

TERMS AND CONDITIONS OF PURCHASE

These Terms apply when referenced by Buyer's purchase order or other documentation.

- OFFER; ACCEPTANCE; EXCLUSIVE TERMS; IDENTITY OF BUYER.** Each purchase order ("Order") issued by Buyer is an offer to Seller for the purchase of goods and/or services ("Products") and includes and is governed by these Terms and Conditions of Purchase ("Terms"). The Order supersedes all prior agreements, orders, quotations, proposals and other communications regarding the goods and/or services covered by the Order, except that a signed Statement of Work or Non-Disclosure Agreement will continue to apply to the extent not directly in conflict with the Order. Any other modification of Buyer's Terms must be expressly stated in the Order. The Order does not constitute an acceptance of any offer or proposal made by Seller. Any reference in the Order to any offer or proposal made by Seller is solely to incorporate the description or specifications of Products in the prior proposal, but only to the extent that the description or specifications do not conflict with the description and specifications in the Order. Seller accepts these Terms and forms a contract by doing any of the following: (a) commencing any work under the Order; (b) accepting the Order in writing; or (c) any other conduct that recognizes the existence of a contract with respect to the subject matter of the Order. These Terms are exclusive. Any additional or different terms proposed by Seller, whether in Seller's quotation, acknowledgement, invoice or otherwise, are unacceptable to Buyer, are expressly rejected by Buyer, and will not become part of the Order. Each Order can only be modified under Section 36. For all Orders "Buyer" is Fabrication Services, Inc.
- TIME PERIOD OF ORDER.** Except as otherwise expressly stated in the Order and unless terminated earlier as provided in these Terms: (a) the agreement formed by the Order will be effective and binding on Seller and Buyer for a period of 12 months from the date of the Order; and (b) at the end of the initial 12 month period, the Order will automatically renew for additional, successive 12 month periods until either party provides the other with at least 60 days written notice of its election not to renew the Order at the end of the current period.
- QUANTITIES; DELIVERY; MATERIAL RELEASES.** Quantities listed in each Order as estimated are Buyer's best estimate of the quantities of Products it might purchase from Seller for the contract term specified in the Order. However, Buyer is not required to purchase any quantity of Products unless expressly stated as a minimum quantity in the Order. Buyer is required to purchase only those quantities identified as firm orders in material authorization releases, manifests, broadcasts, or similar releases ("Material Releases") delivered by Buyer to Seller, or for services, to the extent expressly stated as a firm order in a Statement of Work signed by Buyer. Buyer may require Seller to participate in electronic data interchange or similar inventory management program, at Seller's expense, for notification of Material Releases, shipping confirmation and other information. Buyer may purchase additional quantities of the listed Products at the prices stated in the Order, using Material Releases. Unless otherwise agreed in writing by Buyer, the risk of loss passes from Seller to Buyer upon delivery of Products into the interior of Buyer's designated facility. Time and quantities are of the essence under the Order. Seller agrees to 100% on-time delivery of the quantities and at the times specified by Buyer, as stated in the Order and related Material Releases, except as otherwise agreed in writing by the parties. Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which entitles Seller to modify the price for Products. Buyer is not obligated to accept early deliveries, late deliveries, partial deliveries or excess deliveries.
- INVOICING AND PRICING; PREMIUM FREIGHT.** The price paid by the Buyer for Products will be that stated on the Order or Seller's quoted price at shipment, whichever is lower. The price for Products in the Order includes storage, handling, packaging and all other expenses and charges of Seller. Except as otherwise stated in the Order, Products will be shipped F.O.B. Buyer's location. All invoices for the Products must reference the Order number, amendment or release number, Buyer's part number, Seller's part number where applicable, quantity of pieces in the shipment, number of cartons or containers in the shipment, and other information required by Buyer. Buyer will pay proper invoices complying with all of the terms of the Order. The total price also includes all duties and taxes except for any value added tax (VAT) imposed by a non-USA jurisdiction, which must be shown separately on Seller's invoice for each shipment. Buyer is not responsible for any business activity taxes, payroll taxes or taxes on Seller's income or assets. If Seller offers a lower price for the same or substantially similar goods or services to any other customer during the time period specified in the Order, then Seller will immediately offer Buyer the same price on the same terms and conditions as offered to the other customer. Seller will pay all premium freight costs if Seller needs to use an expedited shipping method to meet agreed delivery dates due to its own acts or omissions. Seller will pay any costs incurred by Buyer, including costs charged by Buyer's customer(s) to Buyer, as a result of Seller's failure to comply with shipping or delivery requirements.
- PACKAGING; MARKING; SHIPPING; DISCLOSURE; SPECIAL WARNINGS OR INSTRUCTIONS.** Seller will: (a) properly pack, mark, and ship Products according to the requirements of Buyer, and otherwise consistent with industry standards to permit safe transportation and handling; (b) route the shipments according to Buyer's instructions; (c) label or tag each package according to Buyer's instructions; (d) provide papers with each shipment showing the Order number, amendment or release number, Buyer's part number, Seller's part number (where applicable), number of pieces in the shipment, number of containers in the shipment, and Seller's name. Before and at the time Products are shipped, Seller will give Buyer sufficient warning in writing (including appropriate labels on all Products, containers, and packing, including without limitation disposal and recycling instructions, material safety data sheets and certificates of analysis) of any hazardous or restricted material that is an ingredient or part of the Products, together with any special handling instructions that are needed to advise carriers, Buyer, and their employees how to take appropriate measures while handling, transporting, processing, using or disposing of the Products, containers, and packing. Seller agrees to comply with all federal, state, and local laws and regulations pertaining to product and warning labels. Seller will reimburse Buyer for any expenses incurred as a result of improper packing, marking, routing, or shipping.
- CUSTOMS; RELATED MATTERS.** Credits or benefits resulting from the Order, including trade credits, export credits or the refund of duties, taxes, or fees, belong to Buyer. Seller will provide all information and certificates

