



1. ACCEPTANCE

- 1.1. These General Terms and Conditions of Purchase (“**Terms**”) shall be incorporated as part of and shall apply to all purchases of Goods and/or Services under any Purchase Order (“**Order**”) from FFC USA Corp, 3 Germay Drive, Unit 4, Wilmington, DE 19804, EIN 36-5009789 (“**FFC**”), to the supplier of Goods and/or Services (“**Supplier**”). “**Goods**” means the Goods described in the Order; and “**Services**” means the Services described in the Order.
- 1.2. Supplier’s acceptance of the Order shall occur upon the earlier of (a) Supplier’s acknowledgement of the Order, or (b) Supplier’s commencement of manufacturing or shipment of Goods or performance of Services under the Order.
- 1.3. Acceptance of this offer or counter-offer is expressly made conditional on assent to these Terms and the other provisions included in the Order, including any specific commercial terms and deliverables presented by FFC, to the entire exclusion of all other terms, including contained in Supplier’s quotation, proposal, acceptance, acknowledgement, heads of terms, invoice, or other forms or in any other communication previously or hereafter provided by Supplier to FFC. No such additional or different terms or conditions will be of any force or effect.
- 1.4. Upon acceptance, the Order constitutes the entire agreement of FFC and Supplier regarding its subject matter. Trade usage and course of dealing or performance shall not be employed to vary, explain, or supplement these Terms. FFC reserves the right to amend these Terms from time to time.

2. DELIVERY, SCHEDULE AND FORCE MAJEURE

- 2.1 FFC requires on-time deliveries and/or performance and in accordance with any schedule agreed with the Supplier; accordingly, time is of the essence of the Order. Supplier shall notify FFC in writing of any actual or anticipated delays immediately upon discovery. Such notice shall include a description of the cause of delay, the estimated period of delay, and corrective actions that may be envisaged and/or being taken.
- 2.2 Supplier shall deliver the required Goods under the Order to the named place specified in the Order and/or complete performance of the Services under the Order on or before the dates specified on the face of the Order.

- 2.3 Unless otherwise set forth in the Order, any premium shipping expenses, overtime expenses, and other related expenses necessary to meet FFC’s delivery or performance schedules shall be Supplier’s sole responsibility.
- 2.4 FFC shall have no liability to Supplier for FFC’s failure to perform any of its obligations under the Order if such failure arises out of or relates to causes or events beyond FFC’s control.

3. DOCUMENTATION

- 3.1 All invoices for Goods must reference the Order number, quantity of pieces in the shipment, number of cartons or containers in the shipment, bill of lading number, and other information required by FFC. For international shipments, Supplier shall include a customs valuation invoice with a master packing slip and shall furnish all other required export/import documents. Export and trade credits shall belong to FFC.
- 3.2 All documentation and software including any operating and maintenance manuals which are included in the Order will form an essential part of the Goods and Services ordered by FFC, and neither the delivery of Goods nor the completion of Services shall be deemed to have been achieved by the Supplier unless and until such documentation and software has been delivered complete and correct.

4. INSPECTION AND REMEDIES

- 4.1 FFC shall have the right, but not the obligation, to inspect Goods and Services and carry out quality audits at times and places designated by FFC before, during, or after delivery or performance, including at Supplier’s premises.
- 4.2 If FFC determines that any Goods provided or Services performed under the Order are defective or fail to conform to the requirements of the Order, FFC may reject or revoke acceptance of such Goods or Services and may, at FFC’s option, (i) terminate all or any part of the Order (as provided below) and return such Goods and Supplier shall refund any payment made by FFC for such returned Goods, including documented shipping costs and all applicable taxes, fees, duties, and other related costs and any associated markup; (ii) return such Goods to Supplier for repair or replacement, at FFC’s choice, at no additional cost to FFC (at Supplier’s risk of loss and expense of unpacking, examining, repacking, and reshipping); or (iii) retain such Goods or Services at an adjusted price.



4.3 FFC's inspection of Goods, whether during manufacture, prior to delivery, or within a reasonable time after delivery, does not constitute acceptance of any work-in-process or finished Goods. FFC's acceptance, inspection, or failure to inspect does not relieve Supplier of any of its responsibilities or warranties.

5. WARRANTY

5.1 In addition to any other express or implied warranties provided by law or otherwise, Supplier warrants with respect to Goods and Services provided under the Order that (i) Supplier has clear title, free of all liens and encumbrances; (ii) there are no claims of third parties of any nature whatsoever arising out of or related to the Goods or Services; (iii) all Goods (including without limitation hardware, software, firmware, and systems consisting of Goods working together) and Services are new and in strict conformance with the specifications, drawings, samples, designs, or other descriptions furnished to or by FFC, and shall be merchantable, of good quality and workmanship, free from defects in material, design, and workmanship, and fit for FFC's particular purpose; (iv) all Services shall be performed in a competent manner in accordance with the requirements of the Order and shall fulfill the particular purpose intended; and (v) the sale or use of the Goods or Services covered by the Order shall not infringe or contribute to the infringement of any patents, trademarks, copyrights, or other proprietary rights.

