

1. Definitions

- 1.1 “Terms”** means these General Terms and Conditions of Purchase.
- 1.2 “Buyer”** means the buyer/purchaser identified on the face of the Order.
- 1.3 “Supplier”** means the entity or individual to which/whom the purchase order document or communication is addressed.
- 1.4 “Order”** means the purchase order document, communication, or electronic submission issued by Buyer to Supplier which attaches or references these Terms.
- 1.5 “Products”** mean, collectively, the products, items, materials, goods, and/or services identified in the Order (each, a “Product”).
- 1.6 “Contract”** refers to these Terms, together with the terms set forth in the Order, including those set forth in documents attached to or referenced in the Order or these Terms.

2. Offer and Acceptance; Scope and Applicability; Volume and Quantity

- 2.1** Buyer offers to purchase the Products from Supplier, subject to the terms and conditions of the Contract. Supplier accepts Buyer’s offer and the Contract by any reasonable indication of acceptance, including, without limitation, if Supplier: **(a)** does not object to Buyer in writing within three (3) calendar days of receipt of the Order, or **(b)** commences work on or ships Products to Buyer. Buyer expressly rejects any terms and conditions which depart from or add to these Terms, unless accepted in a writing signed by an authorized representative of Buyer. Individual arrangements made in specific cases with Supplier (including side agreements, supplemental arrangements, and amendments) shall take precedence over these Terms only if Buyer indicates so in a writing signed by an authorized representative of Buyer.
- 2.2** The Contract constitutes a binding agreement between Buyer and Supplier and serves as the complete and exclusive agreement between Buyer and Supplier as to the Products, superseding any prior proposals, offers, or contracts. These Terms shall continue to apply exclusively even if, in specific cases, Buyer does not overtly object to the purported inclusion of terms and conditions of Supplier, or Buyer accepts delivery from Supplier. These Terms shall also apply to future transactions between Buyer and Supplier even if they are not specifically agreed to again. Buyer’s Orders must be in written or text form to be valid.
- 2.3** Any estimates, forecasts, or projections of future quantity requirements for Products provided by Buyer to Supplier are not binding, are provided for informational purposes only, and are subject to change. If quantities and delivery schedules are not specified in this Contract, they will be as reasonably determined by Buyer and stated in releases or schedules issued to Supplier periodically. If Supplier is under a vendor managed inventory system, Supplier will at all times maintain Buyer’s supply at the agreed levels.

3. Prices, Changes, Invoicing, and Payment

- 3.1** Pricing is firm and not subject to change unless otherwise agreed in this Contract; however, any general price reduction made by Supplier with respect to any Product ordered by Buyer, subsequent to the placement of Buyer’s Order, and prior to Buyer’s receipt of the Product, shall apply. If no prices are stated on Buyer’s Order, the Supplier’s price list published at the time the order was placed shall apply with any applicable price reductions as referred to in this section. Supplier represents and warrants the prices charged to Buyer are the best or lowest prices charged by Supplier to buyers of a class similar to Buyer purchasing comparable quantities and under similar circumstances. Prices for Products include: **(a)** all applicable excise or use taxes or other similar applicable federal, provincial, and territorial taxes, duties, fees, assessments or charges for the sale of Products, and no charges will apply against Buyer for transportation, packaging, packing, returnable containers, documentation, and/or media; and **(b)** “FCA” delivery as well as packaging (Incoterms 2020), unless expressly agreed otherwise in a writing signed by both parties. Any applicable value-added, GST/HST and PST or other similar applicable federal, provincial, and territorial sales taxes shall be set out as a separate line item in the invoice and Supplier represents and warrants that it is registered for the collection of same. If Supplier has undertaken the assembly, installation and/or commissioning of a product and nothing else is agreed to in writing, Supplier shall bear all the necessary incidental costs, such as, e.g., travel expenses and provision of the tools. Supplier is not entitled to any additional compensation, other than the price for the Products, including for visits or the preparation of bids and projects. Buyer retains the right of setoff.
- 3.2** Buyer may notify Supplier of changes to the drawings, specifications, quantity, delivery, or other requirements. Unless Supplier notifies Buyer within seven (7) calendar days of the Buyer’s notification of the changes, with supporting documents, that an adjustment in time and/or price of the Products is necessary, there will be no adjustment in the time for performance and/or price of the Products. Where the Supplier provides such notice, the parties will negotiate an equitable adjustment regarding the time for performance and/or price. Supplier shall not make any change in this Contract without the Buyer’s prior approval via a signed writing, including any changes to the nature, type, or quality of any services, location of work, raw materials, or goods used by Supplier or its sub-suppliers.
- 3.3** Each Order will be invoiced separately. Each invoice shall be issued in the currency in U.S. Dollars unless a different currency is specified in the Order. All invoices and/or advance shipping notices must clearly reference the Order number, the Order issue date, Buyer’s supplier reference number, Buyer’s Product reference number, the customs tariff reference number, the source country, the preference indicator, the quantity of units shipped, and the number of cartons or containers. Any invoice missing any of this foregoing information will not be paid and the time period for compliance with any associated payment deadlines shall only commence once Supplier fully cures the defects of the invoice. If invoices are not sufficiently identifiable (particularly where the required information is incomplete or missing), the time period for compliance with any associated payment deadlines shall only commence once Supplier fully cures the defects of the invoice. If certificates, documentation, materials tests, test reports, and any other documents which form an integral part of the Order, are not enclosed with the invoice or delivery, the time period for compliance with the payment deadlines shall only commence once such items are received in full. In the case of delivery in installments, Supplier must send each invoice to Buyer separately upon the dispatch of the applicable instalment shipment. If the invoice arrives before receipt of the Products to be delivered, or if the delivered Products contain defects/non-conformities, the time period for compliance with the payment deadlines shall only begin with the arrival of the (defect-free) Products. For clarity, payment shall not become due and the time period to comply with the payment deadlines shall not commence on any invoice until the defects/non-conformities have been cured completely.
- 3.4** Payments shall be made exclusively in U.S. Dollars unless a different currency is specified in the Order. Buyer shall make payment, in Buyer’s sole discretion, by bank transfer and, unless otherwise agreed to by the parties in writing, when all of the following conditions have been met: **(a)** acceptance of the delivery by Buyer; **(b)** receipt of Supplier’s invoice, such invoice being in compliance with the requirements of section 3.3 (receipt shall be determined from Buyer’s incoming mail stamp); and **(c)** transfer to Buyer of all documentation belonging to the Products delivered within 90 days. Payment by Buyer does not constitute acceptance of the Products and shall not be construed as a waiver of any rights or recourses of Buyer. Supplier acknowledges and agrees that the place of performance for Buyer’s payments shall be deemed to be Wolfratshausen, Upper Bavaria, Germany.
- 3.5** If any applicable laws require that any taxes or other amounts be deducted or withheld from any payments to be made by Buyer under this Contract, Buyer shall deduct such taxes or other amounts and remit such taxes or other amounts directly to the applicable governmental authority, including the Canada Revenue Agency, on or before the applicable due date and Buyer shall not be required to compensate or otherwise indemnify the Supplier with respect to such taxes or other amount.

