General Terms and Conditions of Purchase

for TQ-Systems USA Inc.

These General Terms and Conditions of Purchase (**"Terms"**) apply to every purchase order, release, statement of work, schedule, or other procurement document issued by TQ-Systems USA Inc. or any affiliate expressly identified in the applicable order (collectively, **"Buyer"**) to the supplier identified in the applicable order (**"Seller"**). The order, these Terms, and all specifications, drawings, statements of work, quality requirements, schedules, and other documents expressly incorporated by reference form the **"Agreement."**

1. Definitions

1.1 Agreement. "Agreement" means the applicable Order together with these Terms and all attachments, specifications, drawings, quality requirements, statements of work, releases, and other documents expressly incorporated by reference.

1.2 Goods. "Goods" means all raw materials, components, spare parts, equipment, tools, packaging, embedded software, and other tangible items to be supplied by Seller.

1.3 Services and Deliverables. "Services" means any labor, installation, commissioning, maintenance, repair, engineering, design support, logistics, training, inspection, testing, or other work performed by Seller. "Deliverables" means all reports, drawings, software, documents, manuals, data, certifications, and other work product created or provided in connection with the Services.

1.4 Specifications. "Specifications" means all descriptions, technical requirements, performance criteria, drawings, approved samples, quality standards, inspection criteria, packaging instructions, and other requirements identified in the Agreement.

1.5 Applicable Laws. "Applicable Laws" means all applicable federal, state, and local statutes, regulations, ordinances, executive orders, and binding governmental requirements relevant to the Goods, Services, Deliverables, their manufacture, import, export, transportation, delivery, installation, and use.

1.6 Affiliate. "Affiliate" means any entity that directly or indirectly controls, is controlled by, or is under common control with a party, where control means ownership of more than fifty percent (50%) of the voting interests or the practical power to direct management and policies.

2. Applicability; Contract Formation; Order of Precedence

2.1 Exclusive Terms. The Agreement is the exclusive basis on which Buyer purchases Goods or Services. Buyer objects to and rejects any additional, inconsistent, or different terms contained in Seller's quotation, acknowledgment, invoice, order confirmation, portal terms, website terms, click-wrap, shrink-wrap, shipping document, or other communication.

2.2 Acceptance. Seller accepts the Agreement by signing or acknowledging the Order, beginning performance, shipping Goods, delivering Services, accepting payment, or otherwise acting in reliance on the Order.

2.3 No Incorporation of Seller Terms. Seller terms shall not become part of the Agreement by course of dealing, usage of trade, receipt of Goods, payment, failure to object, electronic portal workflow, or any other conduct short of Buyer's express written acceptance signed by an authorized representative of Buyer.

2.4 Separate Contract. Each Purchase Order or release accepted by Seller constitutes a separate contract between Buyer and Seller incorporating these Terms, unless the Order expressly states otherwise.

2.5 Order of Precedence. In the event of a conflict, the following order of precedence applies: (a) a written amendment or change order signed by Buyer; (b) the face of the Order and release schedule; (c) the statement of work, drawings, specifications, and quality requirements; (d) these Terms; and (e) any Seller proposal expressly incorporated by reference, but only to the extent consistent with the foregoing.

2.6 Forecasts. Any forecast, volume estimate, or planning information provided by Buyer is for planning purposes only and is not a purchase commitment unless the applicable Order expressly identifies stated quantities as firm commitments.

3. Prices; Invoices; Payment; Taxes; Setoff

3.1 Firm Pricing. Prices are firm and include all costs necessary to fully perform the Agreement, including packaging, labeling, preservation, documentation, duties, fees, tariffs, freight, insurance, and other charges, unless the applicable Order expressly states otherwise. Seller shall not impose fuel surcharges, tariff surcharges, raw material surcharges, or similar additional charges unless Buyer expressly agrees in writing.

3.2 Price Protection. Seller represents that the prices and commercial terms offered to Buyer are no less favorable than those offered to similarly situated customers for substantially comparable quantities, specifications, and service levels. If Seller reduces its price or offers more favorable terms before final payment for the applicable Goods or Services, Seller shall promptly extend the benefit of that reduction or improvement to Buyer.

3.3 Invoices. Seller shall issue accurate invoices only after delivery of conforming Goods or completion of conforming Services, unless the Order expressly authorizes milestone billing. Each invoice must reference one, and only one, Purchase Order and include the Order number, line item number, description, quantity, unit of measure, pricing, tax detail, ship-to location, and all supporting documentation reasonably requested by Buyer. Buyer shall have no obligation to pay any invoice submitted more than thirty (30) calendar days after delivery of the applicable Goods or completion of the applicable Services.

3.4 Payment Terms. Unless the Order states otherwise, Buyer shall pay undisputed amounts thirty (30) days after the later of Buyer's receipt of a proper invoice and Buyer's acceptance of the applicable Goods or Services. Payment does not constitute inspection, acceptance, waiver of breach, or approval of Seller's invoice content.