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necessary to permit Buyer, or Buyer's customers, to receive these benefits or credits. Seller agrees to fulfill any customs related obligations, origin marking or labeling requirements, and local content origin requirements. Export licenses or authorizations necessary for the export of Products are Seller's responsibility unless otherwise stated in the Order, in which case Seller will provide the information necessary to enable Buyer to obtain the licenses or authorizations. Seller will promptly notify Buyer in writing of any material or components used by Seller in filling the Order that Seller purchases in a country other than the country in which the Products are delivered. Seller will furnish any documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Seller will promptly advise Buyer of any material or components imported into the country of origin and any duty included in the Products' purchase price. If Products are manufactured in a country other than the country in which Products are delivered, Seller will mark Products "Made in [country of origin]." Seller will provide to Buyer and the appropriate governmental agency the documentation necessary to determine the admissibility and the effect of entry of Products into the country in which Products are delivered. Seller warrants that any information that is supplied to Buyer about the import or export of Products is true and that all sales covered by the Order will be made at not less than fair value under the anti-dumping laws of the countries to which the Products are exported.

7. **INSPECTION; NON-CONFORMING GOODS/SERVICES; AUDIT.** Buyer may enter Seller's facility to inspect the facility, Products, materials, and any of Buyer's property related to the Order. Buyer's inspection of Products, whether during manufacture, prior to delivery, or within a reasonable time after delivery, does not constitute acceptance of any work-in-process or finished goods. Buyer's acceptance, inspection, or failure to inspect does not relieve Seller of any of its responsibilities or warranties. Nothing in the Order releases Seller from the obligation of testing, inspection and quality control. When discrepancies are detected prior to shipping, the supplier will notify buyer in writing, detailing discrepancies and corrective action requirements. If defective Products are shipped to and rejected by Buyer, the quantities under the Order will be reduced unless Buyer otherwise notifies Seller. Seller will not replace reduced quantities without a new Material Release from Buyer. In addition to other remedies available to Buyer: (i) Seller agrees to accept returns, at Seller's risk and expense at full invoice price, plus transportation charges, and to replace defective Products as Buyer deems necessary; (ii) Buyer may have corrected at any time prior to shipment from Buyer's plant Products that fail to meet the requirements of the Order; and/or (iii) Seller will reimburse Buyer for all reasonable expenses that result from any rejection or correction of defective Products. Seller will take whatever measures necessary to correct defective Products. Payment for nonconforming Products is not an acceptance, does not limit or impair Buyer's right to assert any legal or equitable remedy, and does not relieve Seller's responsibility for latent defects. Upon reasonable notice to Seller, either Buyer or its direct or indirect customers may conduct a routine audit at Seller's production facility for the purpose of quality, cost or delivery verification. Seller will ensure that the terms of its contracts with its subcontractors provide Buyer and its customers with all of the rights specified in this Section.
8. **PAYMENT.** Unless different payment terms are stated in the Order, Buyer will pay proper invoices on a Net 30 day basis. Invoices for tooling and/or capital equipment must be issued only as approved, as provided in the Order. Buyer may withhold payment pending receipt of evidence, in the form and detail requested by Buyer, of the absence of any liens, encumbrances, or claims on Products provided under the Order. Payment will be made in U.S. Dollars unless otherwise expressly stated in the Order.
9. **CHANGES.** Buyer reserves the right to direct changes, or to cause Seller to make changes, to drawings, specifications, samples or descriptions of Products. Buyer also reserves the right to otherwise change the scope of the work covered by the Order, including work with respect to such matters as inspection, testing or quality control. Buyer may also direct the supply of raw materials from itself or from third parties. Seller will promptly make any such requested change. In order for Seller to request a reasonable difference in price or time for performance as a result of such a change, Seller must notify Buyer of its request within ten days after receiving notice of the change. Buyer can request additional documentation from Seller relating to any change in specifications, price or time for performance. Seller will not make any change in the Products' design, specifications, packing, marking, shipping, price or date or place of delivery except at Buyer's written instruction or with Buyer's written approval.
10. **WARRANTIES.** Seller expressly warrants and guarantees to Buyer, to Buyer's successors, assigns and customers, that all Products delivered to Buyer will: (a) conform to the specifications, standards, drawings, samples, descriptions and revisions as furnished to or by Buyer and industry standards (to the extent that they do not conflict with the specifications in the Order); (b) be free of defects in design (to the extent designed by Seller), materials and workmanship; and (c) be selected, designed (to the extent designed by Seller), manufactured and assembled by Seller based upon Buyer's stated use. The warranty period will be twelve (12) months from the date the Products are received at Buyer's location. For all services, Seller further warrants that its work will be performed in a professional and workmanlike manner, consistent with all standards and specifications agreed on with Buyer and otherwise consistent with industry standards. Seller will immediately notify Buyer in writing when it becomes aware of any ingredient, component, design or defect in Products that is or may become harmful to persons or property.
11. **SUPPLIER QUALITY AND REQUIRED PROGRAMS.** Seller will conform to the quality control standards and inspection system that are established or directed by Buyer. Seller will also participate in supplier quality and development programs of Buyer as directed by Buyer. Seller will comply with the Buyer Supplier Requirements and Workmanship Standards. In the event of any discrepancy between any part of the above programs or standards and an express provision of these Terms, these Terms will control.
12. **REMEDIES.** The rights and remedies reserved to Buyer in the Order will be cumulative with and in addition to all other or legal or equitable remedies. At Buyer's request, Seller will reimburse Buyer for any incidental or consequential damages caused by nonconforming Products, including without limitation costs, expenses and losses incurred directly or indirectly by Buyer or its customer(s): (a) in inspecting, sorting, repairing or replacing the nonconforming Products; (b) resulting from production interruptions; (c) conducting recall campaigns or other

