STEERE ENTERPRISES, INC. STANDARD TERMS AND CONDITIONS OF PURCHASE

1. AGREEMENT OF PURCHASE. Unless otherwise provided in a written agreement between Steere Enterprises, Inc. and its affiliates and subsidiaries, as applicable in each case, ("Buver") and the seller, its successors and permitted assigns ("Seller"), the terms and conditions set forth in this document (the "Terms") are intended to establish standard terms and conditions of purchase for all purchases of products and services by Buyer from Seller, and all such purchases are made expressly conditional upon the Terms. The Terms, together with the purchase orders, Specifications, and all supplements and attachments thereto issued by Buyer from time to time (the "Other Documents"), shall constitute the entire agreement (the "Agreement") between Buyer and Seller for each such purchase. In the event of any inconsistency between the Terms and the provisions in the Other Documents, the provisions contained in the Other Documents shall control. Seller's acknowledgement, commencement of performance to furnish the Products or Work, or any conduct by Seller which recognizes the existence of a contract pertaining to the subject matter hereof shall constitute acceptance by Seller of the Agreement and all of the Terms. Additional or different terms provided in Seller's acceptance of Buyer's offer which vary in any degree from any of the Terms are hereby objected to and rejected. If an offer by Seller shall be deemed an acceptance by Buyer and if any of the Terms are additional to or different from any terms of such offer, then the issuance of the Terms by Buyer shall constitute an acceptance expressly conditioned upon Seller's assent to all of the Terms. The Terms may be modified from time to time by Buyer upon notice to Seller. Each such modification shall be binding upon Seller with respect to all purchases occurring after the date of such modification. Except as otherwise described herein, no modification or termination hereof or waiver of any of the obligations hereunder shall be effective unless in writing and signed by the party against whom such modification, termination or waiver is sought to be enforced.

For purposes of the Terms: (a) "Data" means documentation, manuals, maps, plans, schedules, Specifications, software, reports, drawings, designs and other relevant information; (b) "Buyer's Site" means the location designated by Buyer for which the Work or Products are intended, to which the Work or Products are to be delivered, or where the Work is to be carried out; (c) "Products" mean all materials, equipment, supplies and other goods intended for Seller to provide under the Agreement; (d) "Specification(s)" means the portion of the Agreement that describes the Work to be delivered by Seller, including dimensions, components, technical and non-technical requirements and characteristics, standards, performance requirements, and tolerances; (e) "Subcontractor" means any person or entity having a contract with Seller or its subcontractors for the performance of any part of the Work; (f) "Work" means all services, labor, Data, and other obligations intended for Seller to perform or supply under the Agreement, as specified in the work scope, together with miscellaneous expendable job supplies, installation related equipment, tools, transportation, and facilities necessary for the performance of Seller's obligations under the Agreement.

- 2. WARRANTIES AND INSPECTION. Seller expressly warrants: (a) that the Products sold hereunder will conform to the Specifications, drawings, samples, or other descriptions furnished to Buyer by Seller; will be of good design, material, and workmanship; will be free from defect; will be merchantable; will satisfactorily perform the functions for which intended; will be fit for their intended use; and will be free and clear of all liens, claims, pledges, charges and encumbrances; and (b) to perform the Work in a good and workmanlike manner, and in accordance with good industry practices. Seller shall furnish all materials, equipment, tools, labor, supervision, supplies, facilities, services and transportation necessary for the successful completion of the Work. Seller shall cooperate, consult, and coordinate with Buyer in the performance of the Work, and shall provide such Work in a timely manner compatible with Buyer's schedule. Seller shall, prior to the start of the Work, provide to Buyer a schedule describing its plan of operation for the Work and all testing and deliverables of Seller hereunder. Said warranties, however, shall not be deemed to limit any warranties or representations of additional scope given to Buyer from Seller or any warranties implied by law. Seller agrees that all of its warranties shall survive acceptance of and payment for the Products or Work and shall inure to the benefit of Buyer, and to all subsequent buyers of the Products or users of the Work. Unless otherwise specified, all Products and Work will be subject to final inspection and acceptance at Buyer's plant. Payment by Buyer prior to final inspection and acceptance shall not constitute acceptance. Buyer may at its option hold rejected Products for Seller's instructions and at Seller's risk, or return them to Seller at Seller's expense.
- 3. **REMEDIES.** If any Products or Work do not comply with the warranties set forth herein, Buyer may, at its sole option, and in each case at Seller's sole expense: (a) reject such Products or Work; (b) require Seller to repair or correct such Products or Work as necessary to render them in conformance with the foregoing warranties, and consistent with Buyer's time schedule; (c) return such Products or Work and receive a full refund of the contract price; or (d) make any corrections required to cause such Products or Work to fulfill the foregoing warranties and charge Seller for the costs incurred by Buyer thereby. Seller shall reimburse Buyer for all expenses reasonably incurred by Buyer in connection with a breach of the foregoing warranties (including transportation, storage, administrative, and other incidental expenses of Buyer). The remedies set forth in the Agreement are cumulative, and shall not preclude any other remedy available to Buyer at law or in equity.