4. Shipping, Delivery, and Acceptance

- 4.1** Supplier will ship Products using best commercial practices and in compliance with Buyer’s and all legal and regulatory requirements concerning packaging, labeling, shipping notification and freight, warnings, patterns, samples, drawing functionality, installation, maintenance and other relevant instructions and operating environment requirements. The costs relating to handling, packaging, storage, or transportation (including all applicable sales, excise, use, value-added, GST/HST, PST or other similar applicable federal, provincial, and territorial taxes, duties, fees, assessments or charges) unless otherwise stated in this Contract are included in the price of the Products.
- 4.2** The delivery deadlines stated in the Order or agreed elsewhere in writing are binding and shall be strictly complied with. Supplier shall immediately inform Buyer in writing of any imminent delay or exceedance of the mandated delivery deadlines, providing reasons for the same and their anticipated duration. Time is of the essence for all deliveries, which shall be made in the quantities and on the dates and times specified by Buyer and no later. Deliveries are only accepted during Buyer’s designated receiving hours (Monday to Thursday between 7.30am and 9.15am, 9.30am and 12 noon, 12.30pm and 3.30pm and on Fridays between 7.30am and 9.00am and between 9.30am and 1pm, all times being the local time in the place of delivery) unless otherwise agreed in writing. Supplier shall be responsible for any premium freight charges required to meet on-time delivery.
- 4.3** Partial deliveries and early deliveries are only permitted with Buyer’s express written consent. Buyer retains the right to reject partial deliveries or Products delivered in advance of the delivery date or in incorrect quantities.
- 4.4** Unless otherwise stated in this Contract, delivery shall be made by Supplier, with Products properly packaged and transported, FCA (Incoterms 2020) to the place/address specified by Buyer. The risk of loss or damage to the Products shall transfer to Buyer upon delivery to the agreed place of performance and final acceptance by Buyer. The title to the Products shall pass upon the earlier of payment or delivery and final acceptance of the Products by Buyer without any reservation of rights by Supplier. Products received by Buyer are subject to inspection and final acceptance by Buyer, notwithstanding any payment. Products rejected as non-conforming may be returned to Supplier at Supplier’s sole cost and expense and shall not be replaced except upon the express written direction of Buyer. If a Product is rejected after payment, Buyer shall be entitled to return of the same (at Supplier’s sole expense) for a full refund or, in the case of work/services, Buyer may reject the services and be reimbursed for the price of the work/services or require Supplier to perform the services as necessary.
- 4.5** If Supplier is in Default (as defined below), Buyer is entitled to liquidated damages in the amount of 0.2% of the total Order value per calendar day, but not to total more than 5% of the Order value. It is expressly agreed that it is difficult to calculate the damages which would result from Supplier’s Default, and the parties agree the liquidated damages are not intended to be penalties but rather represent the parties’ genuine pre-estimate of damages resulting from the Default. Acceptance of late delivery does not imply a waiver of any claims by Buyer for damages. Any imposed liquidated damages shall be offset against the asserted damages.
- 4.6** Supplier shall include a certificate listing the agreed characteristics of Products delivered with the delivery along with the delivery note. Full initial sample documentation shall be enclosed with initial deliveries, especially those intended as samples.

5. Ownership of Materials, Tools, Documentation, and Intellectual Property

- 5.1** Buyer retains title to all goods and materials provided to Supplier, including parts, components, semi-and finished goods. This title also extends to the full value of the Products arising from processing, mixing, or combining Buyer’s goods. In those cases where Buyer’s Products are processed, mixed, or combined with goods belonging to third parties with existing proprietary rights, Buyer shall acquire joint ownership pro rata to the objective value of these goods.
- 5.2** Tools provided by Buyer or made available to Supplier for Supplier’s manufacturing of Products for Buyer (“**Buyer Tools**”), for which Buyer contributes to the cost, remain Buyer’s sole property. Supplier is responsible for maintaining and repairing the Buyer Tools at Supplier’s sole expense. Supplier shall maintain all applicable insurance coverage to insure the value of the Buyer Tools and shall provide Buyer with proof of such insurance coverage upon request. Upon the expiry of the Contract, Supplier shall surrender the Buyer Tools to Buyer immediately upon Buyer’s request without any reservation of rights by Supplier. When the Buyer Tools are surrendered, they must be in a flawless condition both technically and in terms of their appearance. Supplier shall not modify or dispose of the Buyer Tools as scrap without Buyer’s prior written consent.
- 5.3** All documentation, including drawings, images, and test specifications, samples and models, tools, and any other items (including any copies, transcripts, extracts, and replicas) which Buyer makes available to Supplier shall at all times remain Buyer’s sole property and shall, at Buyer’s sole discretion, either be surrendered to Buyer at Buyer’s request at any time but no later than upon the termination/expiration of the business relationship, or destroyed at Supplier’s sole cost and expense. Supplier has no right of retention of the foregoing items. Models, templates, and similar items produced by Supplier, or by a third party and used by Supplier, shall, where they are invoiced to Buyer, be Buyer’s property and shall be surrendered to Buyer with delivery unless otherwise agreed in writing.
- 5.4** Except as specifically stated in the Contract, neither party transfers to the other party any patent, trade secret, trademark, copyright, or any other intellectual property right owned by such party (“**Intellectual Property Right**”). Supplier grants to, or agrees to obtain for, Buyer, together with a waiver of any authors or moral rights of all individuals who have been involved in the creation or development of Intellectual Property Rights in respect of the Products that are subject to copyright, a perpetual, irrevocable, royalty free, fully paid-up, non-exclusive right and license of Supplier’s Intellectual Property Rights to: **(a)** use, sell, and modify Products and incorporate Products into other products for use or sale; and **(b)** in the case where Supplier is unable to perform or breaches this Contract, to make Products or have Products made by an alternate source. Notwithstanding the foregoing, all works of original authorship, ideas, inventions (whether patentable, patented or not), know-how, processes, compilations of information, and other intellectual property created by Supplier for which the development was directly or indirectly (by amortization) paid for by Buyer (collectively, “**Proprietary Materials**”), and all Intellectual Property Rights in such Proprietary Materials, are exclusively owned by Buyer, and the Supplier grants to, or agrees to obtain for, Buyer, together with a waiver of any authors or moral rights of all individuals who have been involved in the creation or development of Proprietary Materials in respect of the Products that are subject to copyright. Supplier will ensure all employees and subcontractors to Supplier will have written contracts with Supplier consistent with these terms.