3.5 Taxes. Prices include all taxes and charges except taxes that are separately stated on the invoice and that Buyer is legally required to pay. Seller is responsible for all taxes based on its income, payroll, property, or employment. Buyer may furnish exemption certificates or other documentation to support available exemptions.

3.6 Setoff; Withholding; Disputes. Buyer may set off against any amounts due to Seller any amounts owed by Seller or Seller's Affiliates to Buyer or Buyer's Affiliates, to the fullest extent permitted by Applicable Laws. Buyer may withhold the disputed portion of any invoice due to breach of contract without interest or penalty, and Seller shall continue performance during the dispute.

4. Delivery; Packaging; Shipment; Customs

4.1 Time of the Essence. Time, quantity, and sequence are of the essence for all deliveries and performance dates. Seller shall deliver strictly in accordance with the dates, quantities, milestones, and other requirements stated in the Agreement.

4.2 Delivery Terms. Unless the Order expressly states otherwise, delivery shall be made to Buyer's designated destination, freight prepaid with all duties paid, together with all documents required for efficient receipt and customs processing, if applicable. Seller remains responsible for proper routing and compliance with Buyer's shipping instructions.

4.3 Partial or Early Shipments. Seller shall not make partial shipments or early deliveries without Buyer's prior written consent. Buyer may reject, return, or store unauthorized early or partial shipments at Seller's risk and expense.

4.4 Packaging and Labeling. Seller shall package, preserve, mark, and label Goods in accordance with good commercial practice, the Agreement, and Applicable Laws so as to prevent damage, deterioration, contamination, or loss in transit and storage. Shipping containers and labels shall include, as applicable, the Order number, part number, revision level, country of origin, lot or batch number, serial number, hazardous material markings, and packing list details.

4.5 Trade and Customs Information. Seller shall timely provide complete and accurate shipping and customs documentation, including certificates of origin, tariff classification data, valuation in-

formation, export control information, and other import or export data reasonably requested by Buyer.

4.6 Delay Notice and Mitigation. Seller shall promptly notify Buyer in writing of any actual or anticipated delay, shortage, or supply disruption, identifying the cause, expected duration, affected line items, and mitigation actions. Notice does not relieve Seller of liability for late performance. For Seller-caused delay, Buyer may require expedited shipment, alternate sourcing support, or other mitigation measures at Seller's expense and may obtain substitute supply without waiving any other rights.

4.7 Allocation of Scarce Supply. If Seller anticipates any shortage, capacity limitation, or allocation affecting the supply of Goods or Services to Buyer, Seller shall immediately reserve available inventory, work in process, and production capacity for Buyer and allocate available supply to Buyer on at least as favorable a basis as Seller allocates supply for its own needs and for its other customers, taking into account historical volumes and the criticality of Buyer's production requirements.

5. Liquidated Damages for Delay

5.1 Delay Liquidated Damages. If Seller fails to deliver any Goods, Services, milestone, or other contractual deliverable by the required date, Seller shall pay Buyer liquidated damages, and not a penalty, in an amount equal to one percent (1.0%) of the total price of the delayed line item(s), milestone(s), or affected release for each commenced calendar week of delay, up to an aggregate maximum of fifteen percent (15%) of the total price of the delayed line item(s), milestone(s), or affected release.

5.2 Reasonableness of Amount. Seller acknowledges, and the parties agree, that at the time of contracting Buyer's damages resulting from late delivery or late performance — including production disruption, rescheduling, administrative burden, expediting efforts, and customer-facing impacts — are difficult or impracticable to quantify with precision, and that the foregoing liquidated damages constitute a reasonable pre-estimate of such losses and are not intended as a penalty.

5.3 Accrual; Setoff. Liquidated damages accrue beginning on the first day after the applicable delivery or performance date and continue until actual delivery and acceptance, Buyer's procurement of substitute performance, or termination of the affected Order, whichever occurs first. Buyer may deduct accrued liquidated damages from any amounts otherwise due to Seller.

5.4 Nonexclusive Remedies; No Double Recovery. The liquidated damages set out in this Section are in addition to Buyer's rights to reject late deliveries, require expedited shipment, obtain cover, recover direct incremental costs not compensated by the liquidated damages, enforce specific performance where available, and terminate for cause; provided, however, that Buyer shall not obtain duplicative recovery for the same element of loss.

5.5 No Waiver. Buyer's acceptance of late delivery, partial payment, failure to assess liquidated damages immediately, or election to permit Seller to continue performance does not waive Buyer's right to liquidated damages or any other remedy. Reaching the liquidated-damages cap does not preclude Buyer from exercising termination or other non-duplicative remedies.

6. Title; Risk of Loss; Inspection; Acceptance

6.1 Title. Good and marketable title to the Goods shall pass to Buyer free and clear of all liens, claims, encumbrances, and security interests upon the earlier of payment by Buyer or delivery to Buyer's designated destination, except that title to rejected Goods shall revest in Seller upon Buyer's rejection and return or disposal in accordance with this Agreement.