- 4. **AUDIT RIGHTS.** Buyer shall have the right, at its own expense, upon reasonable notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of Seller and its Subcontractors only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. Seller shall keep records of all charges, disbursements, and expenses incurred by it hereunder, and its compliance with laws regulating employee benefits, quality assurance, environmental and safety activities.
- 5. **RELATIONSHIP OF THE PARTIES.** In satisfying its obligations hereunder, Seller shall operate as and have the status of an independent contractor, and shall not act as or be an agent or employee of Buyer. As an independent contractor, Seller shall be solely responsible for the end result of its work and as such shall maintain daily control over its workers and the means and methods used to accomplish the end result. Seller shall be solely responsible for the employment of workers and shall indemnify, defend and hold Buyer harmless from any claim, demand, loss, cost, expense, or suit alleging the violation or claimed violation of any local, state or federal law, rule or regulation relating to the safety and employment of workers, or requiring the employer to withhold taxes or similar charges from employees' pay. Nothing in the Agreement or in the performance of the Seller's obligations required hereunder shall be construed to create a partnership, joint venture or other joint business arrangement between Buyer and Seller.
- 6. BUYER'S SITE, FACILITIES AND OPERATIONS. Unless otherwise specified, Seller will provide all temporary buildings, lavatories, storage facilities, and water and power sources required for its own use or that of its Subcontractors, if any. If Seller, any of its Subcontractors, or any of its or their employees use any equipment, facilities, office space, equipment or tools which are owned, rented or leased by Buyer or Buyer's other contractor(s), Seller hereby assumes the entire responsibility and liability for all injuries, claims, damages, or losses whatsoever resulting from the use of such equipment, facilities, or apparatus. Seller shall take the necessary precautions to decrease the probability of accident and to avoid delay in completion of Seller's obligations required hereunder, and shall comply with all federal, state, and local laws and regulations with regard to the safe performance. Seller shall dispose of all rubbish resulting from Seller's obligations required hereunder, and shall restore any damage caused to Buyer's Site. When operating at Buyer's Site, Seller and its Subcontractors shall use only the area designated by Buyer, shall enter and leave the premises through designated access ways, and shall park only in parking areas designated by Buyer. Seller shall conduct its obligations hereunder so as to minimize interference with the operations of Buyer's Site and with other work in progress. Buyer shall have the right to control access to Buyer's Site, and shall have the right to check all persons and vehicles entering and leaving the site and carry out such control of persons and vehicles as deemed necessary. Seller shall require all persons performing any Work at Buyer's Site to be trained in and to comply with policies, procedures and directives applicable to activities at Buyer's Site, including security, environmental protection, worker health and safety, sexual harassment, access, use of controlled substances, and similar activities. At Buyer's request, Seller shall submit to Buyer the credentials of any of Seller's employees assigned to perform the Work hereunder. During the performance of such Work, Buyer may object to, and Seller shall remove and replace, any Seller employee who, in Buyer's opinion, does not meet appropriate criteria for performance of the Work.
- 7. WAIVER OF CERTAIN IMMUNITIES, DEFENSES, AND PROTECTIONS RELATING TO EMPLOYEE INJURIES. In connection with Seller's indemnification obligations to Buyer with respect to any Losses arising out of any bodily injury (including death) to an employee of Seller, Seller waives any immunity, defense or protection under any workers' compensation, industrial insurance or similar laws. This Section will not be interpreted or construed as a waiver of Seller's right to assert any such immunity, defense or protection directly against any of its own employees or such employee's estate or other representatives.

