

GENERAL TERMS AND CONDITIONS (NON-WEBSITE)

These terms and conditions agreement shall govern the sale, delivery, and distribution of all products manufactured, sold, or marketed (“Products”) by Nass Controls Limited Partnership, a Michigan Corporation located in New Baltimore, Michigan, USA (“Seller”) and purchased by the purchaser, as referenced on the reverse side hereof (“Purchaser”) from time to time.

1. The Contract.

1.1 Offer and Acceptance.

- a) Each purchase order Purchaser issues, or order that Purchaser places (collectively “Purchase Order”) is Purchaser’s offer to purchase the products (“Products”) and services (“Services”) identified in that Purchase Order.
- b) Seller will be deemed to have accepted a Purchase Order as issued (1) if Seller fails to object to it in writing within 10 business days after receipt and has begun or later begins performance under the Purchase Order, or (2) if Seller acknowledges in writing its acceptance of the Purchase Order.
- c) Upon acceptance, the Purchase Order, together with these General Terms and Conditions and any other terms specifically incorporated or separately agreed to in writing (such as specifications, drawings, or quality requirements), will become a binding contract between Purchaser and Seller (collectively, the “Contract”).
- d) In the event of a conflict between these General Terms and Conditions and any term contained within a Purchase order, these General Terms and Conditions shall govern and control.
- e) If Purchaser timely objects to any provision of these terms and conditions, the Purchase Order will become a Contract only if and when Purchaser and Seller mutually agree in writing, even if Seller commences or has commenced performance under the Purchase Order.
- f) Unless otherwise agreed to in writing by Seller, the purchase price for Products purchased by Purchaser shall be the price contained in Seller’s quote at the time Purchaser submits an order for the Products.

1.2 Changes.

Contract changes must be in writing and signed by the Parties’ authorized representatives.

2. Products and Services.

- a) If quantities or delivery schedules are not specified in the Contract, they will be as reasonably determined by Seller.
- b) Whether quantities or delivery terms are “reasonably determined” shall take into account, without limitation: (i) any capacity limitations specified in the Contract or otherwise agreed to by Purchaser and Seller in writing; (ii) unusual volume or timing fluctuations that are inconsistent with customary lead time requirements or any lead time requirements specified in the Contract or otherwise agreed to by Purchaser and Seller in writing.
- c) Seller will provide all Services and Products in accordance with prevailing industry standard. To the extent that Purchaser has provided custom specifications for assembling of products, Purchaser agrees and acknowledges that Purchaser is solely responsible for providing correct information regarding any custom specifications, and Seller is not responsible for any error or omission in said specifications. Purchaser agrees to purchase any and all products assembled in accordance with Purchaser’s specifications, even if said specifications included one or more errors

or omissions. Moreover, Purchaser agrees to indemnify and hold harmless Seller for any damages resulting from any error or omission in said specifications.

3. Delivery.

- a) Seller will pack and ship Products in accordance with sound commercial practices.
- a) Seller will deliver Products and Services in accordance with the Contract terms.
- b) The terms of delivery are F.O.B. Seller's business in Michigan.
- c) Seller reserves the right to make delivery in installments, unless otherwise agreed to by the Parties in writing. Delay in delivery of any installment shall not relieve Purchaser of its obligation to accept remaining deliveries.
- d) Seller will use commercially reasonable efforts to deliver the Products to Purchaser within such time period as quoted in Seller's acceptance of Purchaser's order. If Seller fails to deliver the Products within such time period, Purchaser may, at its discretion, cancel the purchase contract with respect to any undelivered portion of the Products by sending written notice to Seller, stating that Purchaser intends to cancel the contract if the Products are not delivered to Purchaser within thirty (30) days of Seller's receipt of such notice. THE RIGHT TO TERMINATION, AS PROVIDED FOR IN THIS SECTION, SHALL BE PURCHASER'S SOLE REMEDY FOR ANY DELAY IN DELIVERY OF THE PRODUCTS AND SELLER SHALL NOT BE LIABLE FOR ANY FURTHER DAMAGES.
- e) Purchaser will also be responsible for additional costs of expedited or other special transportation that Purchaser may require as a result of changes to its firm releases or delivery schedules or for other reasons not caused by Seller.

