivered Goods which are Seller's standard stock or which are readily marketable, or for any finished Goods which are not promptly delivered to Buyer after request by Buyer. Payments made under this Section shall not exceed the aggregate price payable by Buyer for finished Goods which would have been produced by Seller under releases outstanding at the date of termination. Except as provided in this Section, Buyer shall not be liable for and shall not be required to make payments to Seller, directly or on account of Claims by Seller's subcontractors, arising from termination of an Order, including for loss of anticipated profit, unabsorbed overhead, product development and engineering costs, facilities and equipment, rearrangement cost or rental, unamortized depreciation costs, general and administrative burden charges, or interest on Claims. Within 60 days from the effective date of termination, Seller shall submit a comprehensive termination claim to Buyer with sufficient supporting data to permit Buyer's audit and shall thereafter promptly furnish such supplemental and supporting information as Buyer shall request. Buyer, however, shall have no obligation to Seller under this Section if Buyer terminates its purchase obligations under an Order or any release for any reason other than for Buyer's convenience, Payment under this Section shall constitute the exclusive liability of Buyer if an Order is terminated by Buyer under this Section.

13. Default and Remedies.

a. General. Seller shall be in default: (i) if Seller fails to perform any obligation within the time specified in an Order or release or any extension thereof granted by Buyer in writing, or upon Buyer's demand if no time has been specified; or (ii) if Seller fails to make progress in the performance of any obligation so as to make Buyer reasonably apprehensive about Seller's ability or willingness to perform its obligations; or (iii) if Seller repudiates any provisions of the Order, including Seller's warranties; and if in any of these circumstances Seller does not cure such failure within five days or such longer period as Buyer may authorize in writing after receipt of notice from Buyer specifying such failure. Upon such default, Buyer may by written notice of default to Seller: (i) terminate the whole or any part of an Order or release; (ii) procure alternative product or services upon such terms as it shall deem appropriate; (iii) correct Seller's default at Seller's cost; and/or (iv) take all remedies provided by law, equity, or the Order. Seller shall continue performance of an Order to the extent not terminated and shall be liable to Buyer for any excess costs for alternative products or services and other direct, incidental, and consequential damages. As an alternative remedy, and in lieu of termination for default, Buyer, at its sole discretion, may elect: (i) to extend the delivery schedule; and/or (ii) to waive other deficiencies in Seller's performance; in which case an equitable reduction in an Order price shall be established by Buyer to compensate Buyer for its damages. If Seller for any reason anticipates difficulty in complying with a required delivery date, or in meeting any of the other requirements of an Order, Seller shall promptly notify Buyer in writing of the potential default, the cause thereof, and the estimated length of the anticipated default. Buyer is under no obligation to waive any default regardless of any such notice.

b. Alternative Remedies. If Seller's performance of its obligations, or if any of the Goods, are found at any time to be defective in design, material, or workmanship, or otherwise not in conformity with the requirements of an Order, Buyer, in addition to such other rights, remedies and choices as it may have under an Order or by law, at its option and sole discretion may: (i) rescind or terminate the Order; (ii) reject and return such Goods at Seller's expense; (iii) require Seller to inspect the Goods and remove and replace nonconforming Goods with Goods that conform to an Order; and/or (iv) take any other action at Seller's cost which Buyer determines in its sole judgment is necessary to cure Seller's default and/or negotiate the effect of Seller's default. If Buyer elects option (iii) and Seller fails to promptly make the necessary inspection, removal and replacement, Buyer may at its option and Seller's cost, inspect and repair or replace the Goods. Buyer may act based on one or more Sections of this Agreement as alternative and/or cumulative basis for its actions.

c. Damages and Specific Performance. At Buyer's request, Seller will reimburse Buyer for all incidental, consequential, and special damages caused by non-conforming Goods and other breach of the Order, including but not limited to, costs, expenses and losses incurred directly or indirectly by Buyer or its customers: (i) in inspecting, sorting, repairing, or replacing the non-conforming goods resulting from production interruptions; (ii) in conducting any Recall or other corrective service actions; or (iii) resulting from personal injury (including death) or property damage caused by the non-conforming Goods. Consequential damages include attorney and other professional fees incurred by Buyer. In any action brought by Buyer to enforce Seller's obligation to produce and deliver Goods under an Order, Buyer, at its option and in addition to any other remedies available, is entitled to specific performance of Seller's obligations under an Order.