6.2 Risk of Loss. Risk of loss or damage remains with Seller until the Goods are delivered to Buyer's designated destination and accepted by Buyer. Seller bears all risk for its tools, equipment, and materials used in performing Services until completion and acceptance of the applicable Services.

6.3 Inspection and Testing. Buyer may inspect, test, audit, or witness tests of Goods or Services at Seller's premises, at subtier suppliers, during transit, on receipt, during installation, or after performance. Any such inspection, testing, audit, or witness activity does not relieve Seller of any obligation or constitute acceptance.

6.4 Acceptance. Acceptance occurs only when Buyer has had a reasonable opportunity to inspect the applicable Goods or Services and either expressly accepts them in writing or fails to reject them within fifteen (15) business days after discovery of any nonconformity, taking into account latent defects. Payment shall not constitute acceptance. Buyer may revoke acceptance for latent defects, fraud, or breach of warranty.

6.5 Rejection and Remedies. Buyer may reject any nonconforming Goods, Services, or Deliverables in whole or in part. At Buyer's option, Seller shall promptly repair, replace, reperform, credit, or refund the nonconforming items and reimburse all related costs, including transportation, sorting, inspection, testing, removal, disassembly, reinstallation, field service, and cover or reprocurement costs.

7. Quality; Change Control; Nonconforming Goods; Counterfeit Prevention

7.1 Quality Management. Seller shall maintain a quality management system, inspection procedures, process controls, traceability controls, and competent personnel sufficient to ensure continuous compliance with the Agreement. Seller shall keep quality and production records for the periods stated in the Agreement or, if no period is stated, for a commercially reasonable period consistent with Section 19.

7.2 No Unapproved Changes. Without Buyer's prior written approval, Seller shall not change the design, drawings, materials, components, manufacturing process, tooling, software, source of supply, manufacturing location, quality control plan, test method, packaging, labeling, or any other aspect that may affect fit, form, function, reliability, safety, regulatory status, interchangeability, or delivery continuity.

7.3 Notification of Nonconformity. Seller shall immediately notify Buyer of any actual or suspected nonconformity, unauthorized deviation, quality escape, counterfeit or suspect-counterfeit condition, safety issue, cybersecurity issue, regulatory noncompliance, or circumstance that could affect delivered or in-process Goods or Services.

7.4 Corrective Action. Upon Buyer's request, Seller shall promptly implement containment actions and provide a written root-cause and corrective-action report in a format reasonably acceptable to Buyer, including timing for permanent corrective actions. Unless Buyer agrees otherwise, immediate containment information shall be provided within twenty-four (24) hours and a substantive corrective-action response within ten (10) business days.

7.5 Traceability and Counterfeit Prevention. Seller shall maintain lot, batch, or serial traceability to the extent commercially appropriate, legally required, or specified by Buyer, and shall use effective controls to prevent the introduction of counterfeit or suspect counterfeit goods, including controlled sourcing, incoming verification, retention of traceability records, and prompt quarantine and investigation of suspect material.

8. Warranties

8.1 Goods Warranties. Seller warrants that all Goods are new and unused unless the Agreement expressly permits otherwise; are free from defects in design, materials, and workmanship; conform to the Agreement, Specifications, samples, and approved submissions; are merchantable; are fit for the ordinary purposes for which such goods are used and for Buyer's particular purpose to the extent known or reasonably inferable by Seller; comply with Applicable Laws; are free of liens and encumbrances; and do not infringe, dilute, misappropriate, or otherwise violate any third-party intellectual property right.

8.2 Services Warranties. Seller warrants that all Services shall be performed in a professional and workmanlike manner by properly trained and qualified personnel, in accordance with the Agreement, recognized industry standards, Applicable Laws, and any schedule or milestone requirements. Seller further warrants that all Deliverables will be complete, accurate, and fit for the purposes contemplated by the Agreement.

8.3 Warranty Period. Unless a longer period is specified in the Agreement, required by Applicable Laws, or offered by Seller or the original manufacturer, the warranty period is the later of: (a) twenty-four (24) months from Buyer's acceptance; or (b) thirty (30) months from delivery. Repaired, replaced, or reperformed Goods or Services shall be subject to a new warranty period of the same duration commencing on the date of Buyer's acceptance of the repaired, replaced, or reperformed item.

8.4 Warranty Remedies. Buyer's warranty remedies are cumulative and in addition to any other rights or remedies available at law or in equity. In addition to repair, replacement, reperformance, and refund, Seller shall reimburse Buyer for all associated costs and losses reasonably incurred as a result of the breach, including diagnosis, labor, transportation, removal, reinstallation, inspection, testing, administrative handling, and cover costs.

8.5 Pass-Through Reliance. Buyer may assign, transfer, or pass through the benefit of these warranties to its Affiliates, customers, contract manufacturers, distributors, integrators, and end users, and Seller acknowledges that such parties may rely on them to the extent permitted by Applicable Laws.

