

Terms and conditions of purchase

These Terms of Purchase (“Terms”) are part of each purchase order that M. Argueso & Co., Inc., d/b/a Paramelt and any its subsidiaries or affiliates (“Buyer”), issues. In these Terms, “Seller” means the party listed under the heading “To” in the purchase order, “goods” and “services” mean the goods or services that Buyer is to purchase from Seller, as described in the purchase order, “Contract” means any contract formed pursuant to the purchase order, and “Order” means the purchase order.

1 Agreement

These Terms, together with Buyer’s Order and any exhibits, attachments and other documents incorporated by reference constitute Buyer’s offer to buy the goods and/or services described in the Order on these Terms, and Buyer rejects any earlier offers to sell those goods and/or services made by Seller. If the Order nevertheless is in legal effect an acceptance of an earlier offer by Seller, then Buyer’s acceptance is conditional upon Seller’s assent to all of these Terms that are additional to or different from the terms of Seller’s offer and by signing and returning a copy of the Order or by accepting the Order electronically or by shipping the goods or performing the services, Seller accepts Buyer’s offer, as set forth in the Order, and agrees and assents to these Terms. Notwithstanding the foregoing, if both Buyer and Seller have signed a separate contract that specifies the terms that will apply to Seller’s sales to Buyer, and Buyer’s purchases from Seller, of the goods and/or the services (“Special Contract”) and if there is ever a direct conflict between a provision of the Special Contract and these Terms, then the provision of the Special Contract shall control.

2 Claims

Payment of invoice shall not constitute acceptance of goods or services and shall be without prejudice to claims of Buyer. Final inspection shall be on the Buyer’s premises unless otherwise agreed in writing. Materials rejected as not conforming to this Order shall be returned to the Seller, freight, collect, and the Seller will be debited for the inbound transportation cost plus handling expense. Such rejected material shall be deemed to be the property of the Seller.

3 Prices and Payment

Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes arising because of Buyer’s purchase from Seller. Buyer shall not be required to pay any late charge, interest, finance charge or similar charge. Payment terms, including discount periods, shall run from the latest of (a) the scheduled date for delivery or performance, (b) the actual date of delivery of conforming goods or performance of conforming services, (c) the date of Seller’s invoice, (d) in the case of capital equipment, completion of Buyer’s final inspection and acceptance after installation and (e) in the case of tooling, Buyer’s approval of production pieces produced by the tooling at Buyer’s facility. Buyer shall have the right to credit toward the payment of any monies that may become due Seller under the Contract, any sums which are now or hereafter may be owed to Buyer by Seller or an affiliate of Seller.

4 Prepayment

If Buyer pays any part of the purchase price of the goods before Seller delivers them to Buyer, then (a) title (but not risk of loss) to each item of the goods shall pass to Buyer upon identification of the item to the Contract, (b) to the extent necessary to protect Buyer’s title to the goods, Seller grants Buyer a security interest in the goods to secure Seller’s obligation to deliver them to Buyer and all of Seller’s other present and future obligations to Buyer and (c) Seller shall obtain from each person that holds a security interest in or lien upon the goods a written agreement releasing that security interest or lien or subordinating it to Buyer’s interest in the goods.

5 Delivery

Risk of Loss: Unless Buyer agrees otherwise in writing, Seller shall deliver the goods DDP (“delivered duty paid”) (Incoterms 2021) at Buyer’s facility identified in the Order, except that if Buyer’s facility and Seller’s facility (from which the goods will be shipped) are both located in the United States, then Seller shall deliver the goods F.O.B. (Uniform Commercial Code term) Buyer’s facility identified in the Order, except that Buyer may at its option take delivery of all or any part of the goods at Seller’s facility. Seller shall bear the risk of loss until delivery at destination, unless otherwise specified. Seller shall forward to Buyer with the invoice, the express receipt or bill of lading, signed by the carrier, evidencing the fact that the shipment has been made.