5. Taxes.

Unless otherwise stated in the Contract, the Contract price does not include all applicable federal, state, provincial, and local taxes other than sales, value added, or similar turnover taxes or charges.

6. Payment.

- a) Unless expressly agreed to otherwise in writing, all of Seller's invoices shall be payable net thirty (30) days upon receipt of invoice.
- b) All acceptances by Seller are subject to prior credit approval and Seller may demand assurances of Purchaser's ability to pay by requesting such trade or banking references or such other information as deemed adequate by Seller.
- c) When reasonable grounds of insecurity arise with respect to Purchaser's performance, Seller may in writing demand assurance of due performance and until it receives such assurance may suspend any performance or production of the Products for which it has not already received payment. Payment terms are as set forth in the Contract.
- d) Seller will accept payment by check or other cash equivalent, including electronic funds transfer.
- e) Purchaser will pay Seller in U.S. funds.
- f) Unless Seller consents in writing, Purchaser may not setoff or deduct amounts owed to Purchaser by Seller's affiliates or others who are not parties to the Contract.

7. Product Warranties.

7.1 Seller's Warranties.

- a) Seller warrants (i) that the Products will, when delivered, substantially conform to the respective written Product description furnished to Purchaser, and (ii) all Products to be free from defects in material and workmanship within a twelve (12) month period from date of purchase. Should a Product become defective within such period, Purchaser shall submit its claim (stating the defects and purchase price) and the defective Product to Seller in which case Seller will examine, and upon establishing Purchaser's validity of claim, at its sole discretion (i) repair the Product, (ii) exchange the Product, or (iii) refund the purchase price, which shall fully satisfy and discharge any and all warranty claims. This warranty does not extend to any Product which has been subjected to misuse, neglect, accident, or improper installation. No warranty of fitness for a particular purpose is made.
- b) THE WARRANTIES SET FORTH HEREIN ABOVE ARE IN LIEU OF ALL OTHER WARRANTIES. THIS SALE IS MADE ON THE EXPRESS UNDERSTANDING THAT THERE IS NO IMPLIED WARRANTY THAT THE PRODUCTS SHALL BE FIT FOR ANY PARTICULAR PURPOSE. THE PURCHASER ACKNOWLEDGES THAT PURCHASER IS NOT RELYING ON THE SELLER'S SKILLS OR JUDGEMENT TO SELECT OR FURNISH PRODUCTS SUITABLE FOR ANY PARTICULAR PURPOSE AND THAT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION HEREIN. IN NO EVENT SHALL SELLER BE LIABLE FOR (1) CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES, OR (2) DAMAGES ARISING OUT OF THE PURCHASE, UPLOADING, HANDLING AND USE OF ANY PRODUCTS, ALL OF WHICH ARE WAIVED BY PURCHASER AND, IN ANY EVENT, ALL DAMAGES HEREUNDER SHALL BE LIMITED TO A MAXIMUM OF THE PURCHASE PRICE OF THE RESPECTIVE PRODUCT.
- c) The Purchaser shall inspect and accept or reject acceptance of the Products immediately upon their arrival, and shall, within three (3) working days after their arrival, give written notice to the Seller of any claim that the Products do not conform with the terms of the order. If the Purchaser shall fail to give such notice, the Products shall be deemed to conform to the terms of the order, and Purchaser shall be deemed to have accepted and shall pay for the Products in accordance with the terms of the order. The Purchaser expressly waives any right the Purchaser may have to revoke acceptance after such three-day period.

7.2 Non-Conforming Products.

- a) Except as otherwise specifically provided in the Contract, Purchaser's sole remedy for Products or Services that do not conform to the warranties in Section 7.1 will be to (1) reject the non-conforming Products or Services, or (2) permit Seller, at Seller's option and expense (including applicable shipping costs), to (a) repair or replace the non-conforming Products or Services, and/or (b) permit Seller, at Seller's option, to implement at its expense containment, inspection, sorting, and other quality assurance procedures if Purchaser reasonably determines (through statistical sampling or other quality assessments) that a substantial quantity of incoming Products does not conform to the warranties in Section 7.1.
- b) To the fullest extent possible, Purchaser will provide Seller with access to any available warranty data related to the Products and any available field-returned Products. Purchaser will also provide Seller with an opportunity to participate in any root cause analysis performed by Purchaser concerning the Products.

