



SPARTRONICS TERMS AND CONDITIONS OF SALE

These Terms and Conditions of Sale and the nonconflicting provisions in Seller's quotation, acknowledgment or invoice form the parties' agreement (the "Agreement") which governs all sales of any products ("Products") and services ("Services") from Spartronics, LLC or its North American affiliates and subsidiaries (including, without limitation, Spartronics Vietnam, Inc.) ("Seller") to purchaser ("Buyer"). Seller disclaims any Buyer terms that are different or conflicting including, without limitation, any such terms contained in Buyer's purchase order. Any agreed exceptions to these Terms and Conditions of Sale shall be made in writing and signed by both parties. If the parties have entered in a written master agreement, then the terms of such agreement may control if and as specified therein.

1. Buyer understands that Seller is a contract manufacturing services provider who manufactures Buyer's Product on Buyer's behalf. Buyer hereby authorizes Seller to acquire materials and components and other items (collectively "Material") necessary to fulfill the quote or purchase order. Buyer shall pay Seller for all such Material on hand or on order at the earlier of (i) the conclusion of Seller's performance, (ii) Seller's request for payment due to excess or obsolete status of the Material, in Seller's reasonable discretion.
2. **Prices and Taxes.** Buyer agrees that the price for Products and Services will be adjusted for additional fees and costs due to (i) changes to the Product specifications, to Product volumes, minimum run rates, inventory turns, or to any assumptions upon which Seller based its initial price, (ii) wage increase or other wage-related requirement, and (iii) Material cost changes. Prices do not include: Taxes; freight, export/import related costs; broker's fees; duties, or other similar charges; the cost of compliance with any legislation that relates to the return of end-of-life goods for disposal; non-recurring or one-time engineering charges; or expedited fees or premiums charged by materials or component sub-suppliers resulting from Buyer's requested schedule changes (if such schedule change is approved by Seller). "Taxes" means any sales, excise or use tax, tariffs, applicable economic surcharges due on the transaction or on Materials. Buyer must pay or promptly reimburse Seller for any Taxes or costs excluded from the Price arising from the sale or delivery of the Products and Services.
3. **Payment.** All sales are subject to Seller's credit approval, which approval shall be within the sole discretion of Seller. Unless otherwise agreed by Seller in writing, Buyer shall pay invoices, without setoff, NET 30 days from invoice date in the currency specified on the invoice ("Payment Terms"). If Buyer fails to make payment (a) Buyer shall pay all of Seller's costs arising from Buyer's failure to pay according to terms including attorneys' fees and material cancellation costs, if any, (b) Seller may accelerate all Buyer payments, and (c) Seller may terminate or suspend further performance under the Agreement and any other agreements with Buyer. Past due amounts are subject to service charges of 2% per month (or the maximum amount permitted by law). If in Seller's judgment, reasonable grounds for insecurity arise concerning Buyer's ability to make payment when due, Seller may demand additional satisfactory security or adequate assurance of due performance, may refuse delivery except for cash, including payment for all goods previously delivered under contract, or may stop delivery or reclaim the Products, in addition to all other remedies provided for by law. Buyer's purchase order, and any shipping or delivery instructions, shall each constitute Buyer's separate written representation that it is solvent. Buyer shall pay Seller PPV per the Payment Terms. "PPV" shall mean the difference between the actual purchase price of materials and the quoted purchase price for those same materials multiplied by 1.10, where the actual purchase price is greater than the quoted purchase price. The quoted purchase price is the price for the materials upon which Supplier based its Product pricing to Customer.
4. **Changes.** Seller may revise prices, dates of delivery, and warranties upon Seller's acceptance of requests by Buyer for modifications to Products or Services.
5. **Shipment and Delivery.** Deliveries of Products, risk of loss and title pass to Buyer FCA Seller's facility (Incoterms 2020) for domestic shipments or EXW Seller's Facility (Incoterms 2020) for international shipments. Buyer is responsible for all demurrage or detention charges. Title to any software provided with Products remains with Seller or its Seller. Any claims for shortages or transit damages must be submitted directly to the carrier. All shipment, delivery or performance dates are approximate and not guaranteed. Seller reserves the right to make partial shipments. If shipment or delivery of Products, or performance of Services, is postponed or delayed by Buyer for any reason, including a Force Majeure Event, Seller may move Products or materials to storage at Buyer's cost and risk of loss with such materials and Products then being deemed delivered, and in such case, Buyer is then obligated to make payment to Seller in accordance with the Payment Terms. Products may not be returned except with the prior written consent of Seller, which may include additional terms.
6. **Acceptance.** Buyer shall be deemed to have accepted Products unless Buyer has provided written notice of rejection within five (5) days from the sooner to occur of (i) Buyer's inspection of the Products at Seller's facility, if the parties have agreed to such inspection, or (ii) receipt of the Products at Buyer's designated delivery location.
7. **Seller Limited Warranty:**
 - a. Seller warrants that Products provided under this Agreement have been manufactured in material compliance with applicable specifications and are free of defects in Seller's workmanship during the Warranty Period (the, "Seller Limited Warranty"). The "Warranty Period" is twelve (12) months from the date of manufacture. Seller's sole obligation, and Buyer's sole remedy, under the Seller Limited Warranty will be, at Seller's sole discretion, to issue a refund or credit to Buyer or to repair or replace any Product returned by Buyer due to a defect in workmanship (any such Product, a "Rejected Product"). Seller will, to the extent permitted to do so, pass on to Buyer any unexpired warranties for materials purchased for Buyer or incorporated into the Product until the expiration of such warranties or the expiration of the Warranty Period for the Product, whichever is shorter. The warranty period for any Product repaired or replaced by Seller with Seller's permission, will be the greater of (i) the remainder of the original Warranty Period or (ii) three (3) months from the date the repaired or replaced Product is shipped to Buyer. The Seller Limited Warranty will be void if the Product has been subjected to abuse, shipping damage,