6 Time is of the Essence; Force Majeure

Buyer's production scheduled are based upon the agreement that materials will be delivered to Buyer, or services performed by Buyer, by the date specified on the face of this Order. Time is therefore the essence of this Order. If Seller fails to make deliveries or perform the services at the time agreed upon, or performs the work hereunder in such a fashion as endangers its ability to make timely deliveries or to render timely performance of services, then Buyer reserves the right to cancel, purchase elsewhere, and hold Seller accountable for any additional costs, incidental damages or consequential damages incurred by Buyer. Buyer's stated delivery or performance date and the date for performance of any other obligation of Seller shall not be extended or excused for any reason, including anything that Seller cannot control. Seller shall not, however, be liable for any non-performance or delay in performance caused solely by a strike, lockout, riot, war, insurrection or act of God or public enemy, or any other event or circumstance that is beyond Seller's reasonable control, if Seller immediately notifies Buyer of the event and gives Buyer a detailed description of the non-performance or delay that it will cause. Buyer shall then have the right to terminate the Contract, without liability to Seller.

7 Excess, Installment and Early Deliveries

If Seller delivers more goods than Buyer ordered, then, unless Buyer agrees otherwise in writing, Buyer shall not have to pay for the excess. Unless Buyer agrees otherwise in writing, Seller shall deliver all of the goods in a single delivery and not in installments. Buyer's acceptance of a delivery that contains less than the required quantity shall not relieve Seller of its obligation to deliver the balance of the ordered goods at the price and on the other terms that the Order specifies. If Seller delivers the goods before the scheduled delivery date, then Buyer may, at Seller's expense and risk, either store them or return them to Seller. Buyer's acceptance of an early delivery shall not change the payment terms.

8 Blanket Order

If the Order states that it is a blanket purchase Order or blanket purchasing agreement, then, except to the extent otherwise expressly stated in the Order, (a) Seller is obligated to deliver to or perform for Buyer all goods or services that Buyer orders or releases during the period or in accordance with any delivery or performance

schedule specified in the Order, (b) Buyer is not obligated to Order, release or purchase from Seller any particular quantity or volume of goods or services, regardless of any estimates or projections of future purchases, and (c) Buyer may purchase any or all of the goods or services from others.

9 Warranties

Seller represents and warrants to Buyer, and agrees, that (a) the goods shall be new, (b) the goods and services shall be merchantable, of good material, workmanship and quality, fit for the purposes for which Buyer intends them and free from faults and defects, (c) the goods and services shall conform to any samples, drawings, specifications, performance criteria standards or other requirements that are referred to in the Order or that Buyer has otherwise specified or agreed to in writing, (d) the goods, their manufacture, packaging, labeling, branding and sale and the services shall comply with all applicable federal, state and local laws, regulations, standards and Orders, including, without limitation, the Fair Labor Standards Act of 1938 and the Occupational Safety and Health Act of 1970, as amended, (e) the prices of the goods and services and any discounts, advertising allowances or other merchandising payments or services that the Contract requires Seller to provide to Buyer are as favorable to Buyer as the lowest prices and the highest discounts, advertising allowances or other merchandising payments or services that Seller provides to other buyers of comparable goods or services, (f) Seller shall promptly furnish to Buyer all information and copies of documents (including, but not limited to, complaints, inquiries, test or inspection results and warnings) that Seller receives from an end-user of the goods, a government agency, an employee or agent of Seller or any other person or source and that suggests or indicates that the goods may not conform to the requirements of this paragraph, and (g) Seller has and follows, and will continue to have and follow, adequate quality and security procedures that will assure that the goods and services will comply with the foregoing warranties, representations and agreements. If Buyer requests it, then Seller shall give Buyer certificates of compliance with applicable laws and regulations. Buyer's approval of a sample, drawing, specification or standard shall not relieve Seller of any of its warranties under this paragraph, including, without limitation, its warranties of merchantability, fitness and compliance with laws. Seller's

warranties extend to future performance of the goods and services and survive inspection, tests, acceptance and payment and shall be considered to have been given not only to Buyer but also to Buyer's customers and to end-users of the goods. Acceptance or any use of the goods shipped to Buyer or Buyer's customer hereunder shall not affect Seller's obligation under the above warranties.