9. Buyer Property; Tooling; Materials; Work in Process

9.1 Ownership. All tooling, dies, molds, patterns, jigs, fixtures, gauges, packaging, materials, components, samples, software, drawings, data, and other property furnished by Buyer or paid for by Buyer, whether separately or through the price of the Goods or Services, remain Buyer's exclusive property. Special tooling or custom items created specifically for Buyer and charged to Buyer shall vest in Buyer upon creation to the fullest extent permitted by Applicable Laws.

9.2 Care and Risk. Seller shall identify Buyer property as such, keep it in good condition, segregated where appropriate, properly stored, calibrated if applicable, and insured at replacement cost. Seller bears the risk of loss of or damage to Buyer property while it is in Seller's possession or control, ordinary wear and tear excepted.

9.3 Restricted Use. Seller shall use Buyer property solely for performing the Agreement and shall not disclose, copy, reverse engineer, reproduce, commingle, pledge, or use Buyer property for any other purpose or for any third party without Buyer's prior written consent.

9.4 Return and Inventory. Upon Buyer's request or upon completion or termination of the Agreement, Seller shall promptly return Buyer property, together with all related documents, maintenance records, and inventory counts, in good condition except for ordinary wear and tear.

9.5 No Liens. Seller shall keep Buyer property and all Goods identified to the Agreement free of all liens, claims, and encumbrances and, to the fullest extent permitted by law, waives any mechanics', warehouse, processor, artisan, or similar lien rights in Buyer property. If any lien is asserted, Seller shall promptly discharge it at Seller's expense.

9.6 Access and Recovery Rights. Upon Seller's breach, threatened failure to supply, insolvency event, or termination of the Agreement, Buyer and its designees may, subject to Applicable Laws and reasonable site safety requirements, enter Seller's premises to inspect, identify, and recover Buyer property and completed or partially completed Goods identified to the Agreement, and Seller shall cooperate fully without additional charge.

10. Changes; Suspension; Stop Work

10.1 Buyer Changes. Buyer may at any time direct reasonable changes within the general scope of the Agreement, including changes to quantity, drawings, design, Specifications, packaging, method of shipment, place of delivery, schedule, or scope of Services.

10.2 Claims for Adjustment. If Seller believes a Buyer-directed change entitles Seller to an adjustment in price or schedule, Seller shall notify Buyer in writing within ten (10) business days after receipt of the change instruction, together with detailed supporting information. No adjustment is binding unless set out in a written change order signed by Buyer. Seller shall continue performance pending resolution of any requested adjustment.

10.3 Suspension or Stop Work. Buyer may suspend performance or issue a stop-work instruction in whole or in part at any time. Seller shall immediately comply, protect and preserve work in progress, mitigate costs, and resume work when directed by Buyer. Seller is entitled only to direct, reasonable, documented, and unavoidable cost or schedule relief actually caused by the suspension and expressly approved by Buyer. Buyer shall not be liable for lost profits, unabsorbed overhead, or speculative costs.

10.4 No Seller Changes or Substitutions. Seller shall not make any change or substitution with respect to Goods, Services, processes, materials, sources of supply, personnel with critical roles, or Deliverables without Buyer's prior written approval.

11. On-Site Services; EHS; Independent Contractor

11.1 Site Rules. When performing at Buyer's site or any site designated by Buyer, Seller and Seller's personnel shall comply with all applicable site access, security, health, safety, environmental, information security, and conduct rules and instructions. Buyer may require the immediate removal of any individual who, in Buyer's reasonable judgment, violates such rules or presents a safety, security, or conduct risk.

11.2 Personnel Responsibility. Seller is solely responsible for the supervision, direction, training, compensation, benefits, taxes, immigration status, and work authorization of its personnel and of any subcontractor personnel. Nothing in the Agreement creates an employment, agency, partnership, or joint-venture relationship between Buyer and Seller's personnel.

11.3 Hazardous Substances; Waste; Spills. Seller shall bring onto Buyer's site only those hazardous substances specifically necessary to perform the Services and only in compliance with Applicable Laws and Buyer's site requirements. Seller shall provide safety data sheets, properly label such substances, and promptly remove all waste generated by Seller unless Buyer expressly directs otherwise. Seller is responsible for the containment, cleanup, remediation, and cost of any spill, release, or contamination caused by Seller or its personnel.

11.4 Tools and Equipment. Seller shall provide and maintain safe, suitable, and legally compliant tools, equipment, vehicles, and protective devices necessary to perform the Services unless the Agreement expressly states that Buyer will provide specific items.

11.5 Protection of Operations. Seller shall protect Buyer's premises, utilities, networks, systems, inventory, and ongoing operations from damage, contamination, interruption, or unauthorized access and shall coordinate its activities to minimize disruption to Buyer's business.

12. Compliance with Laws; Ethics; Trade; Product Stewardship

12.1 General Compliance. Seller shall comply, and shall ensure that all Goods, Services, and Deliverables comply, with all Applicable Laws and with Buyer's written compliance or supplier requirements that are expressly incorporated into the Agreement or made available to Seller before performance where commercially reasonable.