8. **DELIVERY.**

- (a) Time is of the essence in the Agreement. Shipment shall be to the location directed by Buyer. Invoicing, delivery terms, shipping and packing instructions shall be provided to Seller through an attachment to, or printing on the face of, the purchase order. In the absence of such instructions, the delivery terms for Products shall be FOB Seller's facility for domestic orders and DDP Seller's facility for international orders. All shipping terms shall have meaning set forth in the Uniform Commercial Code for domestic sales or in INCOTERMS 2010, as published and promulgated by the International Chamber of Commerce, for international sales. Unless expressly agreed to otherwise in writing, total deliveries against an order shall not exceed the quantities ordered. No overruns will be accepted without Buyer's prior written approval. Seller's failure to make timely delivery, or Seller's breach of any of the Terms or of the Agreement, shall constitute sufficient cause of Buyer at its option, in addition to any other remedy, Buyer may have, to cancel the Agreement, either in whole or in part, to refuse any goods, and to charge Seller for any damages or loses Buyer may sustain as a result of Seller's default. Any failure by Buyer to exercise this option with respect to any installment shall not constitute a waiver of such options with respect to subsequent installments.
- (b) Buyer shall not be liable for delay in accepting or for failure to accept goods hereunder, if such delay or failure is due to causes beyond the reasonable control of Buyer, including but not limited to, acts of God, acts of Seller, war,

mobilization, civil commotion, riot, embargo, acts of a public enemy, fire, flood, wind, transportation tie-up, strike, slowdown, or labor disturbance of any kind or act/failure to act by any Government, foreign or domestic. Any such delay or failure shall give Buyer the right, at its option, to cancel all or such portion of the Agreement as it may elect.

