1. Terms of Agreement. These Standard Terms and Conditions of Purchase (these “T&Cs”) shall be made a part of and incorporated into the purchase order (the “Purchase Order”) issued by Norgren Automation Solutions LLC, (“Buyer”), and the Purchase Order is subject to these T&Cs. Any reference herein to the Purchase Order shall include these T&Cs. This Purchase Order is conditional on the terms and conditions herein, the Standard Quality Manual, and any other documents referenced in the order, and is the complete and final agreement between Buyer and Seller. No waiver, alteration, or modification of the terms and conditions set forth herein shall be valid unless expressly agreed to in writing by Buyer. Any different, additional or conflicting terms or conditions set forth in any invoice or any other document issued by the party delivering the goods, if applicable, shall be objected to by Buyer and the terms and conditions set forth herein shall exclusively govern the purchase and sale of the goods covered by the Purchase Order. The Purchase Order is accepted by Seller upon Seller’s written acceptance or its delivery of goods pursuant to the Purchase Order.

2. Delivery Terms.

2.1. If delivery of goods is not made in the quantities and/or at the time(s) specified in the Purchase Order, Buyer reserves the right, without liability to take either or both of the following actions: (a) direct expedited routings of goods (the difference in cost between the expedited routing and the order routing costs shall be paid by Seller); (b) cancel this order or balance by notice effective when delivered to Seller; to purchase substitute goods elsewhere and charge Seller with any loss incurred, including the difference between the cost of substitute goods and the goods which was last quoted or charged to Buyer without Buyer’s specific written authorization.

2.2. Seller shall use the means of delivery and the carrier specified and set forth by Buyer in the Purchase Order. All deliveries of goods ordered by Buyer shall be DAP Buyer’s facility (Incoterms® 2020) unless otherwise mutually agreed by Buyer and Seller, with all title and risk of loss passing to Buyer upon delivery of the goods DAP Buyer’s facility (Incoterms® 2020). Before delivery, Seller shall inspect all goods to be delivered and shall notify Buyer of any defects or shortages.

2.3. Each shipment of goods shall include separate packing slips showing: (a) Buyers’ Purchase Order number; (b) Buyer’s part number and revision level for each goods shipped, if applicable; (c) a description of the goods; (d) individual serial numbers of the goods, if applicable; (e) certificate(s) of compliance and/or material certifications, if applicable; and (f) the total quantity of goods shipped.

2.4. Seller will have no liability for payment of goods delivered to Buyer in excess of quantities specified in the Purchase Order or prior to the delivery schedule specified. Such goods may be subject to rejection and returned at Seller’s expense, including transportation charges both ways. Buyer will not be liable for any material or production losses incurred in excess of the amount or in advance of the time necessary to meet Buyer’s delivery schedules.

2.5. Seller shall package the goods in a manner that will prevent damage during shipping and shall use the carrier with instructions Seller shall be liable for any loss or damage incurred as a result of improper packaging, crating and/or routing, including additional transportation costs due to improper routing.

3. Prices. If a price is not stated in the Purchase Order, Buyer and Seller agree that the goods shall be billed at the lesser of (a) the price last quoted to Buyer by Seller and (b) Seller’s prevailing customary market price. The Purchase Order may not be filled at a price higher than that for which goods are last quoted or charged to Buyer without Buyer’s specific written authorization. Buyer shall not be charged for taxes, transportation, boxing, packing or returnable containers in connection with the Purchase Order, unless such charges have been specifically agreed to in writing by Buyer. All sales, use, excise and similar taxes to be paid by Buyer, if any, must be itemized separately on the applicable corresponding invoice.