misuse, accident, alteration, neglect, unauthorized repair, improper storage or improper installation, or use with non-conforming parts, by any person other than Seller.

- b. To the extent Buyer is responsible for providing specifications, the Seller Limited Warranty for Products is conditioned upon receiving correct and achievable specifications.
- c. Any claim for a Rejected Product based on a breach of the Seller Limited Warranty must be presented to Seller by Buyer within the Warranty Period in writing and within one (1) month from the date of Buyer's discovery of such defect in workmanship. Failure by Buyer to provide Seller with written notice of a defect in workmanship within such time periods shall be deemed an absolute and unconditional waiver of Buyer's claim under the Seller Limited Warranty. All claims must be made in accordance with Seller's return material authorization process. Buyer must hold and make available for inspection and testing by Seller any Rejected Product. Any claim under the Seller Limited Warranty must be verified by Seller's authorized representative, in which case, Seller's liability will be limited as set forth below. Buyer is responsible for all return transportation charges. If Buyer requests and Seller approves such request, corrections, repairs or replacements may be made at any facility designated by Buyer other than Seller's own facility, and Buyer agrees to compensate Seller at its prevailing rates for all field personnel, travel, per diem and local transportation costs. Any Product submitted pursuant to the warranty provisions of the Agreement that passes Seller's inspection/acceptance tests will be returned to Buyer as "No Defect Found" and Buyer will pay Seller's reasonable costs associated with testing and handling "No Defect Found" Products.
- d. THE WARRANTIES HEREIN ARE EXCLUSIVE, ARE BUYER'S SOLE REMEDY, AND SELLER EXPRESSLY DISCLAIMS AND BUYER WAIVES ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESSED OR IMPLIED, STATUTORY OR ARISING BY COURSE OF DEALING OR PERFORMANCE, CUSTOM, USAGE IN THE TRADE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF NON-INFRINGEMENT AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Indemnification; Limitation of Liability