d. Cumulative and Additional Remedies. Buyer's warrantees and remedies under these Terms and the applicable law shall be cumulative and additional to any other or further remedies provided under these Terms or by statute, law, or equity, including, but not limited to, the recovery of direct, incidental, and consequential damages and the entry of injunctive relief, but Buyer shall be entitled to only one full recovery of all its damages and enforcement of all its rights.

e. Restrictions on Waiver. A delay by Buyer in notification of a breach or making a claim shall not constitute a waiver of a breach or remedy. No waiver of a breach of any provision of an Order by Buyer shall constitute a waiver of any other breach, or of the breached provision itself. No claim or right of Buyer arising under, or related to, an Order can be discharged in whole or in part by a waiver or renunciation unless supported by additional consideration and in writing signed by Buyer.

f. Limitation on Seller's Rights. Seller acknowledges that Buyer may supply to customers the Goods in the form purchased from Seller or as a component of a system or other product sold to customers. Seller's rights and remedies against Buyer shall be limited to the extent Buyer's rights against the customers are limited.

g. Continuation of Seller's Obligations. Termination of an Order or any release by Buyer for any reason permitted by the Order does not affect Seller's obligations under the Order (i) as to Goods delivered or (ii) not directly dependent upon the delivery of Goods.

14. Compliance with Laws.

a. Environmental Laws. Seller shall comply with all laws and standards affecting the environment.

b. Contractual Obligations. Seller shall comply with any provisions, representations or agreements, or contractual clauses required thereby to be included or incorporated by reference or operation of law in the contract resulting from acceptance of an Order and dealing with, Equal Employment Opportunity, Employment of Veterans, Employment of the Handicapped, Employment Discrimination Because of Age, Utilization of Disadvantaged Business Enterprises and the related Acts and Executive Orders as now or hereafter amended or codified and any similar laws of the jurisdiction of production or destination of the Goods.

c. Non-Segregated Facilities. Seller warrants that it is, and shall continue to be, in compliance with the requirements for non-segregated facilities set forth in 41 CFR Chapter 601.8 and any similar laws of the jurisdiction of production or destination of the Goods and is an equal opportunity employer.

d. Controlled Substances. Seller warrants that each chemical substance constituting or contained in the Goods sold is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et. seq.) as amended, and any similar laws of the jurisdiction of production or destination of the Goods and that the Goods are not hazardous under any state, provincial, or federal law of the jurisdiction of production or destination, except as clearly stated on the shipping and storage containers.

e. Safety of Goods. Seller shall supply to Buyer material safety data sheets on all Goods to each location where the Goods are to be shipped with a prior shipment. Upon the request of Buyer, Seller shall provide Buyer with access to and copies of any other data, materials or other information, including any formulas or analyses, that: (i) relate to the Goods, their composition, any component or part of the Goods, or any materials or substances used in the Goods or in connection with their production; and (ii) are needed, as determined by the requestor, to enable compliance with any requirement of a government (either mandated or voluntarily agreed upon by Buyer or any of its affiliates) relating to the hazardous, toxic or other content or nature of the Goods, or the ability to dispose of or recycle the Goods or any component, part or materials in the Goods. Seller shall comply with Buyer's and customer's requirements relating to the use (or prohibition on use) of certain materials and substances in the Goods and shall utilize and comply with Buyer's reporting processes and requirements relating to any such data, materials, or other information (such as the International Material Data System).

f. Labor Standards. Seller warrants that the Goods produced in the United States shall be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended, including Section 12(a) thereof and Seller shall insert a certificate to that effect on all invoices submitted in connection with an Order. Seller warrants that the Goods produced outside the United States shall be produced in facilities that comply with local law and any safety, labor, and environmental standards adopted by Buyer.

g. Industry Standards and Law. Seller warrants that it shall comply with all applicable industry standards and federal, state, provincial and local laws, rules, regulations, and ordinances applicable to the Goods and performance of an Order in the jurisdiction of production or destination of the Goods.