4. Warranties and Representations.

4.1. AN EXPRESS WARRANTY FROM SELLER IS CREATED BY ANY AFFIRMATION OF FACT OR PROMISE MADE BY SELLER WHICH BECOMES PART OF THE BASIS BY WHICH THE AGREEMENT RELATING TO THE GOODS WAS MADE. ANY SAMPLE OR MODEL PROVIDED BY SELLER AS A BASIS FOR AN AGREEMENT BETWEEN THE PARTIES CREATES AN EXPRESS WARRANTY THAT THE GOODS SHALL CONFORM TO THE PROVIDED SAMPLE OR MODEL. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE EXIST WHERE SELLER HAS REASON TO KNOW OF SUCH PARTICULAR PURPOSE AND HAS ASSISTED IN SELECTION AND/OR APPROVAL OF ITS USE FOR A PARTICULAR PURPOSE.

4.2. WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE EXIST, WITHOUT LIMITATIONS, AS SET FORTH AND DESCRIBED IN SECTION 5 BELOW. ANY EXPENSES, CHARGES OR LIABILITY ASSOCIATED WITH DEFECTIVE PRODUCT FOR BREACH OF ABOVE-STATED WARRANTIES WILL BE BORNE BY SELLER. IF A DESIGN CHANGE IS MADE TO AN EXISTING PRODUCT WITHOUT KNOWLEDGE AND CONSENT BY BUYER, SELLER WILL BE LIABLE FOR ANY INCREMENTS CHARGES INCURRED. SELLER PROVIDES NO WARRANTIES OR OTHER REPRESENTATIONS ASSOCIATED WITH GOOD OR SERVICE EXPENSES, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS’ FEES AND EXPENSES, OF BUYER OR THIRD PARTIES CAUSED BY OR ARISING OUT OF: (A) SELLER’S NEGLIGENCE, GROSS NEGLIGENCE, OR INTENTIONAL MISCONDUCT, (B) SELLER’S BREACH OF ANY PROVISION IN THESE T&CS OR THE PURCHASE ORDER, OR BREACH OF THE SAME BY SELLER’s EMPLOYEES, AGENTS, REPRESENTATIVES, OR OTHER AGENTS, (C) BUYER’S OR A THIRD PARTY’S USE OF THE GOODS OR ITEMS FurnISHED BY SELLER TO BUYER IN CONNECTION HEREWITH OR WITH THE PURCHASE ORDER, AND (D) SELLER’s BUSINESS PRACTICES. THIS INDEMNIFICATION REMEDY IS A NON-EXCLUSIVE REMEDY AND BUYER MAY HAVE OTHER REMEDIES AVAILABLE TO IT, WHETHER IN LAW OR EQUITY.

4.3. SELLER WILL BEAR RISK OF INCIDENTAL AND CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR LOSS OF MARKET SHARE RESULTING FROM SELLER’s BREACH OF PERFORMANCE. BUYER M Ay RECOVER FROM SELLER THE DIFFERENCE BETWEEN THE COST OF COVER OR CHARGES INCURRED FOR SUBSTITUTE GOODS AND THE CONTRACT PRICE.

4.4. SELLER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS BUYER AND ITS AFFILIATED COMPANIES AND THEIR RESPECTIVE AGENTS, DIRECTORS, EMPLOYEES, AND SUCCESSORS AND ASSIGNS FROM AND AGAINST ALL CLAIMS, LIABILITIES, DEMANDS, ACTIONS, DAMAGES, GOVERNMENT INVESTIGATIONS, INJURIES, JUDGMENTS, FINES, COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS’ FEES AND EXPENSES, OF BUYER Or THIRD PARTIES CAUSED By OR ARISING OUT OF: (A) SELLER’S NEGLIGENCE, GROSS NEGLIGENCE, OR INTENTIONAL MISCONDUCT, (B) SELLER’S BREACH OF ANY PROVISION IN THESE T&CS OR THE PURCHASE ORDER, OR BREACH OF THE SAME BY SELLER’s EMPLOYEES, AGENTS, REPRESENTATIVES, OR OTHER AGENTS, (C) BUYER’S OR A THIRD PARTY’S USE OF THE GOODS OR ITEMS FurnISHED BY SELLER TO BUYER IN CONNECTION HEREWITH OR WITH THE PURCHASE ORDER, AND (D) SELLER’s BUSINESS PRACTICES. THIS INDEMNIFICATION REMEDY IS A NON-EXCLUSIVE REMEDY AND BUYER MAY HAVE OTHER REMEDIES AVAILABLE TO IT, WHETHER IN LAW OR EQUITY.

