

**GÜDEL, INC. (US)
GENERAL PURCHASING TERMS & CONDITIONS**

§1 General

1. These General Purchasing Terms & Conditions ("Terms") shall apply to every purchase order ("PO") issued by GÜDEL Inc. ("GÜDEL") for procurement of goods, materials, supplies, articles, equipment, structures, work, or services ("Contracted Items") whether transmitted by hard copy, telefax, e-mail or other electronic media.
2. PO's will be issued solely on the basis of these Terms. Acceptance of Contracted Items by GÜDEL (without express reservation) or payment for same (without express objection) shall not constitute acceptance by GÜDEL of any additional or inconsistent terms in the Supplier's standard or form contract terms and conditions.
3. If Supplier's quotation, proposal or order confirmation contains terms at variance with either these Terms or the conditions contained in the PO, then GÜDEL expressly rejects such terms.
4. Supplier's acceptance (or commencement of performance) of a PO shall constitute acceptance by Supplier of all of these Terms.
5. These Terms and the PO, (together with any specifications, schedules, exhibits, riders or other writings which are made a part thereof), constitute the entire agreement between GÜDEL and Supplier (the "Agreement") with respect to the subject matter covered therein.
6. These Terms shall be valid for all follow-up business transactions between GÜDEL and Supplier, even if not specifically referred to or referenced in such transaction.
7. All agreements, PO's, confirmations, amendments, additions and sub-agreements between GÜDEL and Supplier must be in writing.
8. In the event of any inconsistency between these Terms and the provisions on the face of any PO or supplement attached thereto or incorporated therein by reference, the provision contained on the PO or on the supplement shall control, and take precedence.

§2 Quotation, PO, Procedures

1. Supplier's quotation must correspond strictly to the GÜDEL inquiry. The quotation shall be issued free of charge.
2. Prices shown on the PO are complete and fixed. No additional charges of any type may be added by Supplier without GÜDEL's written consent.
3. PO's may be revoked by GÜDEL until the later of 14 days before the scheduled delivery date or when confirmed by the Supplier in writing. Delivery schedules shall be binding unless otherwise agreed, in writing, within one week from receipt of the delivery schedule is used by GÜDEL.
4. Neither payment for, nor taking delivery of, non-conforming Contracted Items constitutes consent to such non-conformance by GÜDEL.
5. GÜDEL is entitled to make modifications to the PO and the Agreement at any time. The consequences of such modifications (in particular, changes in pricing or delivery schedule) shall be mutually agreed upon in writing by the parties in advance. If the parties fail to agree, GÜDEL shall be entitled to make such modification it deems, in its sole discretion, to be reasonable.
6. Contracted Items must conform to the relevant mandatory technical guidelines and all industry standards.

§3 Prices and Payment Terms

1. Prices are to be stated for carriage paid delivery, inclusive of packaging. Delivery shall be carried out in accordance with INCOTERMS 2010 and, unless otherwise indicated on the PO, shall be stated as FCA GÜDEL facility, Ann Arbor, Michigan.
2. Payment may be made with a two percent (2%) discount if paid within forty-five (45) days of receipt of both the Contracted Items and invoice. Otherwise, payment without discount shall be net sixty (60) days.
3. Supplier shall issue a separate invoice for each PO, clearly stating the GÜDEL purchase order number and GÜDEL article number.