5.2 These warranties extend to FFC and its successors and assigns and to customers and users of FFC's products and services and such warranty period shall be as specified in the Order and if not specified in the Order shall be twenty-four (24) months from the date of FFC's acceptance of the Goods or Services, or thirty-six (36) months from the date of delivery of Goods or completion of Services, whichever the longer. A new warranty period shall commence for the same period from the date of acceptance of any repairs or replacements of Goods or Services that are defective or that fail to conform to the requirements of the Order.

5.3 In addition to the other warranties granted, Supplier warrants that all Goods and Services provided under the Order shall be free from apparent and hidden defects or deficiencies.

5.4 Supplier shall use its best efforts to ensure that all warranties provided by Supplier's sub-suppliers and manufacturers are assigned to FFC.

5.5 Remedies for breach of these warranties are cumulative and shall include those provided under these Terms and any available at law or in equity.

6. TERMINATION

6.1 FFC may terminate all or any part of its purchases under the Order, without liability to FFC, if Supplier (i) fails to deliver the Goods or perform Services in a timely manner, as determined by FFC, or within the time and in the quantities and of the quality required by FFC or to give adequate assurances requested by FFC; (ii) breaches these Terms (including Supplier's warranties and covenants); (iii) fails to make progress so as to endanger timely and proper performance of the Order, and such failure, if curable, is not cured within ten (10) days (or any shorter period that is commercially reasonable under the circumstances) after notice from FFC; or (iv) ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Supplier or a receiver for Supplier is appointed or applied for, or an assignment for the benefit of creditors is made by Supplier. In addition to obtaining a refund or credit and any other remedies provided herein or available at law or in equity, FFC may, upon such termination, purchase substitute Goods or Services elsewhere, on such terms as FFC deems appropriate, and charge Supplier with any excess costs and losses incurred by FFC.

6.2 FFC may terminate all or any part of the Order for convenience, in which case (i) Supplier shall, as directed by FFC, cease work and deliver to FFC all satisfactorily completed Goods or materials and work in process; and (ii) FFC shall pay to Supplier reasonable termination charges solely limited to the costs of materials, Goods, and labour that are incurred prior to Supplier's knowledge of such termination, provided that Supplier takes reasonable steps to mitigate its damages and provides FFC with supporting documentation for such completed Goods or materials and work in process.

6.3 To the extent not terminated by FFC, Supplier shall continue performance under the Order.



6.4 Any termination under clause 6.1 adjudged to be wrongful shall be deemed to then be a termination for convenience under clause 6.2, but with FFC having the right to avail itself of all of its remedies under these Terms, at law or in equity.

7. PACKING, MARKING, AND SHIPMENT

7.1 Supplier shall safely and suitably pack, mark, and ship Goods in accordance with the instructions of FFC and the requirements of the carrier transporting such Goods.

7.2 FFC shall not be charged for packing, marking, or shipping unless such Services are separately itemised on the Order.

7.3 FFC's Order number must appear on the container, packing list, invoice, and any correspondence relating to the Order. Two copies of the packing list (providing the quantity and description of the Goods contained therein) shall be placed within the container.

8. LIMITATION OF LIABILITY

8.1 Except with respect to any Supplier: (i) breach of confidentiality; (ii) payment of liquidated damages; (iii) third party claims subject to indemnification obligations; (iv) intellectual property infringement; and (v) failure to comply with laws and regulations, neither party shall be liable whether by way of indemnity or by reason of any breach of contract or of statutory duty or by reason of tort (including but not limited to negligence), for any special, incidental, or consequential damages arising out of or related to the Order, including any termination, rejection, or revocation of acceptance of all or any part of the Order.

8.2 Supplier waives and releases FFC and its respective directors, officers, employees, attorneys, affiliates and subsidiaries, from any and all claims, offsets, defences and counterclaims, such waiver and release being with full knowledge and understanding of the circumstances and effect thereof and after having consulted legal counsel with respect thereto.

9. INDEMNITY

9.1 Supplier shall defend, indemnify, and hold FFC and its directors, officers, members, investors, customers, affiliates, agents, contractors, successors, and assigns harmless from and against any and all claims, liabilities, losses, damages, actions, and expenses (including legal fees) in connection with (a) any breach by Supplier of its obligations hereunder; (b) any injury (including death), property damage, or economic loss arising out of or related to (i) defective or nonconforming Goods or Services supplied under the Order,

or (ii) acts or omissions of Supplier or its employees or subcontractors in providing Goods or performing the Services; (c) any failure to comply with laws; and (d) any infringement or contributory infringement of a patent, trademark, copyright, or other proprietary interest by reason of the manufacture, delivery, license, use, or sale of the Goods supplied or Services performed under the Order ("Infringement"), regardless whether (a) through (d) arise in tort (including negligence), contract, warranty, strict liability, or otherwise.