- 9. **TITLE AND RISK OF LOSS.** Seller warrants title to all Products sold hereunder and bears the risk of loss or damages to the Products purchased under the Agreement until they are delivered in conformity with the Agreement at Buyer's delivery point specified in the purchase order. Upon such delivery, title shall pass from Seller and Seller's responsibility for loss or damage shall cease, except for loss or damages resulting from Seller's negligence. Passing of title shall not constitute acceptance of the Products by Buyer.
- 10. **DEFECTIVE OR DAMAGED PRODUCTS.** Notwithstanding prior inspection, payment for, or use of the Products, Buyer shall have the right to reject any Products which do not conform to the requirements of an order. Buyer, at its option and at the expense and risk of Seller, may either return such rejected Products to Seller or hold them for such disposal as Seller shall indicate, without notice to any other person whatever, notwithstanding any assignments by Seller of the Agreement or of any sums hereunder. Any payments made on such rejected Products shall be immediately refunded to Buyer. Seller shall pay transportation charges both ways on rejected Products. Buyer's rights under this paragraph shall be in addition to and shall not be deemed to diminish its rights under Section 2 hereof entitled, "Warranty" and Section 7 hereof entitled, "Remedies." In case of a dispute as to whether Products meet contract Specifications, Seller or Buyer may designate a mutually acceptable independent testing company and/or surveyor to make an examination and in such case said testing company's and/or surveyor's findings shall be conclusive and binding on both parties (the expense of which examination shall be borne by Seller with respect to each item found not to conform to Specifications).
- 11. **RECALLS.** Seller is liable for all costs or damages associated with any voluntary or involuntary recall of defective or potentially defective Products or any products containing or incorporating such Products including, but not limited to, recalls by a customer, regulatory agency or in accordance with applicable laws or regulations. Seller will be solely responsible for administering any recall or will fully participate in the administration of any recall conducted by Buyer or its customer in relation to Seller's Products as Buyer may so direct. Each party will cooperate in making available records and other information reasonably required by the other party in connection with any recall. This Section will survive any termination or expiration of the Agreement and apply for at least the same duration as Buyer's obligation to its customers.
- 12. CONTRACT PRICE AND PAYMENT. The contract price or unit prices stated in the purchase order represent the fixed, full amount payable by Buyer under the Agreement. Unless otherwise specified in the purchase order, no additional charge will be allowed for labor, supervision, equipment, materials, supplies, tools, field and office overhead, facilities, utilities, services, transportation, packaging, cartage, and any other of Seller's costs. Unless otherwise specified in the purchase order, Seller shall pay all taxes, duties, licenses, permits, and all other fees and charges imposed by any governmental entity with respect to the Agreement. The contract price shall include all contributions for unemployment compensation, workers' compensation, social security, and other employee benefits, and for the cost of any insurance required by the Agreement. Buyer will not be responsible for charges for any work performed for any other contractor, Subcontractor, equipment manufacturer or supplier. Payments by Buyer shall not be deemed evidence of acceptance by Buyer of the Products or the Work. Seller warrants that its prices are no higher than prices charged by it for the same or similar items and quantities to any other buyer. No charge will be allowed for packing or shipping unless designated by Buyer on the purchase order. Shipments will be packaged to secure the lowest transportation costs. Bills of lading must accompany each invoice. Orders not accompanied by packing lists will be conclusively deemed in the amount of Buyer's count or weight. If Seller's deliveries are behind the agreed upon schedule, Buyer may elect to have further deliveries made by express shipments and Seller shall bear the difference between freight and express shipping rates. Unless otherwise stipulated on the face of a purchase order or by Buyer in writing domestic orders shall be priced and shipped "FOB destination," and international orders shall be priced and shipped "DDP destination."
- 13. **WITHHOLDING.** If Buyer has a claim under the Agreement, or under any other agreement between Buyer and Seller, regardless of when it is discovered, including a claim that: (a) Seller's invoice is erroneous; (b) the Product or Work is deficient, defective, or incomplete; (c) a third party claim has been asserted or there is reasonable evidence indicating the possibility of a claim; (d) Seller fails to make a payment as and when due to a Subcontractor or supplier for materials, labor or equipment; or (e) Buyer, another contractor, Subcontractor, or other party suffers damage or injury which is attributable to Seller; then Buyer may, without notice, withhold payment of, or set off the amount of its claim, costs or loss against, any amount invoiced to it.
- 14. **CHANGES.** Buyer may at any time make changes to the scope of the Products or Work to be provided under the Agreement, the contract Specifications, or the terms of shipment, packing, time or place of delivery, quantity, acceleration, or sequencing. Seller shall submit the proposed cost or credit to Buyer for any such changes within fifteen (15) working days after receipt of the written order for Buyer's approval. Such changes shall not proceed and shall not be binding upon Buyer

without Buyer's written approval. Seller's performance of additional work as related to the changes shall in no way be a basis of claims involving loss of efficiency on any work performed or to be performed under the Agreement. Performance of extra work shall not be a basis for schedule extensions unless such extensions are agreed upon at the time of award of the additional work. Buyer may authorize minor changes in the Work or Products not involving an adjustment in the contract price or time for performance, which are consistent with the overall intent of the Agreement.