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- corrective service actions; or (d) resulting from personal injury (including death) or property damage caused by the nonconforming Products. Consequential damages include reasonable professional fees incurred by Buyer. If requested by Buyer, Seller will enter into a separate agreement for the administration or processing of warranty charge-backs for nonconforming Products, and will participate in and comply with warranty reduction or related programs as directed by Buyer that relate to the Products. In any action brought by Buyer to enforce Seller's obligation to produce and deliver Products under the Order, the parties agree that Buyer does not have an adequate remedy at law and Buyer is entitled to specific performance of Seller's obligations under the Order.
13. **COMPLIANCE WITH LAWS.** Seller, and any Products supplied by Seller, will comply with all applicable laws, including rules, regulations, orders, conventions, ordinances and standards, that relate to the manufacture, labeling, transport, import, export, licensing, approval or certification of the Products, including laws relating to environmental matters, hiring, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health or safety and motor vehicle safety. The Order incorporates by reference all clauses required by these laws. All materials used by Seller in the Products or in their manufacture will satisfy current governmental and safety constraints on restricted, toxic and hazardous materials as well as environmental, electrical and electromagnetic considerations that apply to the country of manufacture, sale or destination.
 14. **CUSTOMER REQUIREMENTS.** As directed by Buyer in writing, Seller agrees to comply with the applicable terms of any agreements between Buyer and its customer(s) to which Buyer provides the Products (as incorporated into products supplied to such customer(s)). Buyer may in its discretion supply Seller with information regarding purchase orders from its customer(s). Seller will be responsible for ascertaining how such customer purchase order information affects Seller's obligations under the Order, and Seller will meet all such disclosed customer terms to the extent within Seller's control. By written notice to Seller, Buyer may elect to have the provisions of this Section prevail over any conflicting term between the Buyer and Seller.
 15. **INDEMNIFICATION.** To the fullest extent permitted by law, Seller will defend, indemnify and hold harmless Buyer, Buyer's customers (both direct and indirect, and users of the products sold by Buyer (or the vehicles in which they are incorporated) and all of their respective agents, successors and assigns, against all damages, losses, claims, liabilities and expenses (including reasonable attorneys' and other professional fees, settlements and judgments) arising out of or resulting from any defective Products, or from any negligent or wrongful act or omission of Seller or Seller's agents, employees or subcontractors, or any breach or failure by Seller to comply with any of Seller's representations or other terms and conditions of an Order (including any part of these Terms). If Seller performs any work on Buyer's or Buyer's customer's premises or utilizes the property of Buyer or Buyer's customer, whether on or off Buyer's or Buyer's customer's premises: (a) Seller will examine the premises to determine whether they are safe for the requested services and will advise Buyer promptly of any situation it deems to be unsafe; (b) Seller's employees, contractors, and agents will comply with all regulations that apply to the premises and may be removed from Buyer's premises at Buyer's discretion; (c) Seller's employees, contractors, and agents will not possess, use, sell, transfer or be under the influence of alcohol or unauthorized, illegal, or controlled drugs or substances on the premises; and (d) to the fullest extent permitted by law, Seller will indemnify and hold Buyer and Buyer's customer, and their respective agents, successors and assigns, harmless from and against any liability, claims, demands or expenses (including reasonable attorneys' and other professional fees, settlements and judgments) for damages to the property of or personal injuries to Buyer, its customer, their respective agents, or any other person or entity to the extent arising from or in connection with Seller's work on the premises or Seller's use of Buyer's or Buyer's customer's property, except to the extent caused by Buyer's gross negligence.
 16. **INSURANCE.** Seller will maintain insurance coverage for the Products in amounts as may be reasonably requested by Buyer or (to the extent directed by Buyer) Buyer's customer(s), in each case naming Buyer and its affiliates and customer(s) as "additional insured" as requested by Buyer. Seller will furnish to Buyer a certificate showing compliance with this requirement or certified copies of all insurance policies within 10 days of Buyer's written request. The certificate will provide that Buyer (and, if applicable, Buyer's customers) will receive 30 days prior written notice from the insurer of any termination or reduction in the amount or scope of coverage. The existence of insurance does not release Seller of its obligations or liabilities under the Order.
 17. **INSOLVENCY.** The Order may be terminated immediately by Buyer without liability to Buyer if any of the following or comparable events occur, and Seller will reimburse Buyer for all costs incurred by Buyer in connection with any of the following, including without limitation attorneys' and other professional fees: (a) Seller becomes insolvent; (b) Seller files a voluntary petition in bankruptcy; (c) an involuntary petition in bankruptcy is filed against Seller; (d) a receiver or trustee is appointed for Seller; (e) Seller needs accommodations from Buyer, financial or otherwise, in order to meet its obligations under the Order; or (f) Seller executes an assignment for the benefit of creditors.
 18. **TERMINATION FOR BREACH OR NONPERFORMANCE.** Buyer may terminate all or any part of the Order, without liability to Buyer, if Seller: (a) repudiates, breaches or threatens to breach any of the terms of the Order; (b) fails or threatens not to deliver Products or perform services in connection with the Order; (c) fails to make progress so as to endanger timely and proper completion or delivery of Products and does not correct the failure or breach within 10 days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying the failure or breach; or (d) enters or offers to enter into a transaction that includes a sale of a substantial portion of its assets used for the production of Products for Buyer or a merger, sale or exchange of stock or other equity interests that would result in a change in control of Seller. Seller will notify Buyer within ten days after entering into any negotiations that could lead to the situation specified in subsection (d) above, provided that upon Seller's request, Buyer will enter into an appropriate nondisclosure agreement related to information disclosed to Buyer in relation to such transaction.
 19. **TERMINATION.** In addition to any other rights of Buyer to cancel or terminate the Order, Buyer may at its option immediately terminate all or any part of the Order at any time and for any reason by giving written notice to Seller.