4.5. Seller agrees to secure and maintain adequate insurance coverage with reputable insurers for the protection of buyer in accordance with this Section 4. Seller will name buyer as an additional insured under its insurance policies for the services or goods provided under this Purchase Order.

5. Exclusions of Warranties. Seller hereby warrants that Seller will supply or manufacture the goods in accordance with the specifications, if any, provided by Buyer, and that such goods will be: (a) free from defects in material and/or workmanship, (b) merchantable and fit for the particular purpose for which such goods were intended; and the parties hereby agree that this warranty shall survive the delivery, inspection and acceptance of, and payment for, the goods. All goods rejected by Buyer shall be returned to Seller for full credit at the price charged, plus transportation charges. Buyer, in its sole discretion, may require Seller to replace rejected goods at the purchase price stipulated in the original Purchase Order. Buyer may, in its sole discretion, accept a part of any shipment that fulfills Buyer’s specifications, and reject any part that does not fulfill such specifications, and consider the order breached to the extent of the amount of the rejected goods. Seller will not make any changes in such specifications or make any changes in the goods’ appearance to fulfill such requirements without manufacturing the goods previously agreed to by Buyer without Buyer’s prior written consent.

6. Inspection and Acceptance. Payment for any goods under this contract shall not constitute acceptance. All goods purchased hereunder are subject to inspection at Buyer’s destination either before or after payment or before or after acceptance at Buyer’s option. Buyer reserves the right to reject any goods (for any reason), and Buyer may, in its sole discretion, return any or all of the rejected goods to Seller for full credit and replacement at Buyer’s option and at Seller’s risk, including transportation charges both ways; provided, however, that such goods may be held at Buyer’s discretion for Seller’s instructions and stored at Seller’s risk. If within 48 hours after receipt of notice of rejection or revocation of acceptance, Seller gives no instructions for the disposition of the goods, Buyer may, at its discretion, return for full credit at Seller’s expense. Seller shall not replace rejected goods or goods whose acceptance is revoked unless specified by Buyer. Buyer shall not be liable for failure to accept any part of the goods if such failure is the result of any cause listed below:

7. Invoices. Seller’s invoices shall, at a minimum, include: (a) Buyer’s Purchase Order number, against which the goods were shipped; (b) the date of shipment; (c) Buyer’s part number and revision level for each of the goods shipped, if applicable; (d) a description of the goods; (e) the total quantity of goods shipped; (f) the per unit price of the goods shipped; (g) the amount of taxes, if any; (h) the total invoice price; and (i) country of origin. Unless otherwise specified on the Purchase Order, payment terms are net 60 days from Buyer’s receipt of a valid invoice.