10 Governmental Declaration

If a governmental agency declares that any material included in any of the goods is unsafe or unfit for the intended use of the goods, then, without limiting other rights and remedies that are available to Buyer under these Terms or applicable law, (a) Seller shall give Buyer written notice of any such declaration and shall furnish to Buyer copies of the declaration and of all relevant notices, documents and correspondence, (b) Seller shall stop including the material in the goods, (c) Buyer may terminate the Order or the Contract, without liability to Seller, by giving written notice to Seller, which shall be effective immediately or on any later date that the notice specifies, (d) if Buyer does terminate, then Buyer's obligations under the Contract shall terminate immediately and Buyer shall not be obligated to pay Seller damages or other compensation by reason of the termination, (e) without limiting other remedies that Buyer may exercise, Buyer shall have the right to recall (i.e. purchase or repurchase) any or all of the goods from its customers and end-users and any others having possession of the goods, and Seller shall reimburse Buyer for all costs that Buyer incurs in doing so and shall assist Buyer in the recall, to the extent that Buyer requires Seller to do so, (f) if Seller demonstrates to Buyer's satisfaction that there is a safe and fit substitute material that conforms to all of the requirements of the Contract and that Seller can and will use the substitute in the goods, then Buyer shall have the right, but no obligation, in Buyer's sole discretion, to reinstate the Contract and to require Seller to perform in accordance with the Contract, except that Seller shall use the substitute material, and (g) whether or not Buyer terminates and/or reinstates the Contract, Seller shall pay to Buyer an amount equal to all damages that Buyer incurs by reason of the declaration by the governmental agency and any resulting recall or delay in performance and/or any termination of the Contract by Buyer.

11 Buyer's Remedies

Without limiting other rights and remedies available to it, Buyer may, at its option, (a) return nonconforming goods to Seller, at Seller's risk and expense, and require Seller either to give Buyer full credit against the price or promptly to repair or replace the goods at Seller's risk and expense, (b) retain nonconforming goods and set off losses against any amount that Buyer owes Seller, or (c) repair or replace nonconforming goods and charge Seller with the expense. If at any time (i) Seller defaults in the performance of any of Seller's obligations to Buyer under the Contract or under any other agreement between Seller and Buyer, (ii) Seller repudiates the Contract or (iii) a warranty or representation that Seller made to Buyer in or in connection with the Contract is false or misleading in a material respect, then Buyer may terminate the Contract, in whole or part, without liability to Seller, and Seller shall promptly pay to Buyer all damages that Buyer incurred as a result of the termination and as a result of the event or circumstance on the basis of which Buyer terminated. If Buyer does terminate the Contract, then Seller, if and to the extent that Buyer demands, shall immediately deliver to Buyer all finished and unfinished goods and all work-in-process and raw materials that Seller acquired for use in the manufacture or processing of the goods and all designs, drawings, specifications and software that Buyer is purchasing from Seller under the Contract, including all work-in-process, all source, object and pseudo codes, all preexisting programs intended to be incorporated in the software and all intellectual property rights in the foregoing. Buyer's payment of part or all of the purchase price shall not be a precondition to Seller's obligation to make the delivery. After Seller has made the delivery and Buyer has determined its damages (including, without limitation, any cost of "cover" or of completing the manufacture or processing of the goods), then Buyer will pay to Seller any excess of (x) any unpaid part of the purchase price properly allocable to any conforming goods, work-in-process and raw materials that Seller delivered to Buyer over (y) Buyer's damages. Buyer's termination under this paragraph shall terminate only Seller's obligation and right to deliver goods or provide services other than as this paragraph requires and shall not terminate or impair Seller's other obligations, or any of Buyer's rights, under the Contract. In addition to Buyer's rights described in these Terms, Buyer has all of the other rights and remedies that the law gives to buyers, including the right to recover incidental

and consequential damages that result from Seller's breach. Buyer shall not lose any right just because it does not exercise it. Buyer shall have the full statutory period of limitations to bring any action that arises out of Buyer's agreement with Seller. A reasonable time for Buyer to notify Seller of any breach is not less than two years from when Buyer discovers the breach.

12 Indemnity

Seller agrees to defend, indemnify and hold Buyer, including its officers, directors, employees, parent, subsidiaries, affiliates and agents (collectively, the "Indemnified Party"), harmless of and from any claim, loss, cost, damage, settlement or judgment arising out of (a) any breach by Seller of any of its warranties to, or agreements with, Buyer, (b) the presence of Seller's employees, agents or subcontractors on the Indemnified Party's premises, (c) any liability or claim whatsoever for patent trademark, trade name or other intellectual property right infringement or misappropriation related to the goods, or (d) failure by Seller to comply with applicable laws or regulations. This duty to defend, indemnify and hold harmless extends to any legal claim or proceeding, whether based on contract, warranty, infringement, strict liability in tort, negligence or other legal theory, and also extends not only to third party claims but also to any loss suffered directly by the Indemnified Party. Buyer is entitled to control Seller's defense of Buyer hereunder.