12.2 Anti-Bribery and Books and Records. Seller shall not offer, authorize, give, solicit, or accept any bribe, kickback, or improper payment or benefit in connection with the Agreement and shall comply with applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act where applicable. Seller shall maintain accurate books, records, and internal controls sufficient to demonstrate compliance with this Section.

12.3 Labor and Human Rights. Seller shall comply with Applicable Laws governing wages, hours, discrimination, harassment, occupational safety, freedom of association where legally protected, and the prohibition of forced labor, child labor, and human trafficking. Seller shall promptly notify Buyer of any actual or suspected material violation that could affect the Goods, Services, or Buyer's business.

12.4 Trade Compliance. Seller shall comply with applicable import, export, re-export, customs, sanctions, and trade control laws. Seller shall not provide to Buyer any Goods, Services, software, technology, or data in violation of such laws and shall provide accurate tariff classifications, country-of-origin data, export control classifications if applicable, and other trade-related information reasonably requested by Buyer.

12.5 Product Documentation and Regulatory Information. Seller shall provide certificates of conformity, certificates of analysis if applicable, safety data sheets, test reports, declarations, product composition information, country-of-origin information, and other regulatory or product-stewardship documentation reasonably requested by Buyer in order to evaluate, use, transport, resell, export, or incorporate the Goods.

12.6 Safety Notices; Recalls; Field Actions. Seller shall immediately notify Buyer if any Goods or Deliverables are or may become unsafe, noncompliant, defective, misbranded, or subject to a recall, field action, market withdrawal, or regulatory notice. Seller shall cooperate fully with Buyer in investigating, containing, correcting, replacing, or recalling affected items, and shall bear the associated costs to the extent attributable to Seller or the Goods or Services supplied by Seller.

13. Confidentiality; Data Security; Publicity

13.1 Confidential Information. All non-public information disclosed by or on behalf of Buyer, or otherwise learned by Seller in connection with the Agreement, including commercial information, pricing, forecasts, designs, drawings, specifications, samples, software, data, processes, know-how, customer information, and the existence or terms of the Agreement, is confidential information of Buyer whether or not marked as confidential. The provisions of an NDA concluded between the parties take precedence over the provisions of clause 13

13.2 Use and Protection. Seller shall use Buyer's confidential information solely to perform the Agreement and shall protect it using at least the degree of care Seller uses for its own similar information, and in no event less than reasonable care. Seller shall restrict access to personnel and subcontractors with a strict need to know and who are bound by written confidentiality obligations no less protective than those set out here.

13.3 Return; Destruction; Retention. Upon Buyer's request or termination of the Agreement, Seller shall promptly return or securely destroy Buyer's confidential information, except to the limited extent retention is required by Applicable Laws or bona fide backup-recovery systems, in which case the retained information shall remain subject to this Section until destroyed.

13.4 Data and Systems Security. If Seller processes personal data, confidential business information, or operational or network data for Buyer, or accesses Buyer's systems, Seller shall implement appropriate administrative, technical, and physical safeguards, comply with Buyer's applicable written security requirements, and notify Buyer without undue delay, and in any event within twenty-four (24) hours, after discovering any actual or suspected unauthorized access, security incident, or data breach affecting Buyer data or systems.

13.5 Publicity. Seller shall not, without Buyer's prior written consent, use Buyer's name, trademarks, logos, photographs, or confidential relationship information in advertising, publicity, press releases, case studies, social media, or other public disclosures.

14. Intellectual Property; Work Product; License

14.1 Custom Deliverables. All custom Deliverables, inventions, works of authorship, designs, discoveries, developments, reports, drawings, software, documentation, data, and other work product specifically created for Buyer under the Agreement shall, to the fullest extent permitted by law, be deemed works made for hire for Buyer. To the extent any such item does not qualify as a work made for hire, Seller hereby irrevocably assigns to Buyer all right, title, and interest in and to such item, including all associated intellectual property rights.

14.2 Further Assurances. Seller shall execute and cause its personnel and subcontractors to execute all documents and take all actions reasonably requested by Buyer to perfect, register, confirm, or enforce Buyer's rights under this Section, both during and after the term of the Agreement.

14.3 Background Intellectual Property License. Seller retains ownership of Seller's pre-existing intellectual property and general know-how, but Seller grants to Buyer and Buyer's Affiliates, customers, and service providers a perpetual, irrevocable, worldwide, transferable, sublicensable, royalty-free license to use, reproduce, modify, display, perform, import, export, distribute, operate, maintain, repair, and have others do the foregoing with respect to any such intellectual property to the extent embedded in, necessary for, or otherwise used with the Goods, Services, or Deliverables supplied under the Agreement.