- 15. INDEMNITY. Seller shall indemnify, defend, and hold harmless Buyer, its subsidiaries and affiliates, and their respective agents, employees, successors, assigns, and indemnitees (the "Indemnified Parties"), from and against any and all losses, costs, damages, claims, liabilities, fines, penalties, and expenses (including, without limitation, attorneys' and other professional fees and expenses, and court costs, incurred in connection with the investigation, defense, and settlement of any claim asserted against any Indemnified Party or the enforcement of Seller's obligations under this Section) (collectively, "Losses"), which any of the Indemnified Parties may suffer or incur in whole or in part arising out of the Agreement, Work or the Products, the presence of Seller or its Subcontractors at Buyer's Site, or the actions or omissions of Seller or its Subcontractors under the Agreement, including, without limitation, Losses relating to: (a) actual or alleged bodily or mental injury to or death of any person, including, without limitation, any person employed by Buyer, by Seller, or by any Subcontractor; (b) damage to or loss of use of property of Buyer, Seller, any Subcontractor, or any third party; (c) any contractual liability owed by Buyer to any third party; (d) any breach of or inaccuracy in the covenants, representations, and warranties made by Seller under the Agreement; (e) any costs or damages associated with any voluntary or involuntary recall of defective or potentially defective Products or any products containing or incorporating such Products as more fully provided in Section 11; or (f) any violation by Seller or any Subcontractor of any ordinance, regulation, rule or law of the United States or any political subdivision or duly constituted public authority. Seller for itself and its Subcontractors hereby expressly agree to waive any provision of any workers' compensation act or other similar law whereby Seller could preclude its joinder by Buyer as an additional defendant, or avoid liability for damages, contribution, or indemnity in any legal action brought against any Indemnified Party. Seller's obligation to Buyer herein shall not be limited by any limitation on the amount or type of damages, benefits or compensation payable by or for Seller under any worker's compensation acts, disability benefit acts, or other employee benefit acts on account of claims against Buyer by an employee of Seller or anyone employed directly or indirectly by Seller or anyone for whose acts Seller may be liable.
- 16. **INSURANCE.** So long as Seller has any obligation under the Agreement towards Buyer, Seller shall carry a comprehensive general liability insurance policy, including contractual coverage with respect to the indemnity provisions of the Agreement, and if any work hereunder is to be performed by a Subcontractor, Sellers Protective Liability, with minimum limits of \$2,000,000 per occurrence, combined single limit, for bodily injury, public liability, and property damage. Seller shall also carry comprehensive motor vehicle liability insurance, including non-ownership and hired car endorsement, with minimum limits of \$1,000,000 per occurrence, combined single limit, for bodily injury and property damage. Buyer shall be named as an Additional Insured on all such policies. In addition, Seller shall carry statutory workers compensation coverage on its employees including employer's liability insurance with limits of at least \$1,000,000, or such higher amount as required by law. All of the above policies shall include a waiver of subrogation with respect to Buyer. All insurance included in this paragraph shall be deemed to be the primary coverage for all purposes hereof and Seller shall furnish Buyer with certificates of insurance including a provision that Buyer will receive 30 (thirty) days' written notice prior to cancellation or material change of the coverage.
- 17. WAIVER OF LIEN RIGHTS. To the extent permitted by law, Seller, for itself and anyone else acting or claiming through or under it, does hereby expressly waive and relinquish all right to file a mechanics' or materialmen's lien, and agrees that no mechanics', materialmen's, or similar lien shall be filed or maintained against any property where the Work is to be performed, or any interest of Buyer in such property, by or in the name of Seller or any Subcontractor, materialman or laborer acting or claiming through or under Seller for Work performed or Products or materials furnished in connection with the Agreement. Every Subcontract for any portion of the Work shall contain an undertaking by the Subcontractor similar in effect to this Section.