6. Limited Trademark License

- 6.1** If specified by Buyer in writing where applicable, Buyer grants to Supplier a non-exclusive, non-transferable, site specific, non-sublicensable, limited license, to reproduce and use those trademarks, service marks, logos, commercial symbols, and other indicia of trade origin of Buyer (collectively “**Buyer Marks**”) solely for the manufacture and sale of Products to Buyer. Supplier may not use the Buyer Marks in any other manner or for any other purpose. Supplier’s reproduction and use of the Buyer Marks, and all goodwill established and/or symbolized thereby, will inure exclusively to the benefit of Buyer and this Contract does not confer any goodwill or other interests in the Buyer Marks upon Supplier. Supplier shall not challenge or contest the validity of the Buyer Marks, any registration of the Buyer Marks with the U.S. Patent and Trademark Office or Canadian Intellectual Property Office or with any foreign government or

the ownership of the Buyer Marks by Buyer or its affiliates. Supplier shall not represent that it has any ownership interest in the Buyer Marks or registrations relating thereto. Upon the earlier of (a) Supplier no longer supplying Products to Buyer, or (b) Buyer's notice, Supplier will immediately discontinue all use of Buyer Marks. The obligations of Supplier under this Section will survive termination of this Contract.

7. Confidentiality

7.1 If Supplier has access to Buyer's confidential information, including inventions, developments, know how, specifications, business plans, results of testing, systems, financial information, product information, methods of operation, customer information, supplier information and compilations of data ("**Confidential Information**"), Supplier will use Buyer's Confidential Information only for the purposes of manufacturing and delivering Products to Buyer and selling of Products to Buyer and shall not disclose it to third parties or otherwise use it to its own advantage or to Buyer's detriment. Supplier is permitted to disclose Buyer's Confidential Information to its employees and authorized subcontractors on a need-to-know basis only, provided that such employees and authorized subcontractors have written confidentiality obligations to Supplier no less stringent than the confidentiality obligations under this Section. Supplier's use of Buyer's Confidential Information for purposes other than those specifically described here shall render Supplier liable to Buyer for damages. Neither Buyer's disclosure of Confidential Information, nor any transmission of documents, samples, or models shall give rise to any right of Supplier to any ownership rights whatsoever.

7.2 Confidential Information will not include information which: (a) is or becomes publicly available without breach of this Agreement by Supplier; (b) was known to Supplier without confidentiality restriction prior to its receipt from Buyer as evidenced in writing; or (c) is developed by Supplier independently of its access to Confidential Information.

7.3 Upon termination of this Contract, Supplier shall return Buyer's Confidential Information and shall not use Buyer's Confidential Information for its own, or any third party's, benefit. Supplier's confidentiality obligations shall survive termination of this Contract for so long as Buyer's Confidential Information remains confidential. To ensure Buyer is able to obtain the full benefit of the restrictions set forth in this Section, Buyer shall be entitled to injunctive relief, including emergency, preliminary, temporary and permanent injunctions, from any court of competent jurisdiction as may be necessary to enjoin any violation of the foregoing covenants, without the necessity of proving immediate irreparable harm or an inadequate remedy at law or in equity. If the parties have already entered into a Confidentiality or Non-Disclosure Agreement ("**NDA**"), the terms and conditions of the NDA shall apply and control for confidentiality obligations between the parties in lieu of this section.

8. Warranties

8.1 Supplier warrants that all Products will: (a) conform to the specifications, instructions, drawings, samples or descriptions; (b) comply with all applicable laws, regulations, codes, and other governmental requirements in force in countries where Products or products equipped with such Products are installed or sold; (c) be of merchantable quality, fit for their intended purpose, be of good material and workmanship, and free from defects; and (d) not knowingly infringe any intellectual property rights of third parties. Supplier warrants the Products will meet or exceed the failure rate and/or reliability requirements set forth in applicable specifications. Claims for non-compliance will be established from Buyer's records relating to the Product. In carrying out any services, Supplier will ensure the best technical practices, skills, procedures, safety standards, care, and judgment will be used. These warranties will remain in effect for the longer of: (i) the period provided by applicable law where the Products are used; or (ii) the warranty period provided by Buyer to its customers. Supplier will repair or replace any defective or non-conforming Products during the applicable warranty period at Supplier's sole cost and expense (including for all parts, labor and transportation costs) immediately upon being notified of any such defect by Buyer, and/or reimburse Buyer for its costs of remedying the non-compliance, and reimburse Buyer for all costs and charges related to or caused by or the nonconforming Products, including costs, liquidated damages, governmental, statutory, regulatory, or contractual penalties, expenses and losses incurred by Buyer in: (1) inspecting, sorting, repairing, or replacing such nonconforming goods; (2) resulting from or in production interruptions, premium freight, additional insurance costs and premiums, overtime, downtime, containment, and de-installation, (3) conducting recall campaigns or other corrective service actions, maintenance or safety instructions, trainings, and warnings, (4) relative to claims for personal injury (including death) or property damage caused by such nonconforming Products, and (5) any environmental contamination and cleanup cost. As to Products made for resale, Supplier agrees Buyer may make similar warranties to its customers in reliance upon the foregoing. These warranties and remedies are nonexclusive and are in addition to the warranties and remedies provided by the applicable sale of goods legislation and applicable laws which may not be disclaimed or limited. All warranties contained in this Contract shall run, and all remedies shall be available to, Buyer, its affiliates, and their customers and all such warranties shall survive any delivery, inspection, acceptance, or payment by Buyer.

8.2 Supplier acknowledges and agrees that Buyer checks the delivered goods against the accompanying documentation only for the purpose of identifying them and to verify the quantity as well as to look for any outwardly visible damage caused during transportation, and Supplier expressly waives any defense against a breach of warranty claim premised on Buyer's right to inspect Products delivered.

9. Indemnification

9.1 Supplier will indemnify, defend, and hold harmless Buyer, its affiliates, partners, directors, officers, employees and agents, from and against any and all actions, claims, demands, judgments, losses, costs, liabilities, damages, any type of liability for environmental contamination and cleanup cost, additional insurance costs and premiums, other expenses and/or fees (including actual legal fees and disbursements) of whatever kind ("**Claims**") that are incurred by, or asserted against, Buyer related to or arising from any actual or alleged: (a) infringement of any patent, trademark, copyright, trade secret, industrial design right, or other proprietary right, by reason of the manufacture, use, or sale of the Products, except to the extent the infringement results directly from a design furnished by Buyer; (b) any defect in the Products; (c) noncompliance by Supplier of its representations, warranties, or obligations under this Contract; or (d) negligence or fault of Supplier in connection with the design or manufacture of Products or wrong or incomplete installation, shipping, use, maintenance, environmental health or safety instructions, including any reasonably required post-sale warnings and instructions. Supplier will not make any admissions on behalf of Buyer or enter into a settlement without Buyer's prior written consent. The indemnification obligations of Supplier under this section are not exclusive and shall not impair or exclude Buyer's rights or remedies under law or in equity, and such rights and remedies of Buyer are cumulative.

10. Insurance

10.1 In addition to specific insurance requirements which may be set out in this Contract, throughout the term of this Contract and the warranty period of any Products, Supplier shall have and maintain at its expense: (a) general and public liability insurance with coverage limits reasonably acceptable to Buyer and naming Buyer as an additional insured; (b) all risk property perils insurance covering the full replacement value of Bailed Property (as defined below) while in Supplier's care, custody, or control and naming Buyer as loss payee; and (c) worker's compensation insurance as required by applicable law. Insurance coverage amounts shall in no case be less than as standard in the industry and shall be with carriers with at least an A.M. Best rating of "A" excellent, and a financial size rating of at least Class V. Supplier will furnish to Buyer

certificates of insurance setting forth the amount of coverage, policy number and date(s) of expiration. Supplier shall provide at least sixty (60) days' prior written notice to Buyer of cancellation or material alteration of insurance.