14.4 Infringement Claims. Seller shall not provide any Goods, Services, or Deliverables that infringe, misappropriate, or otherwise violate any third-party intellectual property right. If any claim is made or threatened, Seller shall, at its expense and in addition to its indemnity obligations, promptly obtain the necessary rights for Buyer, replace or modify the affected item so that it is non-infringing without degradation in performance or compatibility, or, if neither is commercially reasonable, refund all amounts paid and reimburse Buyer's transition and replacement costs.

14.5 Open-Source and Third-Party Restrictions. Seller shall not incorporate any software, code, data, or other material subject to an open-source, copyleft, field-of-use, pass-through fee, or other third-party restriction that would require Buyer to disclose source code, license Buyer's own intellectual property, make source code available, or pay any additional fee or royalty, unless Buyer expressly agrees in writing in advance.

15. Insurance

15.1 Required Coverage. Seller shall maintain, at its own expense and with reputable insurers authorized to do business in the relevant jurisdiction, insurance coverage of the types and in the amounts set out in Schedule 1 or otherwise required by the Agreement. Seller shall maintain such insurance for the duration of the Agreement and for any additional period reasonably appropriate to the applicable risk.

15.2 Evidence of Insurance. Upon request, Seller shall provide certificates of insurance and, where reasonably requested, copies of relevant endorsements. To the extent obtainable by endorsement and required by Buyer, liability insurance shall name Buyer and Buyer's Affiliates as additional insureds, be primary and non-contributory, and include waivers of subrogation where customary and legally available.

15.3 No Limitation of Liability. Insurance does not limit Seller's obligations or liability under the Agreement. Buyer's review of insurance certificates or endorsements does not waive any deficiency in coverage or relieve Seller of responsibility.

16. Indemnification

16.1 General Indemnity. Seller shall defend, indemnify, and hold harmless Buyer, Buyer's Affiliates, and their respective officers, directors, employees, agents, successors, assigns, customers, contract manufacturers, and end users from and against all claims, demands, actions, suits, liabilities, losses, damages, judgments, settlements, fines, penalties, costs, and expenses, including reasonable attorneys' fees, arising out of or related to: (a) the Goods, Services, or Deliverables; (b) death, personal injury, or damage to real or personal property; (c) any actual or alleged breach of the Agreement, warranty, or Applicable Laws; (d) the negligence, gross negligence, or willful misconduct of Seller or its subcontractors; (e) pollution, contamination, or environmental release caused by Seller; or (f) any employment, wage, benefits, tax, or lien claim by Seller's personnel or subcontractors.

16.2 Intellectual Property Indemnity. Seller shall defend, indemnify, and hold harmless the indemnified parties from and against any claim that the Goods, Services, Deliverables, or Buyer's receipt or use of them infringe, misappropriate, dilute, or otherwise violate any intellectual property or proprietary right of a third party.

16.3 Recall and Field Costs. To the extent attributable to Seller, Seller shall bear all costs associated with investigation, containment, notification, sorting, testing, repair, replacement, rework,

field service, recall, market withdrawal, shutdown, and customer claims arising from defective, unsafe, or noncompliant Goods, Services, or Deliverables.

16.4 Defense Control and Settlement. Buyer may tender any claim to Seller. Seller shall not settle any claim in a manner that admits fault on the part of an indemnified party or imposes non-monetary obligations on an indemnified party without Buyer's prior written consent. Buyer may participate in the defense with counsel of its choice at its own expense, except that Seller shall reimburse such expense if a conflict of interest exists or Seller fails to defend diligently.

17. Limitation of Liability

17.1 Buyer Limitation. To the maximum extent permitted by law, Buyer shall not be liable to Seller for any indirect, incidental, special, consequential, punitive, or exemplary damages, including loss of profits, loss of revenue, loss of production, loss of business, loss of opportunity, cost of capital, or business interruption, arising out of or relating to the Agreement, regardless of the theory of liability, even if advised of the possibility of such damages. Buyer's aggregate liability arising out of an Order shall not exceed the amount actually paid or payable by Buyer under the specific Order line item directly giving rise to the claim, except for Buyer's undisputed payment obligations for conforming Goods or Services that have been accepted.

17.2 No Seller Limitation Without Express Acceptance. Any limitation of liability, exclusion of damages, disclaimer, shortened limitation period, or other remedial restriction contained in Seller's quotation, invoice, acknowledgment, website, license, portal, or other document is void unless expressly accepted by Buyer in a separate signed writing. Seller's liability shall not be limited with respect to fraud, gross negligence, willful misconduct, breach of confidentiality, personal injury, death, property damage, intellectual property claims, recall or field costs, data security incidents, or Seller's indemnification obligations.

17.3 Actions by Seller. To the maximum extent permitted by Applicable Laws, any action by Seller arising out of or relating to the Agreement must be commenced within one (1) year after the cause of action accrues.

18. Termination

18.1 Termination for Convenience. Buyer may terminate the Agreement or any Order, in whole or in part, for convenience at any time upon written notice to Seller.