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Upon receipt of notice of termination, and unless otherwise directed by Buyer, Seller will: (a) promptly terminate all work under the Order; (b) transfer title and deliver to Buyer the finished Products, the work in process, and the parts and materials that Seller produced or acquired according to the terms of the Order and which Seller cannot use in producing goods for itself or for others; (c) verify and settle any claims by subcontractors for actual costs incurred directly as a result of the termination and ensure the recovery of materials in subcontractors' possession; (d) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest until disposal instruction from Buyer has been received; and (e) upon Buyer's reasonable request, cooperate with Buyer in transferring the production of Products to a different supplier. Upon termination by Buyer under this Section, Buyer will be obligated to pay only the following: (i) the Order price for all finished Products that conform to the Order; (ii) Seller's reasonable actual cost of work-in-process and the parts and materials transferred to Buyer under part (b) above; (iii) Seller's reasonable actual costs of settling claims regarding its obligations to its subcontractors to the extent directly caused by the termination; and (iv) Seller's reasonable actual cost of carrying out its obligation under subsection (d). Notwithstanding anything other provision, Buyer will have no obligation for and will not be required to pay Seller, directly or on account of claims by Seller's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, tooling, facilities and equipment rearrangement costs or rental, unamortized capital or depreciation costs, finished goods, work-in-process or raw materials that Seller fabricates or procures in amounts exceeding those authorized in the Material Releases, or general administrative burden charges from termination of the Order, except as otherwise expressly agreed in a separate Order issued by Buyer. Buyer's obligation upon termination under this Section will not exceed the obligation Buyer would have had to Seller in the absence of termination. Seller will furnish to Buyer, within one month after the date of termination (or such shorter period as may be required by Buyer's customer), its termination claim, which will consist exclusively of the items of Buyer's obligation to Seller that are expressly permitted by this Section. Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim. Buyer will have no obligation for payment to Seller under this Section if Buyer terminates the Order or portion thereof because of a default or breach by Seller.

20. **CONTINGENCIES.** Any delay or failure of either party to perform its obligations will be excused if and to the extent that it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence, such as: acts of God; restrictions, prohibitions, priorities or allocations imposed or actions taken by a governmental authority; embargoes; fires; explosions; natural disasters; riots; wars; sabotage; inability to obtain power; or court injunction or order. As soon as possible (but no more than one full business day) after the occurrence, Seller will provide written notice describing such delay and assuring Buyer of the anticipated duration of the delay and the time that the delay will be cured. During the delay or failure to perform by Seller, Buyer, at its option: (a) may purchase Products from other sources and reduce its schedules to Seller by such quantities, without liability to Seller; (b) may ask Seller to deliver to Buyer at Buyer's expense all finished goods, work in process and parts and materials produced or acquired for work under the Order; or (c) have Seller provide Products from other sources in quantities and at a time requested by Buyer and at the price set forth in the Order. In addition, Seller at its expense will take all necessary actions to ensure the supply of Products to Buyer for a period of at least 30 days during any anticipated labor disruption or resulting from the expiration of Seller's labor contracts.
21. **TECHNICAL INFORMATION DISCLOSED TO BUYER.** Seller agrees not to assert any claim against Buyer, Buyer's customers, or their respective suppliers, with respect to any technical information that Seller has disclosed or may disclose to Buyer in connection with the Products covered by the Order, except to the extent expressly covered by a separate written confidentiality and/or license agreement signed by Buyer or by a valid patent expressly disclosed to Buyer prior to or at the time of the Order.
22. **PROPRIETARY RIGHTS.** Seller agrees: (a) to defend, hold harmless and indemnify Buyer, its successors and customers against claims of direct or contributory infringement or inducement to infringe any proprietary right (including any patent, trademark, copyright, moral, industrial design right or misuse or misappropriation of trade secret) and against any resulting damages or expenses, including attorneys' and other professional fees, settlements and judgments, arising in any way in relation to Products procured or provided by Seller (including without limitation their manufacture, purchase, use and/or sale), including such claims where Seller has provided only part of Products, and Seller expressly waives any claim against Buyer that such infringement arose out of compliance with Buyer's specification, except to the extent such infringement is actually embodied in designs created by Buyer and provided in writing to Seller; (b) to waive any claim against Buyer, including any hold-harmless or similar claim, in any way related to a third-party claim asserted against Seller or Buyer for infringement of any proprietary right (including any patent, trademark, copyright, moral, industrial design right or misuse or misappropriation of trade secret); (c) that Buyer and its subcontractors and direct or indirect customers have the worldwide, irrevocable right to repair, reconstruct or rebuild, and to have repaired, reconstructed or rebuilt, Products delivered under the Order without payment of any royalty or other compensation to Seller; (d) that manufactured parts based on Buyer's designs, drawings or specifications may not be used for Seller's own use or sold to third parties without Buyer's express written consent; (e) to assign to Buyer each invention, discovery or improvement (whether or not patentable) that is conceived or first reduced to practice by Seller, or by any person employed by or working under the direction of Seller, in the performance of the Order; (f) to promptly disclose in an acceptable form to Buyer all such inventions, discoveries or improvements and to cause its employees to sign any papers necessary to enable Buyer to obtain title to and to file applications for patents throughout the world; and (g) to the extent that the Order is issued for the creation of copyrightable works, that the works will be considered "works made for hire," and to the extent that the works do not qualify as such, to assign to Buyer upon delivery thereof all right, title and interest in all copyrights and moral rights therein. Except as expressly agreed by Buyer in a signed writing, all Products or other deliverables provided under the Order (including without limitation computer programs, technical specifications, documentation and manuals) will be original to Seller and will not