8. Intellectual Property Rights.

Seller does not transfer to Purchaser any Intellectual Property Right of Seller related to the Products or Services, other than the right to incorporate Products purchased from Seller in completed products or components to sell those products or component parts to the public.

9. Term and Termination.

9.1 Generally.

Each Contract will remain in effect for the term specified in the Contract (or until terminated if no term is specified) unless earlier terminated by either party (1) by reasonable (but not less than 60 days) written notice to the other party, or (2) pursuant to Section 11 or 15.

9.2 Long-Term Contracts.

If Purchaser terminates a Contract issued for a term of more than one year (“Long-Term Contract”) before the end of its specified term (other than for Seller’s Default), Purchaser will (1) purchase completed Products at the Contract price and work-in-process and raw materials at Seller’s actual cost, in each case to the extent reasonably necessary to satisfy Purchaser’s firm releases, and (2) reimburse Seller for reasonable costs actually incurred by Seller as a result of the early termination, including the cost to store the items to be purchased and relocate production to an alternate source and the cost of unreimbursed and unamortized research and development costs, engineering costs, capital equipment, Seller’s Property, and supplies that are unique to the Products. If Seller terminates a Long-Term Contract before the end of its specified term (other than for Purchaser’s Default), (i) Seller will reimburse Purchaser for reasonable costs actually incurred by Purchaser to relocate production to an alternate source, and (ii) Purchaser may purchase completed Products at the Contract price and work-in-process and raw materials at Seller’s actual cost. For purpose of this provision, if Purchaser and Seller have agreed in writing to pricing for more than one year or have agreed in writing that the Products or Services will be supplied for the life of the program, the Contract shall be a Long-Term Contract, even if a particular Purchase Order expires in one-year or less.

9.3 Short-Term Contracts.

If Purchaser terminates a Contract issued without a definite term or for a term of one year or less (“Short-Term Contract”) before the end of its specified term (other than for Seller’s Default), Purchaser will purchase completed Products at the Contract price and work-in-process and raw materials at Seller’s actual cost, in each case to the extent reasonably necessary to satisfy Purchaser’s firm releases. If Seller terminates a Short-Term Contract issued without a definite term or before the end of its specified term (other than for Purchaser’s Default), Purchaser may purchase completed Products at the Contract price and work-in-process and raw materials at Seller’s actual cost. For purpose of this provision, a Contract that is a Long Term Contract under the final sentence of Section 11.2 shall not be a Short-Term Contract.

9.4 Property Orders.

If Purchaser terminates a Contract for Purchaser’s Property before it is fully performed (other than for Seller’s Default), Purchaser will (1) purchase the completed Purchaser’s Property at the Contract price and work-in-process and raw materials related to the uncompleted work at Seller’s actual cost, and (2) reimburse Seller for reasonable costs actually incurred by Seller as a result of the early termination, including the cost to store the items to be purchased and to relocate the work to an alternate source.

10. Default.

10.1 Events of Default.

- a) Time is of the essence and either party will be in “Default” under the Contract if it (1) fails to perform any obligation under the Contract and, if the non-performance can be cured, fails to cure the non-performance within 15 business days after notice from the other party specifying the non-performance, (2) admits in writing its inability to pay its debts as they

become due, commences a bankruptcy, insolvency, receivership, or similar proceeding, or makes a general assignment for the benefit of creditors, (3) becomes a debtor in a bankruptcy, insolvency, receivership, or similar proceeding commenced by a third party that is not dismissed within 30 days after commencement, or (4) fails to provide adequate assurance of performance under the Contract within three business days after written demand by the other party.

- b) Purchaser agrees that, in the event any legal action should be deemed necessary by Seller to recover any sums due hereunder or under any promissory note, trade acceptance, or invoice, or, if applicable, to recover possession of Property, there shall be added to the sums due from Purchaser to Seller the costs of collection, including actual attorney's fees.