18.2 Termination Charges. If Buyer terminates for convenience, Buyer shall pay only for: (a) conforming Goods delivered and accepted before termination; (b) conforming Services properly performed before termination; and (c) Seller's reasonable, actual, documented, noncancelable costs for custom work in progress or materials acquired solely for the terminated portion of the Order before Seller received the termination notice, but only to the extent such costs cannot be mitigated, used elsewhere in Seller's business, or returned to suppliers. Buyer shall not be liable for lost profits, loss of anticipated revenue, unabsorbed overhead, or termination charges on work not performed.

18.3 Termination for Cause. Buyer may terminate the Agreement or any Order immediately upon written notice if Seller: (a) breaches the Agreement and fails to cure within ten (10) days after notice, or immediately if the breach is incapable of cure; (b) fails to make timely progress or deliver on schedule; (c) supplies defective or nonconforming Goods or Services; (d) violates Applicable Laws or Buyer's site, compliance, or security requirements in a material respect; (e) becomes insolvent, files for bankruptcy, makes an assignment for the benefit of creditors, or ceases substantial operations; or (f) experiences a change of control or material supply chain disruption that Buyer reasonably determines creates unacceptable operational, commercial, or compliance risk.

18.4 Effect of Termination. Upon termination, Seller shall immediately stop the terminated work, preserve and protect affected Goods, Deliverables, and Buyer property, deliver to Buyer any completed or partially completed work as requested, and cooperate in an orderly transition to Buyer or an alternate supplier. Buyer may recover from Seller all additional costs, damages, and losses incurred as a result of termination for cause.

19. Records; Audit; Access

19.1 Records Retention. Seller shall maintain complete and accurate books, records, and supporting documentation relating to pricing, invoices, origin, trade compliance, traceability, quality, safety, environmental matters, and performance under the Agreement for at least four (4) years after final payment, or for any longer period required by the Agreement or Applicable Laws.

19.2 Audit Rights. Upon reasonable notice and during normal business hours, Buyer and its representatives may review and audit Seller's relevant records, systems, and facilities, and may verify charges, origin data, quality controls, traceability, safety controls, and compliance with the Agreement. Audits shall be conducted in a manner intended to minimize unreasonable disruption and shall not relieve Seller of any obligation or constitute acceptance.

19.3 Flow-Down. Seller shall impose on its subcontractors and suppliers all requirements of the Agreement that are necessary for Seller to comply with its obligations and shall remain fully responsible for the acts, omissions, and compliance of such subcontractors and suppliers.

19.4 Business Continuity Documentation. Upon Buyer's request, Seller shall provide reasonably detailed information regarding its business continuity, disaster recovery, and supply continuity plans and shall promptly notify Buyer of any event materially affecting Seller's ability to maintain such plans.

20. Assignment; Subcontracting; Change of Control

20.1 Restrictions on Assignment. Seller shall not assign, delegate, transfer, pledge, or subcontract substantial performance of the Agreement, whether voluntarily, by operation of law, or otherwise, without Buyer's prior written consent. Any attempted assignment or delegation in violation of this Section is void to the fullest extent permitted by law.

20.2 Approved Subcontracting. Approved subcontracting does not relieve Seller of any obligation under the Agreement. Seller remains fully liable for the acts and omissions of its subcontractors and lower-tier suppliers and shall ensure that they are bound by written obligations consistent with the Agreement.

20.3 Change of Control; Material Risks. Seller shall promptly notify Buyer in writing of any proposed or actual change of control, closure or relocation of a key facility, insolvency risk, sole-source dependency, cybersecurity incident, or other circumstance that could materially affect Seller's ability to perform. Buyer may terminate affected Orders without liability if Buyer reasonably determines that such event creates unacceptable operational, commercial, or compliance risk.

21. Force Majeure; Supply Continuity

21.1 Excused Delay. Neither party is liable for delay or failure to perform to the extent caused by an event beyond that party's reasonable control and without that party's fault or negligence, such as natural disasters, war, terrorism, civil unrest, epidemic or pandemic-related government restrictions, embargoes, or other governmental actions that directly prevent performance.

21.2 Excluded Events. Force majeure does not include increases in cost, changes in market conditions, labor or material shortages that could reasonably have been mitigated, Seller's supplier or subcontractor default, equipment breakdown, transportation delays that could have been avoided with reasonable planning, cyber incidents caused by inadequate controls, or lack of funds.

21.3 Notice and Mitigation. The affected party shall notify the other party promptly, and in any event within forty-eight (48) hours after becoming aware of the force majeure event, describing the nature of the event, expected duration, and mitigation measures. Seller shall use diligent efforts to avoid and mitigate the effect of any force majeure event, including use of alternate sources, substitute facilities, overtime, and expedited freight where commercially reasonable.

21.4 Buyer Continuity Rights. If a force majeure event affects Seller and threatens Buyer's operations or continues for more than ten (10) days, Buyer may obtain substitute supply, suspend performance, or terminate affected Orders without liability except for amounts due for conforming Goods or Services already accepted.