18. TERMINATION.

(a) Termination for Breach or Nonperformance. Buyer may terminate all or any part of the Agreement, without liability to Seller, if Seller: (i) repudiates, breaches or threatens to breach any of the terms of the Agreement; (ii) fails or threatens not to deliver Products or perform Work in connection with the Agreement; (iii) fails to make progress or to meet reasonable quality requirements so as to endanger timely and proper completion or delivery of Products and does not correct the failure or breach within ten (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; (iv) 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; (v) becomes insolvent, makes an assignment for the benefit of creditors, suffers or permits the appointment of a receiver, trustee in bankruptcy or similar officer for all or parts of its business or assets; or (vi) avails itself of or becomes subject

to any bankruptcy proceeding under the laws or any jurisdiction relating to insolvency or the protection of rights of creditors. Seller shall indemnify the Buyer against any claims from third parties resulting from termination. Seller shall also repay immediately the costs already incurred and monies unduly paid by Buyer, without prejudice to Buyer's right to claim full compensation.

- (b) Government Contracts. Buyer expressly reserves the right, in the event the Agreement is entered into pursuant to a prime contract with the Government or to a subcontract thereunder, to terminate the work under the Agreement in whole or in part at any time by written notice to the Seller stating the extend and effective date of such termination, in which event the rights and obligations of the parties hereto shall be determined in accordance with the Termination Provisions approved for use in Fixed-Price Orders, of Subcontracts for the manufacture of supplies under Government War Contracts, as amended and in effect on the date of such terminations.
- (c) Other Termination Rights. In addition to any other rights of Buyer to cancel or terminate the Agreement, Buyer may, at its option, terminate all or any part of the Agreement at any time and for any reason by giving thirty (30) days' advance written notice to Seller. Seller shall not have any right to claim compensation as a result of termination under this Section unless Seller informs Buyer in writing within seven (7) days from delivery of the notice of termination that production of the Products had already commenced before receipt of the notice of termination. In such case, Buyer shall be entitled to choose between taking delivery of the Products already produced and compensating Seller for the reasonable costs already incurred. In the case of supply of Work, no other compensation shall be due than the payment of the work NOTWITHSTANDING ANY OTHER PROVISION HEREIN, IN THE EVENT OF A TERMINATION UNDER THIS SECTION, 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** TOOLING, **FACILITIES** AND COSTS, **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 AGREEMENT, OR GENERAL ADMINISTRATIVE BURDEN CHARGES FROM TERMINATION OF THE AGREEMENT. Buyer's obligation upon termination under this Section will not exceed the obligation Buyer would have had to Seller in the absence of termination. Buyer will have no obligation for payment to Seller under this Section if Buyer terminates the Agreement or portion thereof because of a default or breach by Seller.
- 19. LAW AND JURISDICTION. The Agreement is to be governed by and interpreted in accordance with the substantive law of the State of Ohio. The parties hereby expressly exclude the applicability of the United Nations Convention on Contracts for the International Sale of Goods, if the same would otherwise apply here. Seller agrees that Seller shall commence, and that Buyer may commence, any legal suit, action or proceeding to collect payment due hereunder from Buyer, or otherwise arising out of or relating to the Agreement in a State or Federal Court in the County of Summit, State of Ohio. Seller waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action or proceeding and hereby irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding.

20. COMPLIANCE WITH LAWS.

- (a) During the performance of the Agreement, Seller shall strictly comply with all federal, state, and local laws, rules and regulations, administrative and executive orders, and government procurement regulations applicable to the Products or Work and the Agreement. If the Agreement is a subcontract under a contract for the supply of products or services to the U.S. Government, THEN the following clauses from the Federal Acquisition Regulation ("FAR"), 48 Code of Federal Regulations Chapter 1, as amended from time to time, are incorporated herein by reference with the same force and effect as if set forth below in full text, and Seller shall comply with such requirements if the applicable criteria specified in the FAR are met. If Seller's subcontracts meet such criteria, Seller shall include the terms or substance of the applicable clause in its subcontracts: FAR 52.203-6 Restrictions on Subcontractor Sales to the Government; FAR 52.203-7 Anti-Kickback Procedures; FAR 52.204-2 Security Requirements; FAR 52.219-8 Utilization of Small Business Concerns; FAR 52.219-9 Small Business Subcontracting Plan; FAR 52.222-4 Contract Work Hours and Safety Standards Act—Overtime Compensation; FAR 52.222-26 Equal Opportunity; FAR 52.222-27 Affirmative Action Compliance Requirements for Construction; FAR 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era; FAR 52.222-36 Affirmative Action for Workers with Disabilities; FAR 52.222-37 Employment Reports on Disabled Veterans and Veterans of the Vietnam Era; FAR 52.223-14 Toxic Chemical Release Reporting; FAR 52.225-13 Restrictions on Certain Foreign Purchases; FAR 52.222-11 Subcontracts (Labor Standards); FAR 52.222-41 Service Contract Act of 1965.
- (b) In the event this Agreement is entered into pursuant to a prime contract with the Government or to a subcontract thereunder, Schedule A attached hereto and made a part hereof, shall govern Buyer's purchase of Products or Work from