10.2 Supplier shall maintain extended insurance coverage for product liability claims and product recall costs with an insured amount of, in each case, at least \$5,000,000 (Five Million U.S. Dollars) per event of personal injury/material loss or damage - all-inclusive; our claims shall not, however, be limited to the insured amount.

11. Bailed Property

11.1 If applicable, all supplies, materials, tools, jigs, dies, gauges, fixtures, molds, castings, cavity die patterns, returnable containers, equipment, and other items furnished by Buyer, either directly or indirectly, to Supplier in connection with Supplier's performance of its obligation under this Contract, or for which Supplier has been paid or reimbursed (including amortization) by Buyer, with all related repairs, improvements, appurtenances, accessions and accessories, and all documents, standards or specifications, trade secrets, proprietary information, Proprietary Materials and all Intellectual Property Rights in such Proprietary Materials (collectively, "**Bailed Property**") shall be and shall remain the property of Buyer or the owner of such property designated by Buyer. Supplier acknowledges and agrees that Supplier holds the Bailed Property as a bailee and acquires no interest whatsoever in the Bailed Property. Supplier shall bear the risk of loss of and damage to Bailed Property. Bailed Property shall at all times be properly housed, maintained, repaired, and replaced by Supplier at Supplier's expense in good working condition capable of producing Products meeting all applicable specifications. Bailed Property shall: (a) not be used by Supplier for any purpose other than the performance of this Contract; (b) be conspicuously marked the property in the name of the Buyer or in the name of the owner as may be designated by Buyer; (c) not be commingled with the property of Supplier or with that of any third party; and (d) not be moved from Supplier's premises without Buyer's prior written approval. Supplier will indemnify and defend Buyer against claims or liens adverse to Buyer's or its customer's ownership of Bailed Property. Supplier, at its own expense, will manufacture a designated number of sample Products using the Bailed Property in order to successfully complete Buyer's "**Production Part Approval Process**" (PPAP) and Supplier will submit a Part Submission Warrant (PSW). If applicable, Supplier shall have no claim for payment until the Bailed Property is completed and the PSW and any other necessary documentation have been submitted and approved by Buyer or its customer(s) as the case may be. Buyer will have the right to enter Supplier's premises to inspect Bailed Property and Supplier's records regarding Bailed Property. Supplier acknowledges and agrees that neither Supplier nor any other person or entity other than Buyer (or its affiliates or customer if applicable), has any right, title, or interest in Bailed Property except for, subject to Buyer's sole discretion, Supplier's rights to utilize Bailed Property in the manufacture of Products under this Contract. Effective immediately, without further notice or legal action, Buyer, or its designee, has the right to enter the premises of Supplier and take possession of all Bailed Property without payment of any kind, and to the extent permitted by law, Supplier hereby waives any and all defenses in law or equity related to the removal of the Bailed Property. Supplier agrees to cooperate with Buyer if Buyer elects to take possession of Bailed Property. Supplier expressly waives any right to additional notice or process and agrees to provide Buyer or its nominee(s) with immediate access to Bailed Property. Supplier grants to Buyer a limited and irrevocable power of attorney, coupled with an interest, to execute and record on Supplier's behalf any notice or financing statements with respect to Bailed Property that Buyer determines are reasonably necessary to reflect Buyer's interest in Bailed Property. At Buyer's request, Bailed Property will be immediately released to Buyer or delivered by Supplier to Buyer either: (i) "FCA" Supplier's plant (Incoterms 2020), properly packed and marked in accordance with the requirements of Buyer's selected carrier; or (ii) "FCA" Supplier's plant (Incoterms 2020) to any location designated by Buyer, in which event Buyer shall pay Supplier the reasonable costs of delivery. If a lien arising from the possession by Supplier of Bailed Property is registered, Supplier shall discharge the lien from the title of the Bailed Property. Supplier waives all other rights that Supplier might otherwise have on any of Bailed Property. Supplier acknowledges that the unauthorized possession of Bailed Property by Supplier would cause irreparable harm to Buyer, Buyer's customer, and others. Therefore, Supplier recognizes the right and need of Buyer to obtain immediate relief in the nature of an action for recovery of possession of personal property. Supplier shall indemnify Buyer for all costs incurred by Buyer in connection with recovery of possession of Bailed Property, including actual legal fees and disbursements.

12. Quality

12.1 Supplier shall promote continuous quality improvement and like industry standard processes as may apply to goods or services similar in nature to the Products, in the manufacture, production and distribution of Products, and as otherwise reasonably identified to Supplier by Buyer from time to time in quality manuals and/or instructions.

12.2 Throughout its entire business relationship with Buyer, Supplier shall (a) maintain a quality management system DIN EN ISO 9000 et seq., guaranteeing flawless quality of the Products delivered to Buyer; (b) continuously monitor its compliance with such quality management system; (c) conduct periodic audits to measure its compliance with such quality management system; and (d) promptly report any deviations / non-compliance with such quality management system to Buyer in writing and promptly implement all necessary measures to correct and mitigate such deviation / non-compliance.

12.3 Suppliers that perform calibration work shall do so in strict accordance with the requirements set forth in DIN EN ISO 17025. Each calibration shall be traceable to national and international norms. Subcontracting of calibration work requires Buyer's express prior written approval (as otherwise set forth in these Terms) and will only be considered by Buyer where such prospective subcontractor is certified as required by this section and proof of their certification is provided to Buyer. If an adjustment of a measuring device becomes necessary during calibration procedures, Supplier shall document the condition of the device before and after each adjustment and maintain such records throughout Supplier's business relationship with Buyer.

12.4 Supplier shall take all necessary precautions to reduce the risk of CFSI (Counterfeit, Fraudulent and Suspicious Items) from entering the supply chain. All of Supplier's purchasers must be aware of the risks and dangers associated with CFSI entering the supply chain and must understand their role in the mitigation of such risks.

12.5 Buyer shall have the right to inspect, audit, and verify Supplier's processes from time to time upon prior notice. Supplier shall grant Buyer access to certification and audit reports, as well as to test procedures carried out by Supplier, including all test-related records and documentations concerning the delivery.

13. Electronic Communications and Financials

13.1 Supplier will utilize electronic communication methods reasonably specified by Buyer, including requirements for vendor managed inventory, electronic funds transfer, purchase order transmission, electronic signature and/or communication. Upon Buyer's request Supplier will furnish to Buyer its current financial reports, income statements, balance sheets, cash flow statements, and supporting data, for itself and any related company of Supplier involved in producing, supplying, or financing the Products.