10.2 Remedies.

- a) Subject to the limitations contained in Section 7 (which provide the exclusive remedies for product defects, breach of warranty, and products liability) and to the limitations in this Section, either party may exercise the remedies provided in this Section, which are cumulative and are in addition to all other rights and remedies available elsewhere in the Contract or by law.
- b) Subject to the limitations contained in Section 7 (which provides the exclusive remedies for product defects, breach of warranty, and products liability), either party may recover from the other party actual out-of-pocket damages, including but not limited to costs and lost profits, directly caused by the other party's breach of the Contract, regardless of whether the breach subsequently becomes a Default with the passage of time or giving of notice or both. All damages under this Section will be reasonably determined based on the nature, type, price, and profitability of the Products or Services, industry practices, and the overall volume, scope, and profitability of other business relationships between Seller and Purchaser.
- c) Upon the occurrence of a Default and while that Default is continuing, the non-defaulting party may terminate the Contract by notice to the defaulting party. If Purchaser is in Default, Seller's damages will include (1) the Contract price for completed Products and Services and the actual cost of work-in-process and raw materials (which will become Purchaser's property upon payment in full), and (2) the cost of unreimbursed and unamortized research and development, capital equipment, Property, and supplies that are unique to the Products.
- d) Purchaser's damages under this Contract are expressly limited to recovery of the purchase price of the goods ordered and delivered.
- e) EXCEPT AS OTHERWISE EXPRESSLY AUTHORIZED IN THE CONTRACT, ALL INDIRECT, SPECIAL, CONSEQUENTIAL (INCLUDING LOST PROFITS OR MARKET SHARE OR DAMAGE TO BRAND VALUE), INCIDENTAL, PUNITIVE, AND EXEMPLARY DAMAGES, WHETHER OR NOT FORESEE-ABLE, ARE EXCLUDED UNDER THESE GENERAL TERMS AND CONDITIONS TO THE EXTENT PERMITTED BY APPLICABLE LAW.

10.3 Security Interest:

- a) Purchaser hereby grants to Seller a purchase money security interest in all Products not fully paid by and delivered to Purchaser in the course of all dealings between the parties hereunder (hereinafter the "Collateral").
- b) Until Default, Purchaser shall have the right to sell the Collateral only in the ordinary course of its business. Purchaser grants to Seller a security interest under the Uniform Commercial Code in the proceeds of any such sale, including, without limitation, any accounts, trade acceptances, notes and contract rights relating to it.

- c) Purchaser agrees to keep the Collateral and the proceeds from the sales separate and capable of identification, to make entries in its books showing that the property is held subject to the security interest of Seller, and to furnish Seller on demand a true and complete report of Purchaser's sales for any period of time stated by Seller.
- d) Purchaser agrees to maintain insurance on the Collateral with such companies, against such risk, and in such amounts that Seller finds acceptable. The proceeds of the policy or policies must be payable to Seller and Purchaser as their interests may appear. Upon Seller's request, Purchaser shall furnish Seller a copy of the policy or policies of such insurance. If Purchaser does not insure the Collateral or does not produce evidence of such insurance to Seller in a timely fashion, Seller may obtain insurance; Purchaser must then, without demand, reimburse Seller for all premiums advanced by Seller.
- e) Purchaser agrees not to remove any of the Collateral subject to this Agreement from Purchaser's address as set forth above, without the written consent of Seller, except for purpose of sale in the ordinary course of business and subject to the provisions and conditions contained in this Agreement.
- f) Purchaser agrees not to engage in any transaction that would in any way affect or impair the rights of Seller or its security interest under this Agreement.
- g) Upon Default, or if it deems itself insecure, Seller shall have the right to (i) accelerate the maturity of any indebtedness hereunder (including invoices, notes, trade acceptances, or other evidences of indebtedness); and (ii) take possession of the Collateral or such part thereof as remains in Purchaser's possession, and any and all proceeds of such Collateral as have been sold, wherever and in whatever form they may be, it being understood that for purposes of repossession, Seller or its representatives may enter any premises without legal process, and Purchaser waives and releases Seller of and from any and all claims in connection therewith or arising therefrom and Purchaser agrees, upon demand of Seller, to assemble the Collateral and make it available to Seller at a place reasonably convenient to both parties; and (iii) have and exercise all the rights of a secured creditor under the Uniform Commercial Code, as amended.
- h) Purchaser hereby grants to Seller the irrevocable power of attorney, coupled with an interest, to execute and file in the name of Purchaser a financing statement or statements and any other documents necessary to perfect and evidence the security interest of Seller hereunder in the appropriate jurisdictions.