8. Confidential Information. Seller acknowledges and agrees that any specifications and all related writings, drawings, designs and similar works provided to Seller by Buyer shall be deemed “Confidential Information.” Seller further acknowledges and agrees that any other information which is disclosed by Buyer in any tangible form and is clearly labeled or marked as confidential, proprietary or its equivalent, or information which is disclosed orally or visually, and which is not generally known or readily available to the public, shall be considered Confidential Information. Any Confidential Information which is written down, reduced to writing and clearly marked or labeled as confidential, proprietary or its equivalent within 30 days of disclosure shall be deemed “Confidential Information.” All Confidential Information shall be the exclusive property of Buyer, and Buyer retains all rights, title and interest, including copyright, relating to Confidential Information. Seller agrees not to use any Confidential Information for any purpose other than as permitted or required for performance by Seller 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 Buyer or completion of the Purchase Order, Seller shall return all such Confidential Information to Buyer and shall certify to Buyer that it has been destroyed in accordance with all applicable laws and regulations. Confidential Information means all information about Buyer’s clients’ business affairs that is provided to Seller by Buyer or about which Seller learns while providing services that is not already known or readily available to the general public. Seller shall not engage in any unauthorized use or disclosure of Confidential Information or possess Confidential Information other than in accordance with an agreement, written or oral, between the parties establishing restrictions as for Buyer’s Confidential Information. All of Seller’s specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a nonproprietary basis and may be used and disclosed by Buyer without restriction, unless Buyer has executed a separate agreement restricting the use and disclosure of such information, data, software and other items.
will remain the property of Buyer. Seller will provide separate and distinct storage for any such Equipment and maintain an appropriate marking on the same and on the separate storage area to clearly and permanently identify Buyer as the owner. Such Equipment while in Seller’s custody or control, will be maintained in good working condition, reasonable wear and tear excepted, by Seller at Seller’s expense, held at Seller’s sole risk and will be kept insured by Seller at Seller’s expense in an amount adequate to cover the loss and damage to the goods. Such Equipment, unless delivered by or to Buyer, will be delivered in good working condition, reasonable wear and tear excepted, to Buyer immediately upon request by Buyer. Buyer shall also have the right to enter Seller’s facility without notice during Seller’s normal business hours and remove or repossess the Equipment without cost or expense to Buyer. Equipment shall not be disposed of without prior written approval by Buyer. Any such Equipment, if so disposed of, shall be permitted without prior written approval by Buyer. Seller shall not publish or display Buyer’s product manufactured by Buyer’s Equipment, without prior written approval by Buyer.

10. Termination

10.1. Buyer may, by notice in writing to Seller, terminate the Purchase Order or work thereunder, in whole or in part, at any time and such termination shall not constitute default. In such event, Buyer will be entitled to retain, and be reimbursed for, 5% of the sum paid under the Purchase Order and the inventory provided product is completed to specifications and accepted by Buyer. Buyer will reimburse Seller verifiable costs associated with components in manufacture of incomplete Buyer’s proprietary products covered by this agreement.

10.2. Buyer shall have the right to cancel for default all or any part of the Purchase Order upon the occurrence of any of the following events: (a) Seller does not make deliveries or furnish services according to the terms specified, (b) Buyer repudiates this contract, (c) Buyer rightfully rejects or revokes acceptance, (d) Seller breaches any of the terms hereof including warranties of Seller, (e) Seller makes an arrangement, extension or assignment for the benefit of creditors, (f) Seller dissolves or otherwise ceases to exist or liquidates all or substantially all of its assets, (g) Seller becomes insolvent or generally does not pay its debts as they become due or (h) Seller is dissolved as a voluntary petition in bankruptcy is filed or a request that Seller provide adequate written assurance of future performance pursuant to the Uniform Commercial Code as enacted in the State of Buyer’s business address as shown on the Purchase Order. In such a case, Seller must provide said written assurance of performance within 10 days of Buyer’s written request (excluding the date of mailing). This right of cancellation and the right to require adequate written assurance of future performance are in addition to and not in lieu of any other remedies which Buyer may have in law or equity.

11. Patent Infringement Indemnity

Seller warrants the goods purchased hereunder do not infringe upon any patent, trademark, service mark, trade name, copyright or other similar third party intellectual property right and covenants and agrees to defend (at Buyer’s request) and hold Buyer and its customers, agents and subsequent owners from any claim that any product or article sold by Seller hereunder (except goods specifically of Buyer’s design), infringes any letters, patent, copyright or trademark, or from any claim of unfair competition, by reason of its use or sale by Buyer, its customers or agents. Seller further agrees to indemnify (and as incurred, reimburse) Buyer against any and all expense, loss, royalties, profits and damages, including court costs, attorneys’ fees and reasonable value of time expended by Buyer’s employees (as determined by Buyer), and the cost of any voluntary petition in bankruptcy and any involuntary voluntary petition in bankruptcy, including the cost such suit or proceedings, including, without limitation, any settlement or decree of judgment therein. Seller’s obligations hereunder survive acceptance of goods and payment delivered by Buyer.

12. 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 the city of Buyer’s choosing in the state of Buyer’s business address as shown on the Purchase Order 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.