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incorporate any intellectual property rights (including copyright, patent, trade secret or trademark rights) of any third party. Except as expressly agreed by Buyer in a signed writing, all Products or other deliverables provided under the Order, and all related intellectual property rights, are owned solely by Buyer. Seller will ensure that the terms of its contracts with its subcontractors and employees are consistent with the terms of this Section. At no additional cost, Seller will grant Buyer a license to use any intellectual property owned by Seller that is necessary or incident to the reasonably intended use or application of the Products.

23. **BUYER'S PROPERTY.** All tooling (including fixtures, gauges, jigs, patterns, castings, cavity dies and molds, with all related appurtenances, accessions, and accessories), packaging and all documents, standards or specifications, trade secrets, proprietary information and other materials and items furnished by Buyer, either directly or indirectly to Seller to perform the Order or for which Seller is reimbursed by Buyer (collectively, "Buyer's Property"), will remain Buyer's property. Buyer's Property will be held by Seller or by a third party, to the extent that Seller has transferred possession of Buyer's Property to a third party, on a bailment basis as a bailee-at-will. Seller bears the risk of loss of and damage to Buyer's Property. Buyer's Property will be housed, maintained, repaired and replaced by Seller at Seller's expense in good working condition capable of producing Products meeting all applicable specifications, will not be used by Seller for any purpose other than the performance of the Order, will be deemed to be personality, will be conspicuously marked by Seller as the property of Buyer, will not be commingled with the property of Seller or with that of a third person, and will not be moved from Seller's premises without Buyer's approval. Seller will insure Buyer's Property with full fire and extended coverage insurance for its replacement value. Seller may not release or dispose Buyer's Property to any third party without the express written permission of Buyer. Buyer, buyer's customers, and regulatory authorities will have the right to enter Seller's premises to inspect Buyer's Property and Seller's records regarding Buyer's property. Only Buyer (or Buyer's affiliates) has any right, title or interest in Buyer's Property, except for Seller's limited right, subject to Buyer's sole discretion, to use Buyer's property in the manufacture of Products. Buyer and its affiliates have the right to take immediate possession of Buyer's Property at any time without payment of any kind. Seller agrees to cooperate with Buyer if Buyer elects to take possession of Buyer's Property. Effective immediately upon written notice to Seller, without further notice or legal action, Buyer has the right to enter the premises of Seller and take possession of all of Buyer's Property. Seller expressly waives any right to additional notice or process and agrees to provide Buyer or its nominee(s) with immediate access to Buyer's Property. Seller grants to Buyer a limited and irrevocable power of attorney, coupled with an interest, to execute and record on Seller's behalf any notice financing statements with respect to Buyer's Property that Buyer determines are reasonably necessary to reflect Buyer's interest in Buyer's Property. At Buyer's request, Buyer's Property will be immediately released to Buyer or delivered by Seller to Buyer either F.O.B. transport equipment at Seller's plant, properly packed and marked in accordance with the requirements of Buyer's selected carrier, or (ii) to any location designated by Buyer, in which case Buyer will pay Seller the reasonable costs of delivery. Seller waives, to the extent permitted by law, any lien or other rights that Seller might otherwise have on any of Buyer's Property.