- Seller hereunder and <u>Schedule A</u> is expressly incorporated herein. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions set forth in <u>Schedule A</u>, the terms and conditions set forth in <u>Schedule A</u> shall govern.
- (c) Seller warrants that neither any of the Products provided to Buyer nor their manufacture, fabrication, construction, transportation or use shall violate or cause Buyer to be in violation of any law, code, ordinance, regulation, standard, rule, requirement or order. In the event of any conflict between the provisions of any laws, codes, ordinances, regulations, standards, rules, requirements or orders, the more or most stringent provisions shall apply. Without limiting the foregoing, Seller certifies and guarantees that all Products: (i) will conform with all applicable consumer product safety standards under the U.S. Consumer Product Safety Act; (ii) will not be a misbranded or banned hazardous substance within the meaning of the U.S. Federal Hazardous Substances Act; (iii) will not, under normal use, be in violation of, or cause Buyer to be in violation of, the U.S. Occupational Safety and Health Act of 1970, and standards, rules and regulations thereunder, the U.S. Resource Conservation and Recovery Act, the U.S. Clean Air Act, the U.S. Clean Water Act, the U.S. Comprehensive Environmental Response, Compensation and Liability Act of 1980, the U.S. Toxic Substances Control Act, the U.S. Hazardous Materials Transportation Act or of any other laws, standards, rules, regulations, requirements or orders relating to the environment; and (iv) the Products or Work furnished under the Agreement will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended, and a certification evidencing such compliance shall be printed, stamped or typed on Seller's invoices. In addition, without limiting the foregoing, all Work at Buyer's job site shall be performed in accordance with the Buyer's safety and other standards. Seller shall promptly take, at its sole expense, all action necessary to make all Products comply with the applicable laws, codes, ordinances, regulations, rules, standards, requirements or orders after Seller receives a notice from Buyer or another third party that some violation exists with respect to the Products. If Seller fails to promptly take such action, Buyer may take all such action at Seller's expense. Seller shall also be liable for the payment of any penalties or fines imposed as a result of the failure of any Product provided by or for Seller hereunder to comply with all of the above requirements.
- 21. INTELLECTUAL PROPERTY RIGHTS. The Work and all Data associated with the Work, whether or not patentable, registrable as a copyrightable Work, or registrable as a trademark or service mark, shall become the property of Buyer and Buyer shall own all intellectual property rights therein (including the rights to any patent, trademark or service mark, trade secret, and copyright therein). Seller hereby agrees that any materials and works of authorship conceived or written by Seller during the term of the Agreement that pertain in any material respect to the Work shall be done as "work made for hire" as defined and used in the Copyright Act of 1976, 17 USC §1 et seq., and that Buyer, as the entity for which the Work is prepared, shall own all right, title and interest in and to such materials, including the entire copyright therein. To the extent that any such materials are not deemed to be a "work made for hire," Seller will assign to Buyer ownership of all right, title, and interest in and to such materials, including ownership of the entire copyright therein. Seller warrants that the Products furnished hereunder, and the normal use thereof, do not infringe or misappropriate any patent, copyright, trademark, service mark, trade secret, or other intellectual property right of any third party. Seller will indemnify, defend, and hold harmless Buyer against any losses arising out of any suit or proceeding alleging that the Products infringe or misappropriate any patent, copyright, trademark, service mark, or trade secret.
- 22. **TOOLS, DIES, ETC.** All special tools, dies, patterns, jigs or fixtures supplied by Buyer or paid for by Buyer remain the property of Buyer and Seller agrees to comply promptly with any disposal or shipping instructions furnished by Buyer. Should Seller ever have in its possession any such property, including also any kind of property belonging to Buyer, Seller agrees to maintain and protect such property at its expense from damage, fire and casualty of every kind and to indemnify Buyer for all loss or damage to such property while in Seller's possession.
- 23. CONFIDENTIALITY. Confidential Information means information relating to the research, development, products, methods of manufacture, trade secrets, business plans, customers, finances, and personal data related to the business or affairs of Buyer. Confidential Information does not include any information (i) that Seller can prove with conclusive written evidence that Seller knew before Buyer disclosed it to Seller; (ii) that has become publicly known through no wrongful act of Seller; or (iii) which Seller developed independently, as evidenced by conclusive written documentation. Seller agrees not to disclose any Confidential Information and to take all reasonable precautions to prevent its unauthorized dissemination, both during and after the Agreement. Without limiting the scope of this duty, Seller agrees to limit its internal distribution of Confidential Information to its employees and agents who have a need to know and to take steps to ensure that the dissemination is so limited. Seller agrees not to use any Confidential Information for its own benefit or for the benefit of anyone other than Buyer. Without limiting the scope of this duty, Seller agrees not to design or manufacture any products which incorporate Confidential Information. All Confidential Information remains the property of Buyer and no license or other rights in the Confidential Information are granted hereby. All information is provided "AS IS" and without any warranty, express, implied, or otherwise, regarding accuracy or performance. Further, upon Buyer's written request, Seller agrees to return to Buyer, all Confidential Information, including but not limited to all computer programs, documentation, notes, plans, drawings and copies thereof.