14. Termination for Cause; Termination for Convenience

14.1 Either party may, upon written notice to the other party, terminate all or any part of this Contract without further liability on the part of the party who provides such notice, if the other party: (a) is in Default of this

Contract, however, if the Default can be cured then only if such Default is not cured within fifteen (15) days of receipt of written notice of the Default from the non-defaulting party; or (b) has committed a material breach of this Contract. Either party shall be in "Default" under this Contract if it fails to perform any obligation under the Contract, breaches any representation or warranty under this Contract, or fails to provide adequate assurance of performance under the Contract within a reasonable time after written and justifiable demand by the other party. Also, Buyer may terminate this Contract at any time for its convenience, and upon notice Supplier shall not make new commitments for any additional raw materials, inventory, or services related to the Products under this Contract without the prior written approval of Buyer. As to a termination of convenience, Buyer will pay Supplier for raw materials unique to the Products, work-in-process, and finished goods in inventory for the Products authorized under a release or schedule from Buyer that are useable and in a merchantable condition ("Inventory") remaining in Supplier's possession on the date Buyer issues its termination notice, after receipt of payment for such Inventory from Buyer's customer and delivery of such Inventory to Buyer. The purchase price for the Inventory, which shall be Supplier's sole and exclusive recovery from Buyer on account of termination for convenience, will be (i) the contract price for all Products that have been completed in accordance with this Contract as of the termination date not previously paid for, plus (ii) the actual documented costs of work-in-process and raw materials incurred by Supplier in furnishing the Products to the extent such costs are reasonable in amount and which can be apportioned under generally accepted accounting principles to the terminated portion of this Contract, less (iii) the reasonable value or cost (whichever is higher) of any goods or materials used or sold by Supplier with Buyer's written consent. If Buyer's customer is unreasonably delayed in making payment for Inventory, Buyer shall negotiate a good faith settlement with Supplier. In no event will Buyer be required to pay for Inventory that Supplier fabricates or procures in amounts that exceed amounts authorized in Buyer's delivery release or schedules, nor will Buyer be required to pay for any goods or materials that are in Supplier's standard stock or that are readily marketable. Payments made under a termination for convenience will not exceed the aggregate price for finished goods that would be produced by Supplier under a delivery release or schedule outstanding on the date of termination. Within sixty (60) days after the effective date of a termination for convenience, Supplier will submit a detailed termination claim to Buyer, with sufficient supporting data to permit an audit by Buyer and will thereafter promptly furnish any supplemental and supporting information Buyer reasonably requests. Upon any termination of this Contract, Supplier shall: (1) take actions necessary to protect property in Supplier's possession in which Buyer has an interest until disposal instruction from Buyer has been received; and (2) return Buyer's Confidential Information to Buyer.

15. Transition Support

15.1 Upon the expiration or earlier termination of all or any portion of the Contract for whatever reason, Supplier shall promptly comply with all of its obligations under the Contract and to take such further action as may be reasonably required by Buyer, including provision, at Buyer's request, of a sufficient bank of Products in addition to the firm quantities specified in Buyer's outstanding delivery release or schedules, to ensure that the transition of supply from Supplier to any alternate supplier chosen by Buyer will proceed smoothly.

16. Limitation on Buyer's Liability

16.1 BUYER WILL NOT BE LIABLE FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, LOSS OF REVENUE, OR COST OF CAPITAL. Buyer's liability on any claim of any kind for loss or damage arising out of, or in connection with, this Contract shall in no case exceed the price allocable to the Products which give rise to the claim.

17. Force Majeure

17.1 Neither party shall be liable to the other party for a delay in a scheduled delivery or a failure in performance caused by acts beyond such party's reasonable control without fault or negligence of such party, including fire, windstorm, act of God, flood, war, embargo, acts of terrorism or public enemy, riot, or the intervention of any government authority ("Force Majeure"), provided such party presents a claim and notice in writing to the other party as soon as possible upon such party becoming aware that an event of Force Majeure may delay or interrupt performance hereunder, with such notice including specific details concerning the event and anticipated duration. If Supplier is unable to perform for any reason, Buyer may cancel or terminate any part of its Order or the Contract and purchase Products from other sources and reduce its purchases from Supplier accordingly without liability to Supplier. In the event Supplier declares Force Majeure, Supplier shall remain responsible for any obligations which have accrued but not yet been performed as of the date of the Force Majeure event.

18. Inspection and Audit

18.1 Supplier agrees to deliver to Buyer samples of the Products upon request for testing. Buyer shall have the right to inspect and audit Supplier's books, records, operations, and facilities related to this Contract, including Supplier's quality system, to ensure Supplier's compliance with the terms of the Contract and Buyer's or Buyer's customers' standards. Supplier shall maintain all records necessary to support amounts charged to Buyer under this Contract. Supplier shall provide Buyer with reasonable access to its facilities and otherwise cooperate and facilitate any such inspections and/or audits by Buyer.

19. Netting, Setoff, and Recoupment

19.1 All amounts due from Buyer or Buyer's affiliates to Supplier or Supplier's affiliates shall be net of any indebtedness or other obligations of Supplier or Supplier's affiliates to Buyer or Buyer's affiliates. Buyer or any of Buyer's affiliates may, without notice to Supplier or any of Supplier's affiliates, set-off against or recoup from any amounts due or to become due from Supplier or Supplier's affiliates to Buyer or Buyer's affiliates, however and whenever arising. In the event Buyer or any of Buyer's affiliates reasonably believes that it is at risk as to any amount owed by Supplier or Supplier's affiliates, Buyer or Buyer's affiliates may withhold and recoup a corresponding amount due Supplier or Supplier's affiliates to protect against such risk. In addition to any rights otherwise provided or allowed by law or in equity or the Contract, Buyer or any of Buyer's affiliates may retain or defer payment of all or any portion of the amount due from Buyer or Buyer's affiliates (even if such amount is not disputed, contingent, or unliquidated, and is otherwise due) to the extent of any obligation of Supplier or Supplier's affiliates to Buyer or Buyer's affiliates, even if such obligation is disputed, contingent, or unliquidated, until such obligation is resolved. Without limiting the generality of the foregoing, and by way of example only, in the event Supplier or any of Supplier's affiliates is subject to insolvency, bankruptcy, receivership, liquidation, or other similar proceedings, Buyer or any of Buyer's affiliates may defer payments due to Supplier or any of Supplier's affiliates, via an administrative hold or otherwise, against potential damages arising from rejection or otherwise. Supplier unconditionally guarantees payment when due of all existing and future obligations of any of its affiliates to Buyer or any of Buyer's affiliates, provided however, that the amount guaranteed by Supplier shall not exceed the amount owed by Buyer to Supplier under the Contract from time to time and at any given time.

20. Independent Contractors

20.1 Buyer and Supplier are independent contractors, and nothing in this 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. Supplier assumes full responsibility and exclusive

liability for the payment of all contributions, unemployment obligations, payroll taxes, federal, state, provincial, local, and foreign, if applicable, as to all employees engaged in the performance of Supplier's work under this Contract.

