

## Norgren® Automation Solutions Standard Terms and Conditions of Sale

Any order by a person ("Buyer") for goods and/or services (an "Order"), if accepted, is accepted subject to these Norgren Automation Solutions Standard Terms and Conditions of Sale ("T&Cs"), which are incorporated into any acceptance, acknowledgement, invoice and other document issued by Norgren Automation Solutions, ("Seller") in response to such Order (each a "Response"), and any reference thereto shall include these T&Cs. No waiver, alteration, or modification of these T&Cs shall be valid unless expressly agreed to in writing by Seller. The T&Cs constitute the entire agreement between the parties and any different, additional or conflicting terms or conditions set forth in Buyer's purchase order or any other document issued by Buyer are expressly objected to by Seller and the terms hereof, including those contained in the applicable Response, shall exclusively govern the purchase and sale of the goods and/or services covered by the Response unless there is another manually signed agreement between the parties, which shall control to the extent there is a conflict between the terms of such agreement and these T&Cs.

- 1. Payment Terms.** Unless otherwise agreed in writing, the payment terms are net 30 days from the date of invoice. Buyer agrees that any overdue amounts shall be subject to a late payment charge on the overdue balance of 1.5% per month or such lesser amount as is the maximum rate of interest allowed by law. Buyer shall pay any and all reasonable costs, including attorneys' fees, incurred by Seller while collecting any delinquent balance. Debit memos are not accepted.
- 2. Price.** Unless otherwise agreed to in writing, the price for the goods and/or services is the Seller list or quoted price, which is subject to change without notice. The goods and/or services are invoiced at prices in effect on the date of shipment or performance, respectively. To the extent that services are an integral part of a sale of goods, Seller may invoice Buyer in advance of its performance of such services when Seller invoices Buyer for the goods. Seller will discard parts supplied for engineering services purposes, by the Buyer, upon completion of the project. Under no circumstances will Seller be financially liable for value (or shipping costs) of Buyer parts supplied for engineering purposes.
- 3. Delivery Terms.** All goods are sold Ex-Works at Seller's facility ("Shipping Point") Incoterms 2010. Seller's obligation to deliver the goods shall be fulfilled when it has delivered the same in good condition to a carrier at the Shipping Point. Buyer shall insure each shipment of goods with a reputable insurer for 110% of the full invoice value of such shipment and shall name Seller as an additional insured. Dates for delivery are estimates, not guarantees, and are determined from the date of Seller's receipt of a written purchase order. Delivery dates are based on prompt approval and/or receipt from Buyer of any information, including engineering drawings or similar documents required to proceed with a project and, to the extent Buyer delays in providing Seller with approvals of such documents, Seller shall not be responsible for late delivery. Overtime and other expenses incurred to hasten delivery at Buyer's request shall be added to the quoted prices and paid by Buyer. Shipment of goods ready for delivery can be deferred beyond the date for delivery only with Seller's written consent.
- 4. Title/Security.** Title to the goods shall be retained by Seller, as a vendor's lien, until such goods and any related services are paid for in full by Buyer. Buyer hereby grants Seller and Seller hereby reserves a purchase money security interest in and to the goods sold to Buyer together with all proceeds thereof to secure Buyer's performance and payment. Buyer agrees upon Seller's request to do all acts and execute all documents reasonably necessary to assist Seller's perfection and maintenance of any such security title and right of possession, including, but not limited to, executing and filing documents with the appropriate governmental agency.
- 5. Orders.** Buyer shall submit a purchase order ("Purchase Order") for the goods and/or services which shall, at a minimum, include: (a) part number of the goods ordered; (b) quantity; (c) price of the goods and/or rate for services; (d) requested delivery date; (e) shipping instructions and shipping address, including a statement that the goods will be shipped "EXW Shipping Point" and if the Purchase Order states otherwise, the shipping terms shall be Ex-Works Shipping Point; and (f) a description of any services. All Purchase Orders are subject to acceptance by Seller. Buyer shall be responsible for all additional costs resulting from errors made in connection with telephone or hand written Purchase Orders accepted by Seller and any errors related to such a Purchase Order must be disputed within 72 hours from Seller's receipt of the Purchase Order. Confirming Purchase Orders are not accepted by Seller. If such a confirming Purchase Order is sent to Seller, it may be treated as an original open Order and duplicated. Seller will not be responsible for expenses or inconveniences incurred thereby. If Buyer's Order is in the form of a blanket Purchase Order, Buyer agrees that each release shall be treated as a separate sales transaction hereunder, that all releases shall be non-cancelable and, unless agreed in writing by Seller, all releases under such blanket Purchase Order shall be accepted by Buyer within 12 months of Seller's Order acknowledgement. If the aggregate purchase price of goods pursuant to a Purchase Order is under \$250, or such other amount that is agreed to from time to time by the parties, then the cost of such goods shall be rounded up to that minimum order value.