10. INSURANCE

10.1 Supplier shall maintain with a reputable insurance company appropriate commercial general insurance, including as a minimum Public and Products Liability Insurance with a limit of indemnity of not less than \$2 million per occurrence or series of occurrences arising out of any one event in aggregate in any one year; and where the Order relates to consultancy and/or professional services, Professional Indemnity Insurance with a limit of indemnity not less than \$2 million per occurrence or series of occurrences arising out of any one event in aggregate in any one year; and Goods in Transit Insurance in respect of the physical loss of, or damage to, the Goods until delivery to FFC for their full replacement value. Such policy shall be endorsed to indemnify both FFC and the Supplier as principles.

10.2 Such insurances shall be maintained for the period of the Order and any warranty period provided with the Goods and/or Services. At FFC's request the Supplier shall produce and shall use reasonable endeavours to cause any of its subcontractors and or sub-suppliers to produce, for inspection by FFC documentary evidence that the insurances are being properly maintained.

10.3 All of the above policies will be written to provide a waiver of subrogation in favour of FFC and shall be primary and non contributory, contain a separation of insureds clause and must provide additional insured status on behalf of FFC. The Supplier shall provide a certificate of insurance or other documentation as FFC may require to evidence the existence of such insurance.

11. INTELLECTUAL PROPERTY INFRINGEMENT

11.1 For any Infringement (as defined above), Supplier shall, at Supplier's expense, obtain for FFC a perpetual, transferrable, royalty-free license with respect to such item, or shall



replace or modify the item in a manner satisfactory to FFC, so as to avoid the infringement without any degradation in performance. Supplier's obligations shall apply even though FFC furnishes any portion of the design or specifies materials or manufacturing processes used by Supplier.

12. COMPLIANCE WITH LAWS

12.1 Supplier warrants that all Goods provided hereunder have been produced and all Services performed are in compliance with all applicable international, national, state and local laws and ordinances and all lawful orders, rules, regulations, codes, standards and treaties and those pertaining to the manufacture, labelling, invoicing and sale of such Goods, including without limitation, environmental protection, immigration, employment and occupational safety and health.

12.2 If Supplier is located within the United States, FFC and Supplier agree to abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

12.3 Supplier further represents and warrants that neither it nor any of its subcontractors, vendors, agents or other associated third parties will utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive or corrupt employment practices, in the supply of Goods or provision of Services to FFC and that it will strictly adhere to any current, future or reformed rules or regulations from the US Securities and Exchange Commission involving Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") relating to the use of conflict minerals.

12.4 In addition, Supplier agrees to provide timely and accurate responses to FFC to enable FFC to satisfy its obligations per the Act, including, but not limited to, responding to requests for information from FFC. Failure of Supplier to comply with this Section constitutes a material breach of these Terms,

and FFC may immediately terminate the Order under clause 6, and seek any available remedies at law or in equity. Without limiting the foregoing, Supplier shall ensure that none of the Goods it supplies to FFC (a) contain any poly brominated biphenyls (PBBs), penta-brominated diphenyl ether (pentaBDE), octa-bromodiphenyl ether (octaBDE), polychlorinated biphenyls (PCBs), mercury, or asbestos, or (b) are manufactured with any ozone depleting substances.

12.5 At FFC's request, Supplier shall certify in writing Supplier's compliance with any or all of the foregoing and/or permit FFC to audit such records as reasonably necessary to confirm Supplier's compliance with this Section 12.

13. CHANGES

13.1 FFC may at any time direct, in writing, changes, including but not limited to changes in any one or more of the following: (i) quantity; (ii) drawings, data sheets, specifications, or technical attachments; (iii) additions to or deletions from quantities ordered; (iv) schedule; (v) method of shipment or packing; (vi) place of delivery; (vii) tests and inspections.

13.2 If any such change causes an increase or decrease in the cost of or timing required for performance of the Order as evidenced by supporting documentation, as Supplier's sole remedy, an adjustment may be requested in the price or schedule, or both, and the Order shall be modified by a written revision executed by both Parties, referred to as a "change order". Supplier shall use its best efforts to mitigate any negative impact on cost and/or time resulting from the change. Any request by the Supplier for adjustment must be asserted within five (5) days from the date of receipt by the Supplier of the notification of change, failing which the Supplier will have waived its right to any adjustment to the price and/or schedule.