h. Export Laws. Seller warrants that no equipment, materials, services, technical data, technology, software or other technical information or assistance furnished by Buyer, or any product thereof, shall be exported or re-exported by Seller or its authorized transferees, if any, directly or indirectly, except to the consignee(s), if any, specified on this Order, unless in accordance with applicable U.S. export laws and regulations. Further, a Seller that is a non-U.S. company or citizen warrants that no such export or re-export will be made without the prior explicit authorization, in writing, of Buyer in accordance with U.S. export laws and regulations. The obligations in this Section shall survive any satisfaction, expiration, termination, or discharge of any other contract obligations.

i. Minority Certifications. Seller shall maintain any minority and other favored group certifications existing at the time an Order is issued and advise Buyer in writing of changes to or loss of such certifications. Seller shall provide to Buyer small and/or minority (including women) owned business utilization and demographic data upon request and Seller shall comply with Buyer's programs to increase the value-added by small and minority-owned businesses, to the extent not prohibited by law.

j. Anti-Dumping and Countervailing Duties. Seller warrants that all sales made under an Order shall be made in circumstances that will not give rise to the imposition of new anti-dumping or countervailing duties under relevant law.

k. Work Environment. Seller warrants that no child, prison, forced or involuntary labor shall be used by Seller or its subcontractors in the production of Goods. Seller and its subcontractors shall maintain a workplace free from physical abuse and any practice in violation of local law. Seller and its subcontractors shall provide a healthy, safe work environment, wages, and benefits as required by law, freedom of association and reasonable working conditions.

15. Non-Assignment and Subcontracting. Assignment of an Order or any interest therein, or any payment due or to become due to Seller, without the prior written consent of Buyer, shall be void and not binding on Buyer. Seller may not subcontract any part of an Order without the prior written consent of Buyer.

16. Set-Off. Buyer shall have the right to reduce, set-off and recoup against amounts payable under an Order any indebtedness or other claim which Buyer, its parent, subsidiaries, or affiliates, may have against Seller, its parent, subsidiaries, and affiliates, under an Order or any other agreement between or among Seller, Buyer, and/or such third parties.

17. Audit Rights. Seller shall maintain general Records relating to an Order for a period of ten years after completion of final delivery of Goods pursuant to that Order. Records of all manufacture, testing and inspection by Seller of the Goods shall be kept complete, separate, and available to Buyer during the performance of an Order and for such longer periods as may be specified in the Order, but not less than ten years after the last delivery of the Goods to Buyer. Buyer or its authorized agents and representatives shall have the right at any time during normal business hours of Seller and with prior notice to audit Records. In the event any such audit shall disclose an overpayment to Seller, Seller shall pay Buyer, within 14 days after receipt of notice from Buyer, the amount of such overpayment together with together with interest at the prime rate then charged by Buyer's bank plus 4% and Seller shall reimburse Buyer for the cost of such audit. Seller shall obtain from the subcontractors such audit rights for benefit of Buyer.

18. Indemnification.

a. Indemnity Obligation. Seller at its expense shall defend, indemnify, and hold harmless Buyer and its successors, assigns, and customers and their respective employees, agents, contractors or representatives (collectively " Indemnified Parties") with respect to any claim, demand, action, suit, cause of action, assessment or reassessment, charge, judgment, debt, liability, expense, cost, damage, including for damages to property and personal injury, or loss, contingent or otherwise, including loss of value, reasonable professional fees, including fees of legal counsel, and all costs incurred in investigating or pursuing any of the foregoing, or in any proceeding relating to any of the foregoing (collectively a " Claim") that may be brought against an Indemnified Party directly or indirectly related to:

i. any actual or alleged infringement of any present or future patent, copyright, industrial design right or other proprietary right based on Seller's activity under an Order, or the manufacture, sale or use of the Goods: (i) alone; (ii) in combination by reason of their content, design, or structure; or (iii) in combination in accordance with Seller's recommendations, even if Buyer furnishes all or any portion of the design and specifies all or any portion of the processing used by Seller.