4. Except as otherwise required by law, the price quoted by Supplier includes any sales, use, excise, import or other local or foreign taxes, duties or assessments of any federal, state or local jurisdictions on either the Contracted Items or the sale thereof. If required by law, Supplier will separately detail such taxes on Supplier's invoice. The parties will provide each other with any necessary certificates or other documentation evidencing the inapplicability of, or exemption from, any taxes to which either GÜDEL or Supplier may be entitled.
5. Supplier will advise GÜDEL of any change in the cost of Contracted Items which occurs in comparison to the last PO issued by GÜDEL. However, all pricing contained in a PO accepted by Supplier will remain firm for the Contracted Items ordered under such PO and may not be increased for any reason whatsoever.
6. The prices for Contracted Items are, and shall remain, not less favorable to GÜDEL than the prices extended by Supplier to any other customer of Supplier for the same quantity of substantially similar Contracted Items.
7. GÜDEL will only make payments to the Supplier. Assignment of payments to third parties requires GÜDEL's prior written consent.
8. GÜDEL has the right to set off with, or against, matured, un-matured, present and future claims (under any PO or otherwise, regardless of the legal basis or merits thereof) to which Supplier or GÜDEL Group Aktiengesellschaft, Langenthal, Switzerland ("GÜDEL Group AG") [or a company in which GÜDEL Group AG directly or indirectly has at least a 50% interest, a "Subsidiary"] is entitled against the Supplier, or which the Supplier is entitled against GÜDEL Group AG or a Subsidiary. GÜDEL will provide a current list of Subsidiaries upon request by Supplier. Supplier further agrees that any security provided by Supplier to such companies also serves to secure claims that GÜDEL Group AG or a Subsidiary may have against the Supplier.
9. To secure Supplier's obligation to GÜDEL under any PO, including, without limitation, damages for breach, GÜDEL shall have, and Supplier hereby grants to GÜDEL, a security interest in any Contracted Items rejected by GÜDEL.

§4 Delivery Time, Delay in Delivery

1. Supplier must strictly comply with all terms as to quantity, quality, specifications, and time of delivery, each of which are material elements of every PO. Time is of the essence with regard to each PO.
2. The relevant time for determining whether the delivery deadline has been met is the latest of the following to occur: (a) date on which the Contracted Items (including all necessary documents) arrive at the place specified by GÜDEL; or (b) the date on which the designated acceptance procedure, if any, is successfully completed.
3. In the event that the agreed delivery deadline cannot be met, the Supplier shall promptly notify GÜDEL in writing, indicating the reasons for (and the expected duration of) the delay. Such notification shall not, however, affect GÜDEL's right to pursue claims against Supplier for default arising because of late delivery.
4. Acceptance by GÜDEL of a delayed delivery or performance will not constitute a waiver by GÜDEL of any compensation claims for such delay.
5. If the Supplier misses the agreed delivery date, Supplier acknowledges that GÜDEL shall sustain damages that are or may be difficult to quantify. Accordingly, in such cases Supplier shall pay GÜDEL liquidated damages in the amount of 0.3% of the value of the delayed delivery per calendar day (or part thereof) of delay, up to a maximum of 10% of the total value of the PO. In the case of open PO's, the total order value for the purposes of calculating such liquidated damages shall correspond to the monthly order value. Liquidated damages may be imposed when payment is made for the delivery, even if the delivery was accepted without reservation. In the event of delayed delivery, GÜDEL reserves the right to compel an expedited shipment at the Supplier's expense. Supplier agrees that the liquidated damages provided in this paragraph are a reasonable estimate of the damages to be sustained by GÜDEL in the event of a late delivery and are not a penalty.