21. Advertising

21.1 During and after the term of the Contract, Supplier will not advertise or otherwise disclose its relationship with Buyer or Buyer's Customers without prior written consent from an authorized representative of Buyer, except as may be required to perform the Contract or as required by law.

22. Remedies

22.1 The rights and remedies reserved to Buyer in the Contract shall be cumulative and in addition to all other or further remedies provided at law or in equity. Without limiting the generality of the foregoing, Supplier agrees money damages would not be a sufficient remedy for any actual, anticipatory, or threatened breach of the Contract by Supplier with respect to its delivery of Products to Buyer and that, in addition to all other rights and remedies that Buyer may have, Buyer shall be entitled to specific performance and temporary, preliminary, and permanent injunctive or other equitable relief as a remedy for any such breach, without proof of actual damages and without bond or other security being required.

23. Continued Performance During Dispute

23.1 During the period that any matter governed by the Contract is in dispute and during all phases of any dispute resolution process, Supplier shall continue to perform its obligations under the Contract to ensure Buyer's and Buyer's Customer's production or operations are not interrupted.

24. Governing Law, Jurisdiction, and Venue

24.1 This Contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without reference to the choice of law principles thereof. The United Nations Convention on Contracts for the International Sale of Goods is expressly excluded. Subject to the provisions of Dispute Resolution below, each party irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of Ontario and hereby waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding.

25. Dispute Resolution

25.1 Except for disputes relating to or arising out of, in whole or in part, any breach of confidentiality hereunder or for the misuse or infringement of Buyer's Intellectual Property Rights, in the event of a dispute or disagreement between Supplier and Buyer arising out of or relating to this Contract ("Dispute"), such Dispute, upon the written request of Supplier or Buyer, shall be referred to the chief financial officers of each party or their respective designees. The chief financial officers or their respective designees shall promptly meet in good faith to resolve the Dispute and if they do not agree upon a resolution within thirty (30) calendar days after the reference of the Dispute to them, then such Dispute, upon written notice from one party to the other of its intent to arbitrate (an "Arbitration Notice"), shall be submitted to and settled exclusively by final and binding arbitration in lieu of any judicial proceeding; provided, however, that nothing contained in this Section shall preclude any party from seeking or obtaining from a court of competent jurisdiction (a) injunctive relief, or (b) equitable or other judicial relief to specifically enforce the provisions of this Contract or to preserve the status quo prior to the event(s) leading to the Dispute. Arbitration shall be conducted by the Canadian Arbitration Association ("CAA") in Toronto, Ontario, unless another location is mutually agreed in a writing signed by both parties, before a single arbitrator in accordance with the Arbitration Rules of the CAA existing at the date of submission of the Dispute to arbitration.. Any arbitration award shall be binding and enforceable against Supplier and Buyer and judgment may be entered thereon in any court of competent jurisdiction. For purposes of clarification, any Dispute relating to or arising out of, in whole or in part, any breach of Supplier's obligations of confidentiality hereunder or for the misuse or infringement of Buyer's Intellectual Property Rights shall not be subject to binding arbitration under this Contract.

26. Assignment, Subcontracting

26.1 Neither party may assign this Agreement in whole or part without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that Buyer may in its sole discretion and without Supplier's consent assign this Agreement, in whole or in part or with respect to any of its rights and obligations hereunder, to any affiliate or successor company or entity resulting from a sale of assets, shares or other ownership interest, merger, operation of law, reorganization or consolidation. Subject to the foregoing, all the terms, conditions, covenants, and agreements contained herein shall inure to the benefit of, and be binding upon, any such affiliate or successor and any permitted assignees of the respective parties hereto. Consent by either party to such assignment in one instance shall not constitute consent by the party to any other assignment. If Buyer consents to Supplier subcontracting of any of its duties under this Contract, Supplier will ensure that the subcontractor agrees to be bound by all the terms and conditions of the Contract. Buyer may terminate this Contract upon written notice to Supplier, without any further liability to Supplier, if there is a change of control of Supplier.

27. General

27.1 The failure of either party to enforce any right or remedy provided hereunder 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. This Contract, plus any applicable master agreement between the parties and documents referenced herein, if any, constitutes the entire agreement between the parties with respect to its subject matter, superseding all prior oral or written representations, understandings, or agreements between the parties this Contract. Neither this Contract nor any of its provisions may not be modified, amended, or waived, whether orally, through the parties' course of performance, course of dealing or course of conduct, or manifested in any other way, unless in writing and signed by authorized representatives of both parties. Any provision found invalid or unenforceable will not affect the validity or enforceability of any other provision and the invalid provision may be judicially modified to the extent enforceable. The phrase "includes", "include" or "including" shall mean "includes, without limitation" or "including" or "include, without limitation.". Except as otherwise expressly provided for in the Contract, any reference in this Contract to a statute or code or rule promulgated under a statute or to any provision of a statute, code or rule promulgated under a statute shall be a reference to the statute, code, rule or provision, as amended, supplemented, re-enacted or replaced from time to time. Any reference to a statute shall be a reference to the statute and its underlying regulations. The Buyer's rights and remedies under this Contract are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

28. Certification Statements and Customs

28.1 As to Products that are raw material, Supplier will provide a signed quantitative test report showing conformance to the specifications for each shipment. The certification will identify, when applicable, the material specification; manufacturer (and vendor if different); lot, batch, heat, or serial identity; quantity of material covered; date of shipment, and carrier; Buyer's Order and material code numbers; and statistical test results obtained. If the certification is accompanying the shipment, the shipping unit containing the document must be clearly marked as such so the certification is readily available to the receiving personnel.

As further provided herein, Supplier will provide Buyer with a certificate of origin and/or a manufacturer's affidavit, and applicable customs documentation for any Products manufactured in whole or in part outside of the USA/Canada as well as any requested USMCA documentation, as applicable.

29. Compliance

29.1 Supplier will at its expense comply with all federal, provincial, local, and foreign laws, orders, rules, regulations, and ordinances, including import and export laws and regulations, that may be applicable to Supplier's performance of its obligations under this Contract; and shall identify and procure required permits, certificates, licenses, insurance, approvals, and inspections in performance of this Contract. At Buyer's request Supplier will certify in writing its compliance with Laws. Supplier will indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses (including legal or other professional or expert fees) arising from or relating to Supplier's noncompliance of any laws and regulations. Any provision which is required to be a part of this Supplier shall provide Buyer with material safety data sheets for Products and all other information required to comply with applicable laws. For programs involving the supply of goods or services to the U.S. Government, the Government of Canada, or a provincial government, Supplier shall accept the flow-down of applicable Federal Acquisition Regulations, the Government Contracts Regulations, or equivalent provincial legislation, as applicable, and shall maintain the capability to meet all the requirements of such regulations including requirements as to cost and pricing data, truth in negotiation and procurement integrity. Additional and/or more specific legal compliance and/or social responsibility provisions are included in **(a)** the attached **COMPLIANCE WITH LAWS ADDENDUM**, **(b)** Buyer's Supplier Manual furnished separately to Supplier by Buyer, and **(c)** Buyer's Code of Conduct for Suppliers furnished separately to Supplier by Buyer and/or available for reference on Buyer's website—all of which **((a)-(c))** are hereby incorporated by reference into this Contract.