11. Assignment and Subcontracting.

Purchaser may not assign or subcontract its duties or responsibilities under the Contract without the prior written consent of Seller. Unless otherwise stated in the consent, any assignment or subcontract, with or without the required consent, will not relieve Purchaser of its duties or obligations under the Contract or its responsibility for non-performance or Default by its assignee or subcontractor. If Purchaser requires Seller to subcontract all or a portion of its duties or obligations under the Contract to a designated subcontractor, Seller will not be responsible for a breach of the Contract caused by that subcontractor's failure to meet its warranty, delivery, or other contractual obligations.

12. Excusable Non-Performance.

A delay or failure by either party to perform its obligations under the Contract will be excused, and will not constitute a Default, only if (1) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence, including a labor dispute, and (2) the party unable to perform gives notice of the non-performance (including its anticipated duration) to the

other party promptly after becoming aware that it has occurred or is reasonably likely to occur, followed by prompt notices of any material changes in the facts relative to its ability to perform and/or the anticipated duration of the non-performance. Seller and Purchaser shall share information, confer, seek agreement and otherwise act cooperatively to avoid or mitigate the effects of the potential or actual excused non-performance. If Seller is unable to perform for any reason, Purchaser may purchase Products and Services from other sources and reduce its purchases from Seller accordingly without liability to Seller. Within three business days after written request by the other party, the non-performing party will provide adequate assurances that the non-performance will not exceed 30 days. If the non-performing party does not provide those assurances, or if the non-performance exceeds 30 days, the other party may terminate the Contract by notice given to the non-performing party before performance resumes. If Seller reasonably incurs extraordinary costs in order to maintain or restore supply in response to an inability to perform (or what would be an inability to perform except for those extraordinary costs), the cost shall be allocated between the parties in an equitable manner.

13. Miscellaneous.

13.1 Relationship of the Parties.

Purchaser and Seller are independent contractors, and nothing in the Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party.

13.2 Waiver.

The failure of either party to enforce any right or remedy provided in the Contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

13.3 Entire Agreement.

The Contract constitutes the entire agreement between the parties with respect to its subject matter, and supersedes all prior oral or written representations or agreements by the parties with respect to the subject matter of the Contract, including Purchaser's request for quotation and Seller's quotation unless specifically incorporated in the Contract. Except as authorized in Section 1.2, no subsequent terms, conditions, understandings, or agreements purporting to modify the terms of the Contract will be binding unless in writing and signed by both parties.

13.4 Severability.

A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

13.5 Interpretation.

When used in these General Terms and Conditions, "including" means "including without limitation" and terms defined in the singular include the plural and vice versa.

13.6 Notices.

Any notice or other communication required or permitted in the Contract must be in writing and will become effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day.

13.7 Governing Law and Forum Selection.

The state courts of Michigan and federal courts sitting in the Eastern District of Michigan have exclusive jurisdiction to determine any and all disputes or controversies arising out of or relating to the Products or the Contract, including, without limitation, any purchase order and/or these General Terms and Conditions. Purchaser and Seller consent to the exercise of jurisdiction over them by such courts with respect to any such dispute or controversy, and Purchaser and Seller waive any objection to the assertion or exercise by such court of such jurisdiction. The Contract will be governed by and interpreted according to the laws of the State of Michigan and the United States. This contract shall be deemed to have been entered into in the State of Michigan, USA. The United Nations Convention on Contracts for the International Sale of Goods will not apply to the Contract.