13 Insurance

Seller will furnish Buyer a certificate of insurance showing that Seller has obtained insurance coverage in the following minimum amounts: (a) Worker's Compensation - statutory limits for the state or states in which the work is to be performed; (b) Employer's Liability - \$1,000,000; (c) Commercial General Liability - \$1,000,000 combined single limit per occurrence and \$2,000,000 annual general aggregate limit including Premises and Operations, Independent Contractors, Contractual Liability and Products and Completed Operations coverages; and (d) Automobile Liability (including owned, hired and non-owned vehicles) - \$1,000,000, combined single limit per occurrence and \$2,000,000 annual aggregate limit. Such certificate will set forth the insurance company, amount of coverage, the policy numbers, and date of expiration, and will include a thirty days' notice of cancellation to Buyer clause. Buyer must

be named as an additional insured party under each of these policies with the exception of the policy covering worker's compensation liability. Such insurance coverage must be maintained by Seller at all times while it is performing work under this Order. Compliance by Seller with these insurance requirements does not affect Seller's indemnification or other liabilities under this Order.

14 Alteration of Terms

None of the terms and conditions contained in this Contract may be added to, modified, superseded or otherwise altered except by a written instrument signed by an authorized representative of Buyer and delivered by Buyer to Seller, and each shipment received by Buyer from Seller shall be deemed to be only upon the terms and conditions contained in the Order, notwithstanding any terms and conditions that may be contained in any acknowledgement, invoice or other form of Seller and notwithstanding Buyer's act of accepting or paying for any shipment, or similar act of Buyer and/or notwithstanding any course or prior dealings or usage of the trade not incorporated herein. A waiver of any of the terms or conditions hereof must be specific and in writing and will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is directed.

15 Changes

(a) Buyer may at any time, by a written Order, make changes within the general scope of this Order in any one or more of the following: (i) drawings, designs or specifications; (ii) method of shipment or packing; (iii) quantities or articles to be furnished; (iv) place of delivery, and (v) delivery schedules. If any such change causes an increase or decrease in the cost of, or the time required for the performance of any part of the work under this Order, whether changed or not changed by any such Order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing within thirty (30) days from the date of receipt by Seller of the notification of change, provided, however, that Buyer, if it decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Order. However, nothing in this clause shall excuse Seller from proceeding with this Order as changed.

(b) Buyer's engineering, technical and other personnel may from time to time render assistance or give technical advice to, or exchange information with, Seller's personnel concerning this Order of the articles or services to be furnished hereunder. However, such assistance, advice, statements or exchanges of information shall not constitute a waiver with respect to any of Seller's obligations or Buyer's rights hereunder or be authority for any change in the articles or services called for hereunder. Any such waiver or change to be valid and binding upon Buyer must be in writing and signed by an authorized representative of Buyer. In case of any doubt, Seller should promptly consult Buyer for further instructions.

(c) In connection with any claim for adjustment under this clause, Seller shall submit cost data in such form and detail as may reasonably be required by Buyer. If this Order relates to a prime contract with the U.S. Government, Seller shall, upon Buyer's request, submit a Certificate of Current Cost or Pricing Data, in substantially the form set forth in the Federal Acquisition Regulation and/or the Department of Defense Supplement thereto with respect to such data and EEO certifications.

(d) Where the cost of property made obsolete or excess as a result of a change is included in Seller's claim or adjustment pursuant to this clause, Buyer shall have the right to prescribe the manner of disposition of such property.

16 Cancellation

This Order may be cancelled by Buyer at any time in whole or in part by oral notification followed by written confirmation to Seller. Seller will immediately cease performance under this Order upon receipt of notification of cancellation (unless otherwise specified by Buyer). Buyer shall consider reasonable reimbursement to Seller for finished goods and work in process within agreed lead time at the time of cancellation upon Seller's submission of supporting documentation within 30 days of cancellation. Any reimbursement to Seller must be mutually agreed upon.