- 24. **SPECIFICATIONS.** All Specifications referring to published standards such as ASTM, ASCE, etc., shall be deemed to refer only to the physical properties set forth therein, unless otherwise specified.
- 25. **ASSIGNMENT AND SUBCONTRACTS.** Seller may not assign any rights or claims, or delegate any duties under the Agreement, in whole or in part, without the prior written consent of Buyer, which may be withheld at Buyer's sole discretion. In the event of any assignment or delegation permitted hereunder, Seller shall continue to be liable for the performance of its obligations hereunder.
- 26. **WAIVER**. No waiver of a breach of any provision of the Agreement shall be effective to discharge in whole or in part any claim or right arising out of such breach unless such waiver is in writing and signed by Buyer.
- 27. **SEVERABILITY**. In the event that any provision hereof shall be illegal, invalid or unenforceable, it shall not affect the legality, validity or enforceability of any other provision hereof and such illegal, invalid, or unenforceable provision shall be interpreted and modified by the parties so as to eliminate such illegality, invalidity or unenforceability.
- 28. LIMIT OF LIABILITY. IN NO EVENT SHALL BUYER HAVE ANY LIABILITY, WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), WARRANTY OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, FOR ANY PUNITIVE, CONSEQUENTIAL, INDIRECT, EXEMPLARY, SPECIAL OR INCIDENTAL LOSS OR DAMAGE ARISING FROM OR RELATED TO THE AGREEMENT, INCLUDING LOSS OF DATA, PROFITS, INTEREST OR REVENUE OR INTERRUPTION OF BUSINESS, EVEN IF BUYER HAS BEEN INFORMED OF OR MIGHT OTHERWISE HAVE ANTICIPATED OR FORESEEN THE POSSIBILITY OF SUCH LOSSES OR DAMAGES.

 $\underline{\text{SCHEDULE A}}$ FAR FLOWDOWN PROVISIONS FOR SUBCONTRACTS/PURCHASE ORDERS FOR COMMERCIAL ITEMS UNDER A U.S. GOVERNMENT PRIME CONTRACT

See attached.