14. FFC'S PROPERTY AND INFORMATION

14.1 All tools, templates, equipment, specifications, data, drawings, designs, software, electronic CAD files, or materials furnished by FFC to Supplier or paid for by FFC, including replacements and materials attached thereto, shall remain and be marked as the personal property of FFC.

14.2 Such items shall be separately stored and insured by Supplier, and Supplier assumes all risk of loss and liability arising out of or related to the items, until such items are returned to FFC and shall be used by Supplier only for filling the Order.



14.3 Supplier shall hold in confidence all FFC business and technical information that is made available to Supplier, directly or indirectly, or developed or acquired by Supplier in performing the work under each Order (collectively "Confidential Information"). Supplier shall not, without the prior written approval of FFC, use the Confidential Information which Supplier is required to keep confidential for any purpose other than the performance of the work under the applicable Order. Supplier shall provide to FFC, without restriction on use or disclosure, all information and documents that Supplier has or shall develop or acquire related to the work Supplier is performing under the Order. Such information and documents shall be deemed to be "works for hire" and shall be the property of FFC, with FFC having a right of use for any purpose, without liability to Supplier.

15. PAYMENT AND SET-OFF

15.1 Unless specified by the FFC in the Order, (a) the purchase price for the Goods and Services shall be paid net 60 days after FFC's receipt of an undisputed invoice and complete documentation; (b) all prices are firm and not subject to increase or additional charges during the period of the Order, except to the extent of any price variation agreed by FFC pursuant to Section 13; (c) prices shall be in the currency specified in the Order for all for Goods sold or to be delivered or Services provided; and (d) prices shall be inclusive of all freight and duty consistent with the Incoterms® delivery point. Such sales, VAT or use taxes shall not be included in Supplier's invoice if FFC indicates that the Goods or Services ordered are exempt from such taxes. Applicable taxes shall be separately stated on Supplier's invoice. Supplier shall deliver duplicate invoices to FFC immediately upon shipment of Goods or completion of Services. Invoices shall be paid based on the later of the date of FFC's receipt of conforming Goods and Services or FFC's specified delivery date, and not on the basis of Supplier's invoice date.

15.2 All purchases are on open account to be paid at FFC's discretion by purchase card or wire transfer. FFC shall be entitled to set off any amount owing at any time from Supplier to FFC or its affiliates against any amount payable at any time by FFC under the Order.

16. PROPER BUSINESS PRACTICES

16.1 Supplier shall act in a manner consistent with all applicable laws concerning improper or illegal payments and gifts or gratuities.

17. EXPORT AND IMPORT REGULATIONS.

17.1 Supplier agrees to comply with all applicable export laws and regulations applicable in the jurisdiction of Supplier's location and if Goods are not being exported from Supplier's location, then also any export laws and regulations applicable in the jurisdiction of the place from where Supplier is exporting the Goods.

17.2 In addition, Supplier agrees to comply with any import laws and regulations of the jurisdiction of the location to which the Goods are delivered by Supplier. Should the Supplier deliver Goods or know-how which is subject to export restrictions (e.g., the EU's Dual-Use-Regulation 428/2009), the Supplier shall, on its own initiative, inform the FFC about these restrictions as soon as practical, and provide all relevant information and documents.

18. ASSIGNMENT AND WAIVER.

18.1 Supplier shall not assign (including by change of ownership or control) the Order or any interest therein, including payment, without the prior written consent of a member of FFC's senior management. Supplier shall not subcontract or delegate performance of all or any substantial part of the work called for under the Order without the prior written consent of a member of FFC's senior management. If FFC grants consent to Supplier's assignment or subcontract, then Supplier's assignee or subcontractor shall be bound by all terms and conditions of the Order. No claim or right arising out of a breach of the Order can be discharged in whole or in part by a waiver or renunciation unless supported by consideration and made in writing signed by the aggrieved party. No failure to enforce a breach of any provision of the Order shall be deemed a waiver of any other breach of such or other provisions.

19. APPLICABLE LAW

19.1 The Order, including these Terms, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the substantive laws of the State of Delaware without regard to conflict of laws and all disputes arising under or relating to



the Order shall be brought and resolved solely and exclusively in the State Court located in Delaware. Supplier and FFC irrevocably waive any objection to the venue or jurisdiction of such courts. Should any legal action be commenced in connection with the Order, the prevailing party in such action shall be entitled to recover, in addition to court costs, such amount as the court may adjudge as reasonable attorneys' fees.

20. SURVIVAL

20.1 All rights, obligations, and duties hereunder, which by their nature whether express or implied, extend beyond the expiration or termination of the Order, including but not limited to warranties, indemnifications, and intellectual property (including protection of proprietary information) shall survive the expiration.

END