17 End of life

In the event Seller at any time considers replacing or discontinuing the manufacture of a good, Seller will promptly give Buyer written notice of such consideration and in any event will accept additional Orders for such good for at least 6 months after Buyer's receipt of such

written notice. Seller may not discontinue manufacture of a good until all outstanding Orders for such good have been filled.

18 Inspection

Buyer's employees or agents may at any time enter Seller's premises to inspect and test the goods, Seller's process of manufacturing of them and any materials, components or work-in-process that Seller will use in their manufacture. Seller will specifically allow Buyer, its customers, and regulatory agencies right of entry to verify the quality of work, records and material associated with the Order.

19 Buyer's Property

All material including tools, furnished or specifically paid for by Buyer shall be the property of Buyer, shall be subject to removal at any time without additional cost upon demand by Buyer, shall be used in filling Orders from Buyer, shall be kept separate from other materials or tools and shall be clearly identified as the property of Buyer. Seller assumes all liability for loss or damage, with the exception of normal wear or tear, and agrees to supply detailed statements of inventory upon request of Buyer.

20 Supplementary Information

Any specifications, drawings, notes, instructions, engineering notices, or technical data referred to in this Order shall be deemed to be incorporated herein by reference as it fully set forth.

21 Title to Drawings and Specifications

Buyer shall at all times have title to all drawings and specifications furnished by Buyer to Seller and intended for use in connection with this Order. Seller shall use such drawings and specifications only in connection with this Order and shall not disclose such drawings and specifications to any person, firm or corporation other than Buyer's or Seller's employees, subcontractors or government inspectors. Seller shall, upon Buyer's request or upon completion of the Order, promptly return all drawings and specifications to Buyer.

22 Confidentiality and Non-Use

Seller shall not sell or offer to sell or otherwise provide to anyone other than Buyer any goods made in accordance

with any drawings, designs or specifications that Buyer furnishes to Seller or that incorporate, embody or are made in accordance with any of Buyer's intellectual property. Seller shall maintain the confidentiality of, and shall not disclose or use or permit to be disclosed or used or to be viewed by any third party (including any of Seller's suppliers), the goods, any designs or specifications for the goods, any property of the Buyer or any information concerning Buyer's business, operations or activities, including, without limitation, information concerning Buyer's present or proposed products, product developments, plans, strategies, finances, know-how, sales, customers and marketing or sales techniques ("Confidential Information"), except that Seller may disclose Confidential Information to a third party (other than a competitor of Buyer or a subsidiary or affiliate of a competitor) to the extent disclosure is necessary in Order for Seller to perform its obligations under the Contract. If Seller breaches or threatens to breach this paragraph or Paragraph 16, then Buyer's remedies at law will be inadequate. Therefore Buyer shall have the right of specific performance or injunctive relief, or both, in addition to any and all other remedies and rights at law or in equity, and Buyer's rights and remedies shall be cumulative.

23 Publicity, Promotion or Advertising

Seller shall not, without Buyer's prior written consent, issue any news release, advertisement, publicity or promotional material regarding this Order (including denial or confirmation thereof).

24 Government Contracts

If Buyer will use the goods or services covered by the Order in connection with a contract with the United States or other government, then all terms and conditions that the government contract or any law or regulation requires to be included in any contract formed pursuant to the Order ("Government Terms") are incorporated in the Order by reference. If a provision of the Order is inconsistent with the Government Terms, then the Government Terms shall control. As to material contained in an Order, which is for delivery under government contracts, if any corresponding Order from Buyer's customer is terminated in whole or in part, Seller shall accept termination of that portion of the Order upon notice from Buyer. Settlement shall be made pursuant to the

provisions of the United States Government's standard termination clauses then in force.

25 Assignment; Subcontracting

Seller may not assign its rights or obligations under this Order either voluntarily or by operation of law without the prior written consent of Buyer. Seller may not subcontract all or any substantial part of this Order without the prior written consent of Buyer. Any consent of Buyer will not relieve Seller of its contractual obligations under this Order.

26 Applicable Law

The interpretation of this Order and the rights and obligations of the parties hereto will be construed and governed by the laws of the State of Michigan excluding its choice of law rules and excluding the U.N. Convention on Contracts for the International Sale of Goods. Any state or federal court in Muskegon County, Michigan, may handle any action based upon or arising out of the Order or the Contract, and Seller irrevocably consents that the court shall have personal jurisdiction over Seller and waives any objection that the court is an inconvenient forum.

30096864