24. **SELLER'S PROPERTY.** Seller, at its expense, will furnish, keep in good working condition capable of producing Products meeting all applicable specifications, and replace when necessary, all machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, patterns and other items that are not Buyer's Property and that are necessary for the production of Products ("Seller's Property"). Seller will insure Seller's Property with full fire and extended coverage insurance for its replacement value. If Seller uses Seller's Property to produce goods or services similar to Products for other customers, including aftermarket customers, such goods or services will not incorporate any of Buyer's logos, trademarks, trade names or part numbers. Seller grants to Buyer an irrevocable option to take possession of and title to Seller's Property that is special for the production of Products under the Order upon payment to Seller of its net book value less any amounts that Buyer has previously paid to Seller for the cost of such items. This option does not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others.
25. **TOOLING; CAPITAL EQUIPMENT.** This Section applies only to orders for tooling and/or capital equipment. Buyer will have access to Seller's premises, prior and subsequent to payment, to inspect work performed and to verify charges submitted by Seller against the Order or amendment. The price set forth in the Order or amendment will be adjusted so as to credit Buyer in the amount, if any, by which the price exceeds Seller's actual cost as verified. Seller further agrees to retain all cost records for a period of two years after receiving final payment of the charges. All tools and equipment are to be made to Buyer's specifications (or, where directed by Buyer, those of Buyer's customer). Any exception to such specifications must be stated in writing on the Order or otherwise in a signed writing by Buyer.
26. **SET-OFF; RECOUPMENT.** In addition to any right of setoff or recoupment provided by law, all amounts due to Seller will be considered net of indebtedness of Seller and its affiliates or subsidiaries to Buyer and its affiliates or subsidiaries. Buyer will have the right to set off against or to recoup from any payment or other obligation owed to Seller, in whole or in part, any amounts due to Buyer or its affiliates or subsidiaries from Seller or its affiliates or subsidiaries. Buyer will provide Seller with a statement describing any offset or recoupment taken by Buyer.
27. **CONFIDENTIALITY.** Seller acknowledges that proprietary and confidential information will be received from Buyer or developed for Buyer under the Order, regardless of whether such information is marked or identified as confidential. Seller agrees to keep all proprietary or confidential information of Buyer in strictest confidence, and further agrees not to disclose or permit disclosure to others, or use for other than the purpose of the Order, any proprietary and confidential information of Buyer. Following the expiration or termination of the Order, upon Buyer's request, Seller will promptly deliver to Buyer any and all documents and other media, including all copies thereof and in whatever form, that contain or relate to Buyer's confidential or proprietary information. Seller's obligations under this Section will continue for a period of five (5) years from the date of disclosure of information covered by this Section, unless a longer period is specified in writing by Buyer. The restrictions and obligations of this Section will not apply to information that: (a) is already publicly known at the time of its disclosure by Buyer; (b) after