21.5 Buyer Delay or Suspension. Buyer may delay delivery schedules or postpone acceptance dates due to causes beyond Buyer's reasonable control without thereby incurring liability to Seller for delay damages, provided Buyer pays for conforming Goods or Services that have already been accepted.

22. Governing Law; Venue; Jury Trial Waiver

22.1 Governing Law. The Agreement and any dispute arising out of or relating to it are governed by the laws of the Commonwealth of Virginia, U.S.A., including the Uniform Commercial Code as enacted in that state where applicable, without regard to conflict-of-law rules that would require application of the laws of another jurisdiction.

22.2 Exclusion of CISG. The United Nations Convention on Contracts for the International Sale of Goods and any implementing legislation are expressly excluded and do not apply.

22.3 Venue; Jurisdiction. Subject to Buyer's right to seek interim, equitable, or injunctive relief in any court of competent jurisdiction, the state courts sitting in the City of Chesapeake, Virginia, and the United States District Court for the Eastern District of Virginia, Norfolk Division, shall have exclusive jurisdiction over disputes arising out of or relating to the Agreement, and each party irrevocably submits to the personal jurisdiction of those courts.

22.4 JURY TRIAL WAIVER. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT.

23. Miscellaneous

23.1 Notices. Formal notices under the Agreement shall be in writing and delivered by recognized courier, certified or registered mail, or email with confirmation of transmission to the addresses stated in the applicable Order or to any replacement address designated in accordance with this Section. Routine operational communications may be sent by email to the contacts identified in the Order.

23.2 Entire Agreement. The Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior or contemporaneous proposals, negotiations, representations, understandings, and agreements relating to that subject matter.

23.3 Amendments. No amendment, waiver, or modification of the Agreement is binding unless it is in writing and signed by authorized representatives of both parties, except that Buyer may update these Terms prospectively for future Orders by publishing or issuing a revised version.

23.4 Waiver. A failure or delay by Buyer in exercising any right or remedy does not operate as a waiver. Any waiver must be express and in writing and applies only to the specific instance stated.

23.5 Severability. If any provision of the Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions remain in full force and effect, and the invalid provision shall be enforced to the maximum extent permitted by law or, if necessary, replaced by a valid provision that most closely reflects the original commercial intent.

23.6 Survival. Provisions that by their nature should survive expiration, completion, or termination of the Agreement shall survive, including provisions relating to payment, confidentiality, intellectual property, warranties, indemnification, audit, governing law, dispute resolution, and all accrued rights and remedies.

23.7 Relationship of the Parties. The parties are independent contractors. Nothing in the Agreement creates a partnership, joint venture, fiduciary relationship, franchise, agency, or exclusivity arrangement, and neither party has authority to bind the other except as expressly provided in writing.

23.8 Cumulative Remedies. All rights and remedies of Buyer are cumulative and not exclusive, and the exercise of one right or remedy does not preclude the exercise of any other right or remedy available under the Agreement, at law, or in equity.

23.9 Electronic Transactions; Counterparts; Language. The Agreement may be formed, executed, delivered, and stored by electronic means, including email, portal acceptance, and electronic signatures, each of which is deemed effective to the fullest extent permitted by law. If the Agreement is translated, the English version controls unless the Order expressly states otherwise.

23.10 Interpretation. Headings are for convenience only and do not affect interpretation. The words "including" and "include" mean "including without limitation." The Agreement shall be interpreted fairly according to its terms and without any presumption against the drafting party.

Schedule 1 — Minimum Insurance Requirements

Buyer may require higher limits, additional coverages, project-specific endorsements, or site-specific insurance in the applicable Order, statement of work, or site rules.

Coverage	Minimum Limit	Applicability / Notes
Commercial General Liability	USD 1,000,000 per occurrence / USD 2,000,000 aggregate	Required for all product supply with on-site work, installations, service visits, or meaningful product exposure.
Automobile Liability	USD 1,000,000 combined single limit	Required if Seller uses owned, hired, or non-owned vehicles in connection with the work or deliveries.
Workers' Compensation and Employers' Liability	Statutory / USD 1,000,000	Required wherever Seller has employees or leased workers performing under the Agreement.
Umbrella / Excess Liability	USD 3,000,000	Typically required for higher-risk manufacturing, installation, construction, shutdown, or maintenance activities.
Professional Liability / Errors and Omissions	USD 2,000,000	Required for engineering, design, testing, software, laboratory, consulting, or other professional services.
Cyber Liability	USD 2,000,000	Required if Seller processes personal data, confidential business information, or operational / network data for Buyer.
Pollution / Environmental Liability	USD 2,000,000	Required if hazardous materials, chemicals, waste handling, remediation, or environmental services are involved.

Where requested by Buyer, Seller shall name Buyer and Buyer's Affiliates as additional insureds on general liability, automobile liability, umbrella / excess, and other appropriate liability policies, and such insurance shall be primary and noncontributory to the extent obtainable by endorsement.