- a. Except to the extent of Buyer's negligence, willful misconduct or breach of this Agreement, Seller hereby agrees to indemnify, defend and hold harmless Buyer, its directors, officers, and employees from and against any and all actions, claims, demands, judgment, loss, cost, liability, damage, expenses and/or fees (including reasonable attorneys' fees), penalties and/or citations of whatsoever kind, character or description (collectively "Losses") arising out of any actual or alleged third party claim for tangible property damage, bodily injury or death to the extent directly caused by Seller's negligent manufacture of Rejected Products (subject to the liability cap set forth in Section 8(d) and 8(e) of this Agreement).
- b. Except to the extent of Seller's gross negligence, willful misconduct or material breach of this Agreement, Buyer hereby agrees to indemnify, defend and hold harmless Seller, its members, managers, officers, employees and agents, from and against any and all Losses that are incurred by or asserted against Seller and that are related in any way to or arise in any way from: (i) any actual or alleged defect in the Products that does not arise out of a failure of Seller to manufacture the Products in accordance with the Specifications, including, without limitation, any design defects or failure of the Products to comply with applicable legal requirements; (ii) any actual or alleged misstatement, omission or inadequacy in the Packaging, labeling, marketing materials, warnings or instructions related to the Products; (iii) testing, storage, handling, release, export, import or shipment of the Product by or on behalf of Buyer; (iv) Buyer's breach of any representations, warranties, performance or obligations under this Agreement; or (v) any actual or alleged infringement, misappropriation or misuse of the intellectual property rights of any third party in connection with the manufacture of the Products in accordance with this Agreement, including any claim for actual or alleged infringement of any patent, copyright, trade secret or other Intellectual Property Right based upon Seller's manufacture or use of the Products.
- c. An indemnitee seeking indemnification hereunder (each, an "Indemnitee") shall give prompt notice of the claim to the indemnitor hereunder (each, an "Indemnitor") and shall permit the Indemnitor to control any litigation relating to such third party claim and disposition of any such third party claim, provided that the Indemnitor shall act reasonably and in good faith with respect to all matters relating to the settlement or disposition of any claim as the settlement or disposition relates to the Indemnitee and the Indemnitor shall not settle or otherwise resolve any claim without prior written consent to the Indemnitee (which consent shall not be unreasonably withheld). The Indemnitee shall cooperate with the Indemnitor in its defense of any claim for which indemnification is sought hereunder. Notwithstanding the foregoing provisions, an Indemnitee and/or its Affiliates shall have the right to participate in the settlement or disposition of any claim with separate counsel, if such Indemnitee and/or its Affiliates desire, at their own expense. The failure of an Indemnitee to promptly notify the Indemnitor of the claim shall only reduce the liability of the Indemnitor hereunder to the extent of any actual prejudice resulting from the delay.
- d. **Except for a party's indemnification obligations under this Section 8, in no event, regardless of any claim or action, whether brought in contract, tort (including without limitation, negligence), warranty or otherwise, shall either party be liable for any indirect, special, punitive, incidental or consequential damages from any cause whatsoever, regardless if any remedy herein fails, including without limitation, damages for loss of profits, loss of revenue, loss or opportunity, capital expense and cost of substitute products or services.**
- e. **Neither party may bring any action arising out of obligations under this Agreement more than two (2) years after the breach or other event giving rise to such action, regardless of a party's knowledge of such breach or other event. The parties agree that the total aggregate damages that can be paid to Buyer relating to Seller's obligations (or breach thereof) under this Agreement, including without limitations Seller's indemnification obligations under Section 8 of this Agreement and Seller's obligations under this Agreement to make payments or repair or replace Products, shall not exceed the lesser of (i) the combined total of amounts paid by Buyer to Seller under this Agreement during the three (3) month period immediately preceding the event giving rise to such liability; and (ii) five million dollars (\$5,000,000). The parties expressly agree that the above limitation of liability shall remain in full force even if it is found that Buyer's exclusive remedy fails of its essential purpose. The parties acknowledge that Seller undertakes no responsibility and has no knowledge of how Products may be used by Buyer and that Seller has not participated in the integration of any Product into the design of the final product Buyer may manufacture or create incorporating Products.**