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6. Except for a Force Majeure Event (as defined below), the only defense, available to Supplier in case of a late delivery shall be the failure by GÜDEL to furnish necessary documents to Supplier (which shall excuse late delivery only in the event that the Supplier has demanded delivery of such documents in writing and GÜDEL has not provided them within a reasonable period of time after such request).
7. Neither party shall be responsible for failure to perform under a PO as a result of any cause beyond its reasonable control and without fault (a "Force Majeure Event"), including but not limited to: acts of God; fires; civil disobedience; war; riots; strikes; work stoppages; acts of terrorism; floods; unavailability of suitable transport; changes in laws or other governmental requirements; unforeseeable local conditions; or inadequate site preparation. Upon occurrence of a Force Majeure Event the party affected by the Force Majeure Event shall: (a) provide details to the other party with an estimate of its expected duration; and (b) shall, at its expense, use its best efforts to mitigate any adverse effects or consequences from the event. During this time the parties undertake, as far as may be reasonably expected, to adapt to the changed circumstances in good faith. Time for performance under the Agreement will be extended by a period of time equal to the time lost by reason of such delay. Notwithstanding the foregoing, GÜDEL has the absolute right to terminate all or any part of any affected PO (without cost to GÜDEL) if the delay caused by the Force Majeure Event is such as to reduce materially the commercial value of the Contracted Items in question.
8. GÜDEL shall have no liability to Supplier for Contracted Items delivered to GÜDEL either later than the time, or in excess of the quantities specified, which Contracted Items may be returned by GÜDEL to Supplier at Supplier's cost.
9. If the Contracted Items are delivered early, and GÜDEL does not return them to the Supplier, then such items will be stored by GÜDEL at GÜDEL's premises until the agreed delivery date at the cost and risk of the Supplier. In the event of early delivery, GÜDEL may withhold payment until the originally agreed due date for payment.
10. GÜDEL will not accept delivery by installments without the prior written consent of GÜDEL. Where installments have been agreed to, each installment delivery must be accompanied by a list of the Contracted Items remaining to be delivered.
11. GÜDEL may, at any time, and in its sole discretion, change delivery schedules or direct temporary suspension of scheduled shipments. Such changes shall be implemented by Supplier without any additional cost to GÜDEL.
12. If any of the delivered Contracted Items are defective or not in strict conformity with the PO, then GÜDEL may retain all or any portion of the Contracted Items delivered and return, at Supplier's cost and expense, those Contracted Items not retained – all without waiver of any claim GÜDEL may have against Supplier for Supplier's breach including, without limitation, the right to damages and the right to terminate any PO.
13. A breach of either these Terms or any PO by Supplier will also constitute a breach by Supplier of any other PO between GÜDEL and Supplier entitling GÜDEL, in addition to any other remedies it may have at law or in equity, to terminate such other PO's.

§5 Shipping/Delivery

1. All invoices for Contracted Items shall be issued by, and be payable to, Supplier.
2. When prepaid transportation charges are for GÜDEL's account, the invoice must be supported by a prepaid receipted transportation bill. All prepaid transportation charges must be separately itemized.
3. Supplier shall not insure any shipments or declare excess valuation on express shipments for GÜDEL's account.
4. Supplier shall promptly notify GÜDEL in writing when the Contracted Items are shipped.
5. All deliveries are to be made in accordance with GÜDEL's packaging requirements. Contracted Items must be packaged in such a manner that no damage can occur in transit.

6. If no packaging type has been specified by GÜDEL, or "freight collect" delivery has been agreed, the Supplier shall package and dispatch the Contracted Items appropriately in an environmentally friendly manner, in accordance with normal industry practice and at minimum cost.
7. Where necessary, Supplier shall provide GÜDEL with a Supplier's declaration and/or any other documents requested by a customs office or other authority. In the event the declaration is found to be false or incomplete and claims are raised as a result, the Supplier undertakes to fully indemnify GÜDEL from all penalties, costs or fees incurred as a result.
8. Title to and risk of loss for Contracted Items shall pass to GÜDEL upon shipment. When GÜDEL has made part payment for a Contracted Item, title to any part of the Contracted Item that is unique to GÜDEL shall pass to GÜDEL at the time and to the extent that Contracted Item has been identified to the applicable PO.