13. Changes

Buyer reserves the right at any time to make written changes in any one or more of the following: specifications, drawings and data incorporated in this contract where the items to be furnished are to be specially manufactured for Buyer; (b) methods of shipment or packing; (c) place of delivery; (d) time of delivery; (e) manner of delivery; or (f) quantities.

14. Notices

Notices and communications under the Purchase Order shall be deemed given to either party at the address set forth on the Purchase Order (includes any electronic address, as so provided in the T&Cs). Any notice of 5 business days after the date of deposit in the U.S. mail if sent by registered mail, return receipt requested; (b) upon the next business day if sent by recognized overnight supplemental delivery service; (c) the same business date if notice is delivered personally; or (d) upon electronic confirmation of transmission if sent by facsimile or electronic mail.

15. Assignment

Seller may not assign, transfer or subconect the Purchase Order or any interest hereunder or any rights or duties hereunder without the prior written consent of Buyer, including, but not limited to, price increases or the inability of Seller to obtain necessary manufacturing inputs from its normal or customary sources; (ii) labor disputes of Seller, its subcontractors or its suppliers, including lockouts, strikes or slowdowns; or (iii) failure to comply with applicable law.

16. Force Majeure

Neither Party shall be liable hereunder for any failure or delay in the performance of its obligations under this Purchase Order, if such failure or delay is on account of causes beyond its reasonable control, including civil commotion, war, fires, floods, accidents, earthquakes, inclement weather, telecommunications line failures, electrical outages, network failures, governmental regulations or controls, casualty, terrorism, acts of God, or other similar occurrences, beyond the control of Buyer in any respect, and if a Force Majeure Event does not include (i) acts or omissions of Seller’s subcontractors or suppliers (including, but not limited to, price increases or the inability of Seller to obtain necessary manufacturing inputs from its normal or customary sources), (ii) labor disputes of Seller, its subcontractors or its suppliers, including lockouts, strikes or slowdowns; or (iii) failure to comply with applicable law. Seller agrees that it must be able to demonstrate its compliance with the requirements referred to in this Section 21 at the request of and to the satisfaction of Buyer which includes, without limitation, alleged fraudulent inducement thereof, shall be evidenced by the evidence of such goods.

17. Independent Contractors

The relationship of Buyer and Seller under these T&Cs and those set forth in the attached Purchase Order is one of independent contractors. Nothing in these T&Cs or the Purchase Order or these T&Cs shall be interpreted as authorizing either party to bind the other, to incur any liability on behalf of the other, or to act as an agent for the other.

18. Survival

All provisions herein or in the attached Purchase Order regarding warranty, indemnification, confidentiality, liability and limits thereof, or other provisions that survive their terms, will survive any termination or expiration of the attached Purchase Order.

19. Severability

In the event that any provision of these T&Cs is held to be illegal, invalid or unenforceable, such provision shall be stricken from these T&Cs, but such illegality, invalidity or unenforceability shall not invalidate any of the other provisions of these T&Cs and the remainder of these T&Cs shall continue in full force and effect. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of these T&Cs a legal, valid and enforceable provision as may be possible.

20. Rohs & Elv

Seller agrees to notify Buyer, before manufacture and delivery of goods, of the presence of hazardous substances as defined by the following Directives in goods or processes used to manufacture goods. If the presence of hazardous substances exceeds allowable under these directives then Buyer has the right to require Seller to substitute materials in such a way as to comply with the directives. The directives are: Directive 2015/863/EU Restriction of the use of certain hazardous substances in electrical and electronic equipment (ROHS); Directive 2000/53/EC End of life vehicles; 2012/19/EU (WEEE); and current revision of REACH Regulation EC No 1907/2006 (http://echa.europa.eu/regulations/reach/candidate-list-substances-in-articles).

21. Conflict Minerals

Seller shall cooperate fully with Buyer in investigating the source of any tantalum, tin, tungsten or gold in the goods supplied by Seller to Buyer, including the completion of the standard EICC template available at www.conflictfreesourcing.org/conflict-minerals-reporting-template/ and any other documentation required by Buyer.

22. 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.