- 6. Order Cancellation/Amendment/Changes in Scope of Work.** Orders cannot be canceled or amended except with Seller's written consent. Cancellation charges of 25% will be applied to any cancelled order. Seller may, in its sole discretion and without liability, alter the specifications for any goods or services that are non-customer supplied specifications. If Buyer requests a change in the scope of work of any services, Seller may accept such change request in the scope of work for such services, such acceptance being in writing, which can then include Seller, in its sole discretion, adding pricing changes or authorization of extra work based on Buyer's requested change to the Order. Upon receipt of an acceptable proposal from Seller, a written Purchase Order revision will be issued by Buyer stating that the extra work or change is authorized and granting any required adjustment of price and delivery schedule. No extra work shall be performed or change made unless a written Purchase Order revision or new Purchase Order is provided to Seller.
- 7. Acceptance.** Buyer shall conduct any incoming inspection tests on the goods within 10 days of delivery. In the event of any shortage, damage or discrepancy in or to a shipment of goods or pricing discrepancies, Buyer shall promptly give notice, but in no event later than within 30 days of delivery, thereof to Seller and shall furnish such written evidence or other documentation as Seller reasonably may deem appropriate. If such evidence indicates, in Seller's reasonable judgment, that such shortage, damage or discrepancy existed at the time of delivery of the goods to the carrier, Seller shall promptly deliver additional or substitute goods to Buyer; provided, however, that Seller may, in its sole discretion, require Buyer to return all damaged goods prior to delivery of substitute goods. If Buyer shall fail to timely give Seller such written notice, the goods shall be deemed to conform to the warranty and Buyer shall be deemed to have accepted the goods and shall pay for the goods in accordance herewith.
- 8. Termination.** Seller shall have the right to cancel for default hereunder all or any part of Buyer's order or any services Seller is providing to Buyer hereunder. This right of cancellation is in addition to and not in lieu of any other remedies which Seller may have in law or equity.
- 9. Returns.** No goods shall be returned to Seller without Seller's prior written authorization to Buyer to make such returns and must be returned within 30 days of such authorization at Buyer's cost. If Buyer returns goods in the manner required under the previous sentence, and if the returned goods are (a) in new, unused, unopened and undamaged condition; and (b) not more than 12 months after the original invoice date; the returned goods will, subject to the applicable handling charge, be accepted by Seller for return. Used or discontinued goods or parts or goods specially manufactured will not be accepted for credit unless specifically agreed to by Seller in its sole discretion. Buyer's sole remedy for returns of goods shall be a credit for the purchase price less any handling charges. Returned goods are subject to a 25% handling charge. Returns found to be free of material and workmanship defects will be held for 20 days and if Buyer does not provide Seller repair or return instructions, the Seller will scrap the goods.
- 10. Buyer's Specifications/Seller's Measurements.** Buyer shall be solely responsible for ensuring that all specifications, drawings, information, advice, recommendations or requests provided to Seller by Buyer or any of its agents are accurate and suitable. Seller's examination or consideration of any such specifications, drawings, information, advice, recommendations or requests shall not result in any liability on the part of Seller. The automation line throughput, weights, measures, or power ratings that Seller provides to Buyer are provided as estimates, which are directional and not definitive and the actual rates may vary significantly from any estimated measurements. Buyer is responsible for verifying the automation line throughput, weights, measures, and power ratings on its own; such automation line throughput, weights, measures, and power ratings from Seller are not Seller's warranties related to the goods or services hereunder; and Seller shall have no liability for such automation line throughput, weights, measures, and power ratings.
- 11. Seller Warranty.** Seller warrants that goods sold hereunder and any related services are warranted to be free from defects in material and workmanship for a period of one year from the date of invoice when used according to the manufacturer's recommended usage and in an ordinary manner. Seller's liability for breach of this warranty is limited to the repair of or replacement in kind or credit, at Seller's option, of any items proved defective, in Seller's reasonable discretion, provided the allegedly defective goods are returned to Seller prepaid. All costs and expense related to shipping of any replacement parts or goods shall be paid by Seller if there is a breach of this warranty but Buyer shall pay for all installation costs. Buyer must provide prompt written notice to Seller of any breach of this warranty to obtain its benefits. THE WARRANTY EXPRESSED ABOVE IS IN LIEU OF AND EXCLUSIVE OF ALL OTHER WARRANTIES. THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, EXCEPT AS STATED HEREIN. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE SPECIFICALLY DISCLAIMED. SELLER'S LIABILITY FOR BREACH OF WARRANTY IS AS HEREIN STATED AND IS THE EXCLUSIVE REMEDY AND IN NO EVENT SHALL SELLER BE LIABLE OR RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL

DAMAGES, EVEN IF THE POSSIBILITY OF SUCH INCIDENTAL OR CONSEQUENTIAL DAMAGES HAS BEEN MADE KNOWN TO SELLER. THE WARRANTY SET FORTH ABOVE IS SOLELY FOR THE BENEFIT OF BUYER. All claims hereunder shall be made by Buyer and not by Buyer's customers. It shall not be deemed a "defect," and Seller will not be liable under the warranty in this Section 11, if the goods have been exposed to any: (1) maintenance, repair, or other use that is improper for the good's ordinary use or otherwise not in compliance with Seller's instruction; (2) goods alteration, modification or repair by anyone other than Seller or authorized by Seller; (3) damage after shipment to Buyer; (4) improper voltage or wiring; (5) improper storage or handling, (6) improper lubrication, or (7) use of parts that are not 100% compatible with the goods.

12. Buyer Warranty. Buyer shall provide a no defect in materials or workmanship warranty with respect to each product sold to an end customer for a period not less than the then remaining warranty period related to such product and afforded to Buyer pursuant to Section 11 (Seller Warranty) above. Except with respect to the remedies provided by Seller to Buyer under Section 11, any other warranties or representations, or remedies for breach thereof, which Buyer may provide to its end customers shall be the sole responsibility of Buyer, and Seller shall not be bound thereby. Unless Buyer receives Seller's prior written consent, Buyer will not sell Seller's products to end-users or intermediaries that sell to end-users that will use or sell the products in a nuclear or in an-aircraft application or for any other application that Seller may notify Buyer of in writing.

13. Damages Amount Limitation. Other than as set forth in Section 16 (Buyer Indemnification) and any breaches of Section 18 (Confidentiality) hereof, each party's cumulative liability for damages to the other party for any cause whatsoever, and regardless of the form of action, whether in contract or in tort, including, but not limited to, negligence, shall be limited to the total contract price of the goods sold hereunder, plus or minus, as applicable, the amounts of all unpaid accounts payable and receivable between the parties, if any.

14. Consequential Damages Limitation. In no event shall Seller's liability of any kind include any special, indirect, incidental or consequential loss or damage, even if Seller shall have been advised of the possibility of such potential loss or damage.

15. Sole Remedy. The sole and exclusive remedy for breach of any non-warranty obligation of Seller and the sole remedy for Seller's liability of any kind (including liability for negligence) with respect to the goods and/or services provided to Buyer shall be to use all commercially reasonable efforts to promptly cure such breach. Buyer must commence any suit for a cause of action arising hereunder within one year from the date in which the facts that gave rise to the cause of action first occurred.

16. Buyer Indemnification. Buyer shall hold harmless, indemnify and defend (at Seller's request) Seller for any and all damages, liabilities, costs and expenses (including any costs of litigation, including but not limited to, attorneys' fees and any other costs and expenses), fines, or losses in connection with any threatened or actual claims, actions, demands, investigations, or suits, including, but not limited to, claims or suits by third parties, arising out of any of the following: (a) Buyer's negligent or willful acts, or those of its employees and/or agents, (b) such goods being repaired or altered by persons other than Seller (unless expressly authorized in writing by Seller), (c) in the event that Buyer modifies, or combines with any non-Seller goods, any of the goods purchased from Seller, and such modification or combination results in the actual or alleged infringement of any intellectual property rights of any third party, (d) from goods produced or services provided by Seller according to Buyer's specifications, (e) any violations of export control laws by Buyer, or (f) Buyer's breach of any provision in these T&Cs.

17. Seller Intellectual Property Indemnification. Seller will defend, indemnify and hold harmless Buyer from and against any and all loss, damage, cost or expense (including reasonable attorney's fees) arising as a result of any claim that the goods sold hereunder infringe any third party U.S. patent, copyright, trademark, trade secret or other intellectual property right.

18. Confidentiality. "Confidential Information" means any of Seller's business information, specifications and all related writings, drawings, designs and similar works or any other information which is disclosed by Seller and any other documents labeled or marked as confidential, proprietary or its equivalent, or oral or visual information that is designated confidential, proprietary or its equivalent at the time of its disclosure. All Confidential Information shall be the exclusive property of Seller, and Seller retains all its right, title and interest. Buyer agrees to use Confidential Information for the exclusive purpose of performance under the Purchase Order and not to disclose or provide any Confidential Information to any third party and to take all necessary measures to prevent any such disclosure by its employees, agents, contractors or consultants. Upon request of Seller or completion of the Order, Buyer shall return all Confidential Information to Seller and provide certification of such return.