§6 Warranty, Guarantee and Liability

1. Supplier warrants the Contracted Items: (a) strictly conform with all the specifications, drawings, descriptions, or samples furnished or specified by GÜDEL; (b) are new and otherwise of merchantable quality; (c) are free from all liens, encumbrances and defects in title; (d) free from defects in both manufacture and design; (e) are of good material and workmanship; (f) are suitable, fit and sufficient for the usual and ordinary purposes for which they are intended and the intended use of GÜDEL; (g) comply with all applicable federal, state, and local laws, rules, regulations, orders and ordinances (collectively "Laws") including, for example, OSHA, MIOSHA, UL, CSA, and OHA; (h) are state-of-the-art; (i) meet the requirements and guidelines of trade and professional associations; and (j) if services, will be performed in a competent and workmanlike manner in accordance with sound practice, the state of the art in the industry and in accordance with professional standards of skill, care and diligence. Supplier will, if requested by GÜDEL, execute and furnish GÜDEL with appropriate written certificates of compliance with all such Laws.
2. If, in exceptional cases, Supplier believes it is necessary to deviate from the requirements set forth in paragraph 1 of this Section 6, then the Supplier shall request from GÜDEL, in writing, permission for such deviation, which permission GÜDEL may deny in its sole discretion. Granting of permission by GÜDEL, however, will not in any way release the Supplier from its warranty or other obligations hereunder.
3. The warranty period for Contracted Items (and all repair parts provided under warranty), shall be effective for the longer of: (a) forty-eight (48) months from acceptance by GÜDEL; or (b) the warranty period provided by GÜDEL to its customer.
4. Contracted Items shall be subject to inspection and acceptance or rejection by GÜDEL both prior to and after making payment therefore, it being understood and agreed that payment by GÜDEL shall not constitute irrevocable acceptance by GÜDEL. From time to time, GÜDEL may choose not to perform incoming inspections of some or all Contracted Items, without prejudice to any right or remedy available to GÜDEL hereunder or at law. Supplier waives any right to require GÜDEL to conduct such inspections.
5. GÜDEL has the right to inspect (or test) all materials and workmanship used by Supplier in performing any PO, and Supplier shall permit such inspection or testing by GÜDEL (and, if requested, by GÜDEL's customer) to the extent practicable at all times and places. If any such inspection or testing is made on Supplier's premises, Supplier shall provide, without additional charge, reasonable facilities and assistance for such inspection and testing. Such inspection and testing, however, shall not preclude subsequent rejection of the Contracted Items or other relief for any defects discovered.
6. Supplier shall maintain a testing and inspection system (which shall include quality control and reliability procedures) acceptable to GÜDEL covering the materials and workmanship utilized in the performance of a PO. At GÜDEL's option, GÜDEL may, from time to time, review and inspect Supplier's testing, inspection, quality control and reliability procedures and system, as well as the data supporting same.
7. GÜDEL may charge Supplier the expense of unpacking, examining, repacking, storing and reshipping any Contracted Items found defective or not in conformity with the PO. If Contracted Items are rejected,

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GÜDEL shall in writing notify Supplier, and GÜDEL, at its option and at the sole expense and risk of Supplier, may either (in addition to any other rights under these Terms including, without limitation, any right to damages): (a) require Supplier to replace any Contracted Item which GÜDEL is entitled to reject or grant a full refund or credit to GÜDEL in lieu thereof; or (b) return such rejected Contracted Items to Supplier; or (c) hold them for such disposal as Supplier shall indicate. Any payments made on such rejected and returned or destroyed Contracted Items shall be immediately refunded by Supplier to GÜDEL.