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a member of
EKK and **FREUDENBERG**

COMPLIANCE WITH LAWS ADDENDUM

Export/Import: Supplier agrees to comply with all applicable export and import laws and regulations and any requirements of Buyer with respect to the import, export, re-export, or transfer of Products. Products or technical data provided or received under this Contract may be subject to the provisions of the U.S. Export Administration Act, 50 USC 2401- 2420, including the Export Administration Regulations, 15 CFR 730-774 (“**EAR**”); the U.S. Arms Export Control Act, 22 USC 2751-2780, including the International Traffic in Arms Regulations, 22 CFR 120-130 (“**ITAR**”); the Regulations of the Office of Foreign Assets Control of the U.S. Treasury Department, 31 CFR 500-599; the Regulations of the Bureau of Alcohol, Tobacco, and Firearms, 27 CFR 447-555 (“**ATF**”); the Homeland Security Act of 2002, including the U.S. Customs and Border Protection Regulations, 19 CFR 1-199 (“**CBP**”); as well as any applicable export or import requirements of other jurisdictions regardless of whether such products or technical data are of U.S. or non-U.S. origin and/or their Canadian federal and/or provincial equivalents. Supplier shall obtain or produce any necessary export or import authorizations to support deliveries under this Contract. Supplier will provide to Buyer the export commodity classification or original design intent information (for Supplier’s design authority items), Harmonized Tariff Schedule (“**HTS**”) numbers, and country of origin information for the Products. Supplier shall support all import document requirements as necessary. Supplier will assist Buyer’s efforts to participate in Trade Programs such as the United States-Mexico-Canada Free Trade Agreement (USMCA), including producing Certificates of Origin and Manufacturer’s Affidavits. Supplier will meet the country of origin marking requirements for all Products. Supplier shall comply with all Customs Trade Partnership Against Terrorism (“**CTPAT**”) requirements and their Canadian equivalents, if applicable, and reasonably required by Buyer. Supplier will comply with all CBP pre-file import requirements according to the mode of transportation (Importer Security Filing 10+2 program for ocean, e-manifest for truck, etc.). Supplier agrees to immediately notify Buyer in the event of any change to the export or import classification or country of origin information. Supplier agrees to provide Buyer with advance written notice of any change in the Supplier’s manufacturing location. Supplier agrees that it will not export, transfer, re-export, or re-transfer any drawings, data, designs, inventions, computer software or other technical information provided by Buyer, including any of Buyer’s information that has been integrated into Supplier’s technical information, without Buyer’s prior written consent. Supplier agrees that it will not export, transfer, re-export, or re-transfer Products to any U.S. and Canada recognized foreign government sanctioned countries, denied, or designated parties without obtaining appropriate export authorization where necessary. These restrictions apply to Supplier, its employees, and any third party including Supplier’s suppliers and subcontractors. Supplier shall immediately notify the Buyer’s procurement representative if Supplier is, or becomes, listed in any U.S. or non-U.S. government denied parties lists or if Supplier’s export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. or non-U.S. government entity or agency. If Supplier based in the U.S. and is engaged in the business of either exporting, manufacturing or brokering defense articles or furnishing defense services, as defined in the ITAR, Supplier agrees to maintain a current registration with the Directorate of Defense Trade Controls, as required by the ITAR, and to maintain an effective export/import compliance program in accordance with the ITAR. Supplier shall provide Buyer with the contact information of the individual(s) responsible for such compliance program. Supplier shall allow Buyer to validate or audit all representations made under this clause. Buyer shall not be liable for increased costs or customs duties, or any penalties or damages incurred by Supplier as a result of deficient or erroneous documentation supplied by Supplier for purposes of establishing the status of Products, as defined in USMCA and other trade preference programs, including implementing laws and regulations.

Customs Credits: Transferable credits or benefits associated with Products purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Supplier will provide Buyer with all information and records relating to the Products necessary for Buyer to (a) receive these benefits, credits, and rights, (b) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements, (c) claim preferential duty treatment under applicable trade preference regimes, and (d) participate in any duty deferral or free trade zone programs of the country of import. Supplier will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Supplier will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

Safety/Security: Supplier will ensure compliance with all applicable health and safety laws and regulations and promote the health, safety and well-being of its personnel. Regarding laws of the country(s) of destination or that relate to the handling and transportation of dangerous goods or hazardous materials, data protection and privacy, and Supplier will provide all required information related to the proper and safe handling of the Products as may be required by law. Supplier will provide Buyer with material safety data sheets pertaining to the Products.

Anti-Corruption: Supplier will not offer to give or give anything of value, directly or indirectly, to any Buyer employees or representative, directly or indirectly, or for the purpose of obtaining or retaining orders for Products. Supplier will comply with all applicable anti-corruption laws, including Canadian Corruption of Foreign Public Officials Act, U.S. Foreign Corrupt Practices Act (FCPA), and the U.K. Bribery Act 2010, and that neither it nor any of its subcontractors, vendors, agents or other associated third parties will engage in any form of commercial bribery, nor directly or indirectly provide or offer to provide, anything of value to or for the benefit of, any official or employee of a governmental authority or of any government-owned, government-controlled or government-affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of that person in his/her official capacity.

Embargo: No Products will be supplied to: Cuba, North Korea, Iran, Sudan, Syria or any other country to which the U.S. and/or Canada has embargoed goods. In compliance with the U.S. Department of the Treasury, Office of Foreign Assets Controls (OFAC) laws and rules, the United Nations Act (Canada), Special Economic Measures Act (Canada), and Justice for Victims of Corrupt Foreign Officials Act (Canada) and any other laws or regulations of Government of Canada or of the applicable provincial government, Buyer shall not supply, directly or indirectly, Products to any of the countries set out above or to a national or resident of those countries, or to anyone on the U.S. Treasury Department’s List of Specially Designated Nationals or the U.S. Commerce Department’s Denied Persons List, Unverified List, Entity List, Nonproliferation Sanctions or General Orders or is subject to any economic or political sanctions imposed by Government of Canada or the applicable provincial government.

Labor Practices: Supplier represents 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 employment or corrupt business practices, in the supply of Products under this Contract. Supplier will comply with laws applicable to working hours.