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disclosure by Buyer becomes publicly known through no fault of Seller; or (c) Seller can establish by written documentation was properly in its possession prior to disclosure by Buyer or was independently developed by Seller without use of or reference to Buyer's information. Notwithstanding anything to the contrary in these Terms, any confidentiality or non-disclosure agreement between the parties that predates the Order will remain in effect except as expressly modified by the Order, and to the extent of a conflict between the express terms of such an agreement and this Section, the terms of that agreement will control.

28. **NO PUBLICITY.** Seller will not advertise, publish or disclose to third parties (other than to Seller's professional advisors on a need-to-know basis) in any manner the fact that Seller has contracted to furnish Buyer the Products covered by the Order or the terms of the Order, or use any trademarks or trade names of Buyer in any press release, advertising or promotional materials, without first obtaining Buyer's written consent.
29. **RELATIONSHIP OF PARTIES.** Seller and Buyer are independent contracting parties and nothing in the Order will make either party the employee, agent or legal representative of the other for any purpose. The Order does not grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Seller will be solely responsible for all employment and income taxes, insurance premiums, charges and other expenses it incurs in connection with its performance of the Order, except as expressly provided in a written agreement signed by Buyer. All employees and agents of Seller or its respective contractors are employees or agents solely of Seller or such contractors, and not of Buyer, and are not entitled to employee benefits or other rights accorded to Buyer's employees. Buyer is not responsible for any obligation with respect to employees or agents of Seller or its contractors.
30. **CONFLICT OF INTEREST.** Seller represents and warrants that its performance of the Order will not in any way conflict with any continuing interests or obligations of Seller or its employees or contractors. Seller further warrants that while the Order is in effect, Seller and those of its employees and contractors participating in the performance of the Order will refrain from any activities which could reasonably be expected to present a conflict of interest with respect to Seller's relationship with Buyer or its performance of the Order.
31. **NON-ASSIGNMENT.** Seller may not assign or delegate its obligations under the Order without Buyer's prior written consent. In the event of any approved assignment or delegation authorized by Buyer, Seller retains all responsibility for Products, including all related warranties and claims, unless otherwise expressly agreed in writing by Buyer.
32. **SALES TAX EXEMPTION.** Buyer certifies that Products purchased under the Order are eligible for state and federal sales tax exemption under the federal identification number indicated in the Order or otherwise provided by Buyer.
33. **GOVERNING LAW; ARBITRATION; JURISDICTION.** The Order is to be construed according to the laws of the State of Washington and the United States of America, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any conflict-of-laws provisions that would require application of another choice of law. The arbitration provisions of this Section will be governed by the United States Federal Arbitration Act. Any dispute regarding the Products, the Order, the validity of the Order or any of these Terms, or any other matter between the parties (other than requests for injunctive relief) will be resolved by binding arbitration, conducted in the English language using a single arbitrator selected by the parties, under the commercial arbitration rules of the American Arbitration Association (AAA) and under Rules 26 through 37 of the U.S. Federal Rules of Civil Procedure, in a location agreed by the parties. If the parties cannot agree on a location within 30 days of either party's written request for arbitration, the arbitration will be conducted in metropolitan Seattle, Washington and if the parties cannot agree on an arbitrator within 30 days of the selection of the arbitration location, each party will select a person from the AAA-approved commercial arbitrator list and those two people will jointly select a third person from such list who will conduct the arbitration