8. Should the Contracted Items be found to be defective then the Supplier shall, on request by GÜDEL and at GÜDEL's own option, promptly remedy the defects (by repair or replacement) free of charge, including all incidental costs.
9. After consultation and agreement with the Supplier, GÜDEL may either perform the repairs to defective Contracted Items or retain a third party to perform them. However, GÜDEL shall be entitled to make the necessary repairs – either itself or through a third party – without first consulting the Supplier if: (a) Supplier fails to fulfil its warranty obligations within a reasonable period of time stipulated by GÜDEL or; (b) if there is a risk of unusually great damage or operational safety being impaired should the repairs not be made immediately. In all cases, such measures shall be performed solely at the cost and risk of the Supplier without in any way releasing the Supplier from the warranty obligations contained herein. If requested by GÜDEL, Supplier shall deliver defect-free parts for the repairs to the place of performance free of charge within forty-eight (48) hours of such request.
10. Supplier will, to the fullest extent permitted by law, defend, hold harmless, and indemnify GÜDEL and its customer (if applicable) and their employees, officers, directors, agents and parent and affiliated companies (individually an "Indemnitee", collectively "Indemnitees") from and against any liability, lawsuit, claim or action (regardless of the merits thereof), and pay any loss, damage, judgment, cost or expense associated therewith (including, without limitation, attorney's fees) arising out of any death or injury to any person, or damage to or destruction of any property, or any other actual or alleged damage or loss whatsoever, of whatever kind or nature, foreseeable or unforeseeable, suffered by any individual or entity, resulting or alleged to result in whole or in part from: (a) any actual or alleged defect in any Contracted Items covered by any PO, whether latent or patent, including, without limitation, any actual or alleged failure by such Contracted Items or the manufacture, possession, use or sale thereof, to comply with any Laws, unless such death, injury or damages were caused, in their entirety, by the sole negligence or intentional misconduct of an Indemnitee; (b) Supplier's failure to comply with any provision of these Terms or PO or the act or omission of either Supplier, Supplier's vendors, subcontractors or anyone acting directly or indirectly under Supplier's direction, control or on Supplier's behalf; (c) any misrepresentation or breach of any representation, agreement, warranty or covenant made by Supplier; or (d) alleged infringement of any intellectual property rights of a third party. Indemnitees' indemnification damages will include, without limitation, the cost to replace the Contracted Items covered and any actual or consequential damages, including, but not limited to, loss of profits and any other claims made or sustained by the Indemnitees. To the extent that these Terms provide that Supplier will indemnify, hold harmless and defend GÜDEL from liability, claims, demands or suits, it is the intention of Supplier that such indemnity shall apply, to the fullest extent permitted by law, whether or not the liability, claims, demands or suits arise out of the negligence, acts or omissions of GÜDEL or any other Indemnitee unless such were solely caused by GÜDEL.
11. If Supplier's representatives, employees or agents enter upon the premises owned or controlled by GÜDEL or its affiliates in the performance of Supplier's obligations, Supplier will: (a) indemnify and hold harmless GÜDEL, its affiliates and their respective successors, assigns, representatives, employees, agents, customers and invitees, from and against all liabilities, demands, claims, losses, costs, damages (actual, consequential, incidental or special) and expenses (including attorney's and other professional fees) arising from property damage, death and/or personal injury of any nature or in connection with the performance of a PO; and (b) ensure that Supplier, its representatives and subcontractors are in compliance with all requirements of

applicable workers' compensation legislation, if any, of the jurisdiction in which the work or services are being performed.

§7 Identifying Marks, Environmental Protection & Quality Assurance

1. Supplier undertakes, wherever commercially and technically feasible, to ensure that environmentally friendly products and processes are used in the Contracted Items it delivers and the services it provides; this undertaking includes supplies from Supplier's subcontractors as well as ancillary services provided by third parties.
2. The Contracted Items and the packaging materials Supplier uses are environmentally compatible, and accordingly Supplier shall accept liability for all consequential damages that ensue from any breach of statutory disposal requirements.
3. The Supplier shall ensure that the Contracted Items delivered are accompanied by the relevant safety data sheets. The Supplier undertakes to exempt GÜDEL from all claims for damages against GÜDEL by third parties in the event that Supplier does not timely provide GÜDEL with the safety data sheets. The same applies to all subsequent modifications.
4. Upon request, Supplier shall mark the Contracted Items with the GÜDEL logo.
5. The Supplier shall implement a state-of-the-art quality assurance system, covering the materials and workmanship used in the performance of any PO that is reasonably acceptable to GÜDEL. Supplier shall enter into an appropriate quality assurance agreement with GÜDEL, if GÜDEL deems this to be necessary. At GÜDEL's option, GÜDEL and/or its customer may from time to time review and inspect Supplier's testing, inspection, quality control and reliability procedures, as well as the data supporting same. Such an inspection, however, will neither constitute acceptance of Contracted Items nor relieve Supplier of any of its duties or obligations under the PO or Agreement. Supplier shall, if requested by GÜDEL, furnish a certificate indicating compliance with the requirements of this paragraph 5.