Conflict Minerals: Supplier warrants to: (a) implement internal measures to monitor and update legal requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Act**”) and to avoid any conflict minerals in your products which have been sourced from prohibited mines in the Democratic Republic of the Congo or surrounding areas as defined by the U.S. Secretary of State; and (b) inform Buyer without delay whether any conflict minerals have been found in your products or any of your

raw materials or components. On a timely basis Supplier will respond following a reasonable due diligence inquiry to any requests made by, or on behalf of, Buyer for information on the source and chain of custody of any Conflict Minerals (as defined below) necessary to the functionality or production of the Products. Supplier must provide all requested conflict minerals information to the requesting party. If Supplier is a smelter, Supplier also agrees to comply with the Conflict-Free Smelter Program protocols developed by Conflict-Free Sourcing Initiative (CFSI). As used above, the term “Conflict Minerals” means columbite-tantalite, cassiterite, wolframite and gold ores – which are refined into tantalum, tin, tungsten and gold, respectively, or other minerals or compounds that may be designated in the future by the U.S. Secretary of State. Supplier understands and acknowledges that any information provided pursuant to this Contract section may be provided by Buyer to its customers and may be used by Buyer’s customers to comply with their reporting obligations under the Act, including filing a Form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission, and Supplier will (i) ensure that the information provided in this regard is current, accurate and complete, to the best of its knowledge and belief, as of the date of submission, (ii) update such information in a timely manner if the status of any Product supplied by Supplier to Buyer changes during Supplier’s performance of the Contract, and (iii) retain all necessary documentation to support the information provided in response to Buyer’s request. If Supplier (1) fails to comply with this paragraph, or (2) fails to reasonably demonstrate that all materials processed and/or supplied to Buyer originated from “DRC conflict-free” sources (as that term is defined in the Act), then Buyer may terminate the Contract. Supplier may be required to include substantially the same requirements set forth above in contracts with its sub-suppliers providing any material or sub- component incorporated into Products supplied to Buyer.

German Supply Chain Act: Supplier undertakes to comply with all laws applicable to it, as well as other codes of which it is notified by Buyer in accordance with the German Act on Corporate Due Diligence in Supply Chains (the “**German Supply Chain Act**”). This includes, in particular, taking appropriate measures to prevent or mitigate risks to human rights or the environment, or end the violation of duties thereto, including prohibitions on child or enslaved labor, employment, and wage discrimination, and bans on the manufacture, handling, use, or export of certain products and compounds, including mercury and hazardous wastes. Supplier shall establish, or hereby affirms it already has established, due diligence procedures sufficient to safeguard human rights and the protection of the environment in Supplier’s global supply chain, and shall defend and indemnify Buyer, and any party to whom Buyer owes defense or indemnification obligations, from and against any claims arising from Supplier’s violation of the German Supply Chain Act, or any third party for whom Supplier is or becomes responsible.

REACH: Buyer is a manufacturer of products and a downstream user in means of the EC-regulation No. 1907/2006 (“**REACH**”) and Supplier warrants to comply with any and all obligations REACH imposes on Supplier, or which are – with regard to REACH – necessary to sell, process or trade the goods sold by Buyer within the EC, including: (a) necessary pre-registration, registration or authorization of chemical substances or preparations, (b) implementation of internal organizational measures to document REACH compliance, (c) coverage of any use(s) of chemicals or preparations in the goods (as well as in any packaging materials) specified by Buyer or any of Buyer’s customers towards the supplier within (a) and (b), (d) information without delay whether a substance or preparation which has been pre-registered will not be finally registered or authorized within the respective transition period and (e) no sale of any good containing prohibited Substances of Very High Concern (SVHC) ((a) to (e) together “**REACH Warranties**”). Supplier acknowledges that any breach of a REACH Warranty is in terms of the applicable laws assumed to result in a “defect” of the respective substance, preparation or other good and Supplier will hold Buyer harmless against, and will defend and indemnify Buyer against and will support at suppliers expense any respective proceedings regarding any and all claims, liabilities, expenses, and damages caused by the Supplier as a result of breaching the aforesaid REACH Warranties. Specifically, Supplier shall appropriately mark and label Products which are subject to the flammable or dangerous goods rules or regulations. Where no proper notification is given, Supplier shall be liable to Buyer for any and all resulting losses, costs, liabilities, damages, any type of liability for environmental contamination and cleanup cost, additional insurance costs and premiums, other expenses and/or fees (including actual attorneys’ fees) of whatever kind (and the same shall apply to such losses on claims made against Buyer by third parties as a result of such losses.

Health, Safety & Environment: Supplier warrants that it has and maintains an HSE management system analogous to ISO 14001, ISO 45001, and ISO 50001, and their Canadian federal and/or provincial equivalents. It continuously undertakes to improve its environmental performance as well as workplace safety. The target for occupational safety is “Zero accidents.” Furthermore, through appropriate risk and crisis management, Supplier shall contribute to the avoidance of any missed deliveries caused by disruptions in the production process (fire, strike etc.).

CA Proposition 65: Supplier will notify Buyer in writing before proceeding to accept the Contract if any of the chemicals listed on the following website (or any successor Proposition 65 list) are utilized for the Products supplied to Buyer under the Contract: <http://oehha.ca.gov/proposition-65/proposition-65-list>. If any of those chemicals are utilized for the Products supplied to Buyer under the Contract, Supplier warrants to comply with the California law commonly known as “**Proposition 65**” and that all materials used in the manufacture of the subject Products comply with California Proposition 65.

RoHS: Supplier warrants and agrees that the Products supplied to Buyer under the Contract are compliant with the European Union Directives on the Restriction of Hazardous Substances (RoHS-1 No. 2002/95/EC and RoHS -2 No. 2011/65/EU) and country and regional equivalents (“**RoHS**”). Supplier will notify Buyer in writing before proceeding to accept the Contract if any of the following materials are utilized for the Products supplied to Buyer (regardless of whether RoHS component exemptions are claimed by Supplier): Mercury & Mercury Compounds, Lead & Lead Compounds, Cadmium & Cadmium Compounds; Hexavalent Chromium & its compounds; Polybrominated Byphenyls (PBB); Polybrominated Diphenylethers (PBDE); Hexabromocyclododecane (HBCDD); or any other chemical or hazardous material otherwise restricted pursuant to RoHS. Supplier agrees to promptly furnish all necessary information and records evidencing the Products’ compliance with RoHS upon request by Buyer. Additionally, Supplier shall promptly provide material declarations upon request with respect to the Products provided to Buyer hereunder.

Nanomaterials: Supplier warrants that the Products supplied to Buyer under the Contract do not contain, and are not manufactured with, nanomaterials. Nanomaterials are materials with at least one dimension of 1-100nm, or materials intentionally designed to exhibit physio-chemical properties different from those of the non-nanoform of the same material. Supplier will notify Buyer in writing before proceeding to accept the Contract if any Product supplied to Buyer under the Contract contains or is manufactured with nanomaterials.

California Transparency Supply Chain Act and Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada): Supplier warrants that neither Supplier nor any of their subcontractors, vendors, agents or other associated third parties utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment or corrupt business practices, in the supply of Products to Buyer.

EagleBurgmann Canada Inc.

Supplier will notify Buyer in writing before proceeding to accept the Contract if any Product supplied to Buyer under the Contract does not comply with the foregoing warranty. Supplier agrees to remain in compliance with such warranty, with Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) and with Buyer's Statement on Slavery and Human Trafficking pursuant to the California Transparency Supply Chain Act.

Certification: At Buyer's request, Supplier will certify its compliance, in a reasonable amount of time and in a format acceptable to Buyer, with the foregoing provisions of this Addendum.