9. **Excuse of Performance.** With the exception of a party's obligation to make payment, in the event that either party is unable to perform any of its obligations under the Agreement, or to enjoy any of its benefits because of events beyond that party's control, including but not limited to fire, natural disaster, global, national or local pandemics, action or decrees of governmental bodies, safety related concerns, lack or delay of materials or components, lack of power, lack of labor, labor problems or other matters (a "Force Majeure Event"), the party who has been so affected shall promptly give written notice to the other party and shall use commercially reasonable efforts to resume performance as promptly as possible. Upon receipt of such notice, all obligations under the Agreement shall be immediately suspended. If the period of nonperformance exceeds thirty (30) business days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may terminate the Agreement by giving written notice. Delays in delivery due to Force Majeure Events shall automatically extend the delivery date for a period equal to the duration of such Force Majeure Events. If Buyer interrupts or delays Seller's processes through delay of Buyer-furnished Materials, requested changes, or other Buyer-related delays, then Buyer shall reimburse Seller for all costs associated with such interruption or delay.
10. **Laws and Regulations.** Buyer shall comply with all applicable laws, rules, regulations and orders related to anti-bribery or anti-corruption legislation (including without limitation the U.S. Foreign Corrupt Practices Act and all national, state, provincial or territorial anti-bribery and anti-corruption statutes).
11. **Cancellation.** Buyer may not cancel or terminate any order or this Agreement without the prior, written consent of Seller, which consent is within Seller's sole discretion.
12. **Effect of Termination.** Upon the conclusion, termination or cancellation of this Agreement and/or any order by either party, Buyer shall pay for: (i) Products delivered to and not previously paid; (ii) ordered and completed Products not yet delivered to Buyer; (iii) ordered and work-in-process which will be priced by Seller accordingly based on amount of completion; (iv) any inventory and other materials that were placed on order or purchased by Seller pursuant to any order, forecast or other direction of Buyer, or any material coverage agreement or otherwise in connection with this Agreement (regardless of whether such inventory or other materials are directly covered by an order), including, without limitation, minimum purchase quantities, long lead materials, non-cancellable and non-returnable materials at Seller's cost plus a twenty percent (20%) markup; and (v) all other reasonable costs and expenses actually incurred by Seller as a result of or in connection with the performance or termination of the cancelled Agreement or order, including, without limitation, any that Seller must make to its suppliers or otherwise. Additionally, upon such termination and after payment in full for all amounts owing to Seller under this Agreement and/or any applicable order or other agreement between the parties, Buyer shall promptly remove all Buyer-owned tools (if any) wherever located, at Buyer's sole cost and expense (and Buyer shall reimburse Seller for the cost of any damage caused by or otherwise related to such removal), and Seller shall cooperate with Buyer in a commercially reasonable manner to allow Buyer to remove such tools.
13. **Seller shall strictly comply with all applicable laws, rules and regulations in connection with its performance of its duties and obligations under this Agreement and its consummation of the transaction contemplated hereby.** Without limiting the foregoing, Seller shall comply with all United States laws and regulations that apply to the license and delivery of technology and products abroad, including without limitation the Export Administration Act of 1979 (as may be amended from time to time) and the Export Administration Regulations (as may be amended from time to time) issued by the Department of Commerce, International Trade Administration, Bureau of Export Administration.
14. **Assignment.** Buyer acknowledges that Seller, through its affiliates (i.e., parents, subsidiaries and other affiliates) offers expanded manufacturing capability, and Seller may in its sole discretion manufacture, supply or deliver from any location or source, including any of its affiliates, any Products or Services and such manufacture, supply or delivery from such affiliates shall also be subject to these Terms and Conditions. Seller may assign this Agreement to any affiliate.
15. **General Provisions.** The Agreement constitutes the entire agreement between the parties and supersedes all other communications between the parties relating to the subject matter of the Agreement. Seller's quotations are offers that may only be accepted in full. No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, reject, or supplement the Agreement shall be binding unless made in writing and signed by both parties, expressly and specifically referencing the Agreement, and no modification or objection shall be caused by Seller's receipt, acknowledgment, or acceptance of purchase orders, orders, shipping instruction forms, or other documentation containing different or additional terms to those set forth herein. No waiver by either party with respect to any breach or default or of any of any right or remedy and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver is expressed in writing signed by both parties, specifically referencing this Agreement. Nothing in the Agreement confers upon any person other than Seller and Buyer any right or remedy under or by reason of this Agreement (other than as set forth in Section 12 above). All typographical, clerical, mathematical or computational errors by Seller in any quotation, acknowledgment or publication are subject to correction. This Agreement shall be governed by the laws of the State of New York without reference to its conflicts of laws principles. Any and all disputes between the parties arising under this Agreement or otherwise shall be adjudicated and resolved exclusively through the federal and state courts located in the State of New York. Each party disclaims the applicability of the United Nations Convention on Contracts for the International Sale of Goods to this Agreement.