§8 Product Liability & Manufacturer's Liability

1. The Supplier shall maintain in effect claims based insurance to cover against all risks relating to product liability and manufacturer's liability, including the risk of product recalls and the replacement of defective parts, in an amount not less than Five Million Dollars (\$5,000,000). Such insurance purchased by Supplier shall name GÜDEL, its affiliates, employees, agents, representatives and assigns, as additional insureds under the policies. Certificates evidencing such coverage shall be provided by Supplier upon request by GÜDEL.

§9 Property Rights

1. Supplier guarantees that the Contracted Items do not, and will not, infringe the patents, copyrights, trademarks, licenses, industrial design, mask work or other intellectual property rights of third parties ("IP Rights").
2. To the fullest extent permitted by law Supplier shall indemnify and hold GÜDEL and its customer harmless from and against all claims, suits, actions, awards (including, but not limited to, awards based on intentional infringement of IP Rights known at the time of such infringement, exceeding actual damages and/or including attorneys' fees), liabilities, damages, costs and attorneys' fees related to the actual or alleged infringement of any United States or foreign IP Rights and arising out of the manufacture, sale or use of the Contracted Items by either GÜDEL or its customer.
3. GÜDEL will notify Supplier of any such claim, suit or action for infringement, and Supplier, at its own expense, will fully defend such claim suit or action on behalf of GÜDEL and its customer.
4. GÜDEL has no right under this Section 9 for infringement arising from: (a) Supplier's compliance with formal specifications issued by GÜDEL to Supplier, where infringement could not have been avoided to comply with the specification; or (b) use or sale of the Contracted Items for other than their intended use.

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5. In the event of an infringement, Supplier shall at its sole cost and expense, but at GÜDEL's sole discretion and direction: (a) obtain all licenses necessary to allow GÜDEL and its customer to use the affected Contract Items; or, at GÜDEL's option (b) modify the Contracted Items so as to make them non-infringing without disturbing their functionality, intended use or ability to meet all warranties provided herein.

§10 Materials, Drawings, Patterns, Tools, etc.

1. All materials, equipment, tools, dies, drawings, patterns, and the like which GÜDEL provides to the Supplier or which are made at GÜDEL's expense ("Provided Materials") remain GÜDEL's property and may not be passed on to third parties, nor may they be used for any purposes other than those for which they were originally intended. Processing or conversion of such Provided Materials by the Supplier is carried out on GÜDEL's behalf. Provided Materials are to be marked permanently as GÜDEL property. Should Materials be processed or combined with other items not belonging to GÜDEL, then GÜDEL shall become the co-owner of the new object to the extent of the value of the Provided Materials in relation to that of the other items at the time of processing or combination. If the combination is such that the Supplier's share is regarded as constituting the principal part, then it is agreed that the Supplier shall transfer co-ownership to GÜDEL proportionally. The Supplier shall compensate GÜDEL for any deterioration or loss in the Provided Materials.
2. The Supplier shall store all Provided Material in a safe place and shall insure them at Supplier's own expense against fire, theft and loss or deterioration by any other means and, on request, provide evidence of such insurance to GÜDEL. The Supplier agrees to promptly carry out, at its own expense, all necessary maintenance and inspection work on the Provided Materials. Supplier shall advise GÜDEL immediately of any damages to or faults in the Provided Materials. Supplier shall be liable to pay all resulting damages.
3. If the Contracted Items to be manufactured for GÜDEL by Supplier are to be made pursuant to specifications, designs, drawings, plans, or blue prints furnished by GÜDEL (the "Prints"), Supplier shall return them to GÜDEL immediately upon GÜDEL's request or upon completion, termination, or cancellation of the associated PO.
4. Any Confidential Information (as defined in Section 12, below) furnished by GÜDEL to Supplier as well as any ideas (whether patentable or not), know-how, patents, trade secrets or other intellectual property developed or produced by Supplier in the performance of any PO shall be and remain the sole property of GÜDEL. GÜDEL will also own any enhancements or improvements to Provided Materials or any new intellectual property that is related to the Contracted Items that is developed by Supplier under any PO. Supplier shall fully cooperate with GÜDEL with regard to assisting in the preparation and filing of appropriate applications for patents (or other protection) of such items developed or produced by Supplier during performance of any PO.
5. Supplier shall be responsible for and bear the risk of loss to the Provided Materials while such are in the possession, control or custody of Supplier. Supplier shall use the Provided Materials at its own risk, shall be responsible for all loss of or damage to same. Supplier shall, at its own cost and expense, maintain the Provided Materials in the same condition as when supplied by GÜDEL, ordinary wear and tear accepted, and shall return or otherwise dispose of them in accordance with the instructions of GÜDEL.
6. Supplier shall not, without the express written consent of GÜDEL, use any Provided Materials or Prints, or other property of GÜDEL in the manufacture of any goods or material for any party other than GÜDEL.