ii. the condition, labeling, engineering, use, sale, storage, design, manufacture, safety, etc.., of the Goods whether incorporated in another product, if the damages claimed were not caused solely by Buyer or other third party;

iii. any act or omission of Seller, its agents, employees, or subcontractors arising under or related to an Order, including Seller's provision of inaccurate documentation or failure to provide timely cooperation;

iv. any injury to persons or damage to property during the progress of work by Seller on the premises of Buyer or one of its customers, except to the extent that any such injury or damage is due solely and directly to the negligence of Buyer or the customer;

v. any failure of Goods supplied by Seller to conform to Seller's warranties, including all expenses and costs of any recall arising from such non-conformance;

vi. the selection, installation, use, possession, storage, or repair of Furnished Property by or on behalf of Seller;

vii. payment of toolmakers for Purchased Tooling;

viii. any allegations of improper or illegal dispositions of the Goods, except for grossly negligent dispositions by Buyer;

ix. any countervailing duties or other customs related taxes or penalties which may be imposed and, to the extent permitted by law, any preliminary dumping duties that may be imposed on the sale of Goods under an Order; and

x. any lien by subcontractor of Seller or any lower tier subcontractor under it.

b. Claim Administration. Seller waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's indemnity. Except as otherwise specifically provided for in these Terms, Seller shall investigate and defend or otherwise handle every such Claim, and at Buyer's request, assist Buyer in Buyer's investigation, defense or handling of any such Claim. Seller shall pay all expenses and damages or settlement amounts that an Indemnified Party may sustain by reason of each such Claim. If a Claim is brought under and the use or sale of the Goods is enjoined, Seller shall, at its own expense and at Buyer's option, either: (i) procure the right to continue using the Goods; (ii) replace same with a non- infringing equivalent; or (iii) remove the Goods and refund the purchase price and the transportation and installation costs thereof.

19. Third Party Actions. If Buyer or Seller is sued by any third party, including original equipment manufacturers, distributors, or dealers, for loss, damage to property or for personal injury or death that is alleged or may have been caused by a failing of Goods supplied by Seller to conform to Seller's warranties, Seller and Buyer will cooperate with each other and provide technical assistance in defending such suit. Buyer and Seller shall give the other prompt notice of any such suit. Buyer and Seller shall use their best efforts to defend and minimize any damages and costs in connection with such suit or a settlement thereof. If it shall be alleged that failure of

the Goods supplied by Seller to conform to any of Seller's warranties is a proximate cause of any damage, losses, injuries or claims asserted in such lawsuits, then Seller shall defend, indemnify and hold harmless Buyer, its affiliates, subsidiaries, directors, officers, employees, agents and other representatives from and against any and all claims for loss, property damage, death or personal injury, including, without limitation, product liability claims, directly resulting from such breach of Seller's warranties.

20. **Applicable Law, Jurisdiction, Waiver of Liens and Sovereignty**. An Order shall be governed by, construed under, and enforced under the laws of Michigan, other than its rules on conflicts of law. The parties adopt the law governing sales of goods in such jurisdiction at the time of an Order as the law governing the sale of goods hereunder, including the Uniform Commercial Code ("UCC"). The Convention on the International Sales of Goods shall not apply. The parties consent to the exclusive jurisdiction and the convenience of the courts of Michigan, including the Circuit Court for any county in which Buyer has an administrative office, to resolve any issues arising under or related to an Order or the furnishing of Goods by Seller to Buyer. If Seller does not maintain a registered agent or office in the United States, Buyer hereby irrevocably appoints the Secretary to State of the state whose law applies and/or CT Corporation as Seller's agent to receive process in any proceeding arising under or related to the Agreement. If a claim arises under or related to an Order or the furnishing of Goods by Seller to Buyer, by or against Seller, which is related to a similar claim by or against Seller in another jurisdiction or in an arbitration, Seller irrevocably consents on the request of Buyer to the resolution of such claims arising under or related to the Order or the furnishing of Goods by Seller to Buyer by or against Seller in such jurisdiction or arbitration proceeding, which shall be binding on the parties and enforceable in a court of record.