19. Tooling. Charges made for tools, dies, gauges, jigs, fixtures or equipment made or acquired by Seller in connection with the work do not convey title to or any proprietary interest in such tools. All such tools will remain the exclusive property of Seller.

20. Force Majeure. Seller shall not be liable for any failure to perform this agreement when such failure is due to circumstances beyond its control. Circumstances beyond the control of Seller shall be deemed to include, but shall not be limited to, acts of God, governmental action, accidents, labor trouble, and inability to obtain materials, equipment or transportation.

21. Waiver. No oral statements, recommendations or assistance given by a representative and/or distributor of Seller to Buyer or its representatives in connection with the use of the goods and/or services shall constitute a waiver by Seller of any of the provisions hereof, or affect Seller's liability herein.

22. Arbitration. Except for any action where the sole relief sought is an injunction, any controversy or claim arising out of or relating to these T&Cs, or the making, performance or interpretation thereof, including without limitation alleged fraudulent inducement thereof, shall be settled by binding arbitration in Detroit, Michigan by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any arbitration award may be entered in any court having jurisdiction thereof.

23. Miscellaneous. All provisions set forth herein regarding warranty, confidential information, indemnification, liability and limits thereon, and any other provisions that survive by their terms will survive any termination or expiration of any Response delivered in connection herewith pursuant to the terms of such sections. In the event that any provision of these terms is held to be illegal, invalid or unenforceable under any present or future law, rule or regulation, such provision shall be deemed stricken from these T&Cs, but such illegality, invalidity or unenforceability shall not invalidate any of the other provisions of these T&Cs. Buyer represents and covenants that it has, and will continue to, comply with all laws and regulations related to the goods and any services sold hereunder, including, but not limited to, export control laws. This sale transaction and any services transactions shall be governed, construed and enforced solely by the laws of the State of Michigan. The United Nations Convention on the International Sale of Goods shall not be applicable to these Ts & Cs. Buyer may not assign, including by operation of law, its obligations hereunder without Seller's written consent. The relationship of Buyer and Seller is that of independent contractors.

24. Compliance with the IMI Way. Buyer acknowledges that Seller has a code of responsible business (the "IMI Way"), which is available at [www.imiplc.com](http://www.imiplc.com). Buyer shall, at all times, conduct, and cause its officers, directors, employees and/or agents to conduct, business ethically and in accordance with the provisions of the IMI Way. This Section 24 shall apply whether or not Buyer is acting pursuant to a Purchase Order or otherwise in its relationship with Seller. Buyer agrees that it must be able to demonstrate its compliance with the requirements referred to in this Section 24 at the request of and to the satisfaction of Seller which includes, but is not limited to, Seller having the right to inspect any site where Seller's goods are being used or sold. If Buyer fails to comply with this Section 24, Seller shall be entitled, in its sole discretion, to terminate the Purchase Order or other agreements between Buyer and Seller without penalty to Seller, but with obligations for Buyer to remedy any damages suffered by Seller as a result of such termination or as a result of the breach of the Purchase Order by Buyer.

25. Export Controls and Related Regulations. Buyer represents and warrants that it is not designated on, or associated with, any party designated on any of the U.S. government restricted parties lists, including without limitation, the U.S. Commerce Department Bureau of Industry and Security ("BIS") Denied Persons List; Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List. Buyer shall comply with all applicable U.S. economic sanctions and export control laws and regulations, including without limitation, the regulations administered by OFAC, the Export Administration Regulations administered by BIS, and the International Traffic in Arms Regulations administered by DDTC. Seller may terminate this Order and discontinue any ongoing supply to or business with Buyer immediately, without notice and without liability, upon Seller becoming aware that Buyer is named on any restricted party list.

26. EEO. The parties hereby incorporate the requirements of 41 C.F.R. § 60-1.4(a), 60-250.5, and 29 C.F.R. § 471, Appendix A to Subpart A, if applicable. This contractor and subcontractor shall abide by the requirements of 41 C.F.R. 60-300.5(a) and 41 C.F.R. 60-741.5(a), if applicable. These regulations prohibit discrimination against qualified protected veterans and qualified individuals with disabilities, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.

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Buyer Agrees to be bound by these T&Cs, including the purchase money security interest granted in Section 4.

Buyer's Signature: \_\_\_\_\_  
Title of Signatory:

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