§11 Termination

1. GÜDEL may, at any time, for any reason, whether or not Supplier is in default, terminate a PO in whole or in part.
2. Upon receipt of a termination notice, Supplier will immediately stop work on that date to the extent specified in the notice and cancel all orders and subcontracts that relate to the terminated PO.
3. GÜDEL will pay Supplier for all finished Contracted Items accepted by GÜDEL, as well as for the verified, documented costs to Supplier of work in process and material allocated to the terminated PO that are

not in excess of any prior authorization by GÜDEL. GÜDEL shall not be required to pay Supplier for items that are otherwise saleable, standard items.

4. In the event of a PO cancellation, GÜDEL shall not be obligated to make payments to Supplier (directly or on account of claims by Supplier's subcontractors), for loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, or general and administrative burden charges.
5. Within thirty (30) days from the effective date of a PO termination, Supplier shall submit a comprehensive termination claim to GÜDEL, with sufficient supporting data to permit GÜDEL's audit, and shall thereafter promptly furnish such supplemental and supporting information as GÜDEL may request. GÜDEL, or its designated representatives, shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating to any termination claim of Supplier as may be deemed necessary by GÜDEL.
6. Payment made under this Section 11 shall constitute GÜDEL's only liability to Supplier for cancellation or termination of a PO. Title and right of possession to all delivered Contracted Items shall vest in GÜDEL immediately upon GÜDEL's tender of the payment owed under this Section 11.
7. This Section 11 will not apply to any termination by GÜDEL based upon: (a) Supplier's default; (b) Supplier becoming insolvent or making a transfer for the benefit of creditors; (c) Supplier's rights under any PO being assigned or encumbered by operation of law; (d) if bankruptcy or any other insolvency proceedings are instituted by or against Supplier; (e) an interim receiver being appointed against Supplier; or (f) Supplier stops paying its vendors. In any of these cases, GÜDEL shall have the right to immediately terminate any PO, with no obligation to Supplier.

§12 Confidentiality

1. Supplier will not, without GÜDEL's prior written consent, disclose, divulge, photograph, video, or otherwise make available to any other person, or directly or indirectly use, except during the performance of a PO, any information relating to GÜDEL, GÜDEL's customers, their business, operations, Contracted Items, or any other intellectual property including but not limited to trade secrets, patents, trademarks, copyrights, processes, techniques, procedures, designs, writings, documents, models, films, blocks, die-cuts, drawings, plans, specifications, blue prints, equipment, systems, know-how, project information, policies or agreements, these Terms or any PO, all of which individually or collectively are "Confidential Information".
2. Supplier will take all steps which may be necessary or appropriate in order to assure that Supplier's employees and Supplier's subcontractors and the employees of such subcontractors adhere to this Section 12. All subcontracts, purchase orders, and other agreements that Supplier enters into pursuant to the performance of any PO with GÜDEL shall include appropriate clauses to carry out the purpose and intent of this Section 12. Supplier shall not use any such Confidential Information for its own use or for any purpose whatsoever except in the performance of a PO.
3. Supplier may not disclose to any third party the nature or extent of the business dealings between GÜDEL and the Supplier, or refer to the nature and extent