21. **Arbitration**. If both parties agree in writing, or if Buyer elects in its discretion, any controversy or claim arising out of or relating to these terms or an Order, shall be settled by arbitration before three arbitrators in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall be held in Southfield, Michigan. In rendering an award, the arbitrators are bound by the terms of the Order and must apply the substantive law of Michigan other than its principles of choice of law. If the controversy or claim involves a common issue of fact or law in another arbitration procedure involving the same or different parties, Seller consents to a joinder of all relevant proceedings if requested by Buyer. Each party has the right before or during the arbitration to seek and obtain from the appropriate court provisional remedies such as attachment, claim and delivery, preliminary injunction, replevin, etc., to avoid irreparable harm, maintain the status quo or preserve the subject matter of the arbitration. All expenses and fees of the arbitration shall be borne equally by the parties, and each party shall pay its own attorney fees. The award may be enforced in any circuit court or other court of competent jurisdiction. The arbitration proceedings and award shall be confidential.

22. **Publicity**. Without obtaining the prior written consent of Buyer, Seller shall not in any manner advertises or publish the fact that Seller has contracted to furnish Goods to Buyer (or Buyer's customers) or use any trademark or tradenames of Buyer (or Buyer's customers) in Seller's advertising or promotional materials. Seller shall not disclose or imply in its marketing that any of Seller's other products are equivalent to the Goods purchased by Buyer. If Seller breaches this Section, Buyer shall have the right to cancel the undelivered portion of any Goods

covered by an Order and shall not be required to make further payments except for conforming Goods delivered or services rendered prior to cancellation.

23. **Ethical Standards**. Seller shall not: (i) give or offer to give any gift or benefit to Buyer's employees; (ii) solicit or accept any information, data, services, equipment or commitment from Buyer's employees unless it is (a) required under a contract between Buyer and Seller, (b) made pursuant to a written disclosure agreement between Buyer and Seller, or (c) specifically authorized in writing by Buyer's management; (iii) solicit or accept favoritism from Buyer's employees; (iv) enter into any outside business relationship with Buyer's employees or suppliers without full disclosure to and prior approval of Buyer's management; or (v) provide to or accept from suppliers any information regarding Buyer or its business. For the purposes of this Section: "employee" includes members of the employee's immediate family and household, plus any other person who is attempting to benefit from his or her relationship to the employee; "Seller" includes all employees and agents of Seller; "gift or benefit" includes money, goods, services, discounts, favors and the like in any form but excluding items with a value of $25.00 or less; "supplier" includes prospective, current, and past suppliers; and "favoritism" means partiality in promoting the interest of Seller over that of other suppliers. Any breach by Seller of its obligations under this Section shall constitute a material default by Seller of every contract and Order with Buyer and may further result in Seller's debarment from doing business with Buyer. Seller shall also comply with all ethics, fair business practices, non-discrimination, and non-harassment policies of Buyer.

24. **Entire Agreement and Modifications**. An Order (including these Terms) is intended by the parties as a complete and exclusive statement of the terms of their agreement. It supersedes all prior agreements, written or oral. No course of prior dealings between the parties and no usage of the trade may be used by Seller to supplement or explain any term used in an Order. All modifications must be in a writing signed by Seller and Buyer, except as otherwise provided in an Order.

25. **No Implied Waiver**. The failure of either party at any time to require performance by the other party of any provision of an Order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by either party of a breach of any provision of an Order constitute a waiver of any succeeding breach of the same or any other provision.

26. **Relationship of Parties**. Seller and Buyer are independent contracting parties and nothing in an Order shall make either party the agent, joint ventures, or legal representative of the other for any purpose whatsoever or grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Although third parties may be referenced, there are no third-party beneficiaries to an Order, except as specifically provided.

27. **Severability**. If any term of an Order is invalid or unenforceable under any statute, regulation, ordinance, or any other rule of law, such term shall be reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of an Order shall remain in full force and effect. Any declaration of unenforceability of a provision hereof shall be as narrow as possible and shall not void an Order or any other provision.

28. **Settlement of Claims**. COMMUNICATIONS FROM SELLER CONCERNING CLAIMS OF SELLER, INCLUDING AN INSTRUMENT TENDERED AS FULL SATISFACTION OF A DEBT OR CLAIMS, MUST BE SENT TO THE PRESIDENT OF BUYER.

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