as the sole arbitrator. The arbitrator will issue written findings of fact and conclusions of law, and may award attorneys' fees and costs to the substantially prevailing party. In no event will any party be awarded punitive or exemplary damages. The award of the arbitrator will be enforceable in any court of competent jurisdiction, provided that either party may appeal to the state or federal court, as applicable, closest to Kent, Washington, for correction of any clear error of fact or law by the arbitrator (provided that the appealing party must first post an appropriate bond and that the prevailing party in any such action will be entitled to its attorneys' fees and costs). Any request for injunctive relief may be brought by Buyer in any court(s) having jurisdiction over Seller or, at Buyer's option, in the state or federal court, as applicable, closest to Kent, Washington, in which event Seller consents to the jurisdiction of such court. Any request for injunctive relief against Buyer may be brought by Seller only in the court(s) having jurisdiction over the location of Buyer from which the Order issued.
34. **LANGUAGE; SEVERABILITY; NO IMPLIED WAIVER.** The parties acknowledge that it is their wish that these terms and all documents relating thereto be in the English language only. If any term of the Order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, the term will be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with applicable law. The remaining provisions of the Order will remain in full force and effect. The failure of either party at any time to require performance by the other party of any provision of the Order will not affect the right to require performance at any later time, nor will the waiver of either party of a breach of any provision of the Order constitute a waiver of any later breach of the same or other provision of the Order. No waiver by Buyer of any provision of the Order or any breach or default under the order will be effective unless it is consented to in writing by Buyer.
35. **SURVIVAL.** The obligations of Seller to Buyer survive termination of the Order, except as otherwise provided in the Order.
36. **ENTIRE AGREEMENT; MODIFICATIONS.** The Order, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced therein, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in the Order and supersedes all prior oral or written representations and

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agreements. The Order may only be modified by a written amendment executed by authorized representatives of each party or, for changes within the scope of Section 9 of these Terms, by a purchase order amendment issued by Buyer. Buyer may modify these Terms with respect to future Orders at any time by notifying Seller of revised Terms and such revised Terms will apply to all Orders issued thereafter.

37. Accountability and Retention of Configuration Records

Seller must maintain traceability/accountability of inspection records on work performed for omniFAB Inc. These records must include acceptance records, part configuration non-conformance forms (with dispositions), and any material or critical process certifications (e.g. heat treat, etc.).

All records shall be complete, accepted, and accounted for prior to product delivery. All entries, signatures, and stamp impressions shall be complete and legible.

Records for all parts must be maintained on all discrepancies that require a disposition. The documentation is to be on seller's non-conformance forms and shall include, at a minimum, a description of the discrepancy, corrective action taken, and name(s)/signature(s)/stamp(s).

Inspection records for omniFAB parts and services are to be maintained by the supplier for ten (10) years after termination of contract or purchase order requirements. Copies of original inspection records are acceptable if the original records are sent to, or taken by, omniFAB Quality department. Electronic copying and storage is acceptable. Ensure that all completed records are stored and protected in a secure location.

All dimensional inspection results shall be reported in inches.

38. **DELIVERY SCHEDULE**. The Buyer will not accept any shipment earlier than three manufacturing days prior to the on dock delivery date as stated on purchase order. Early shipment exceptions, shipments earlier than three day prior to purchase order delivery date will only be accepted when written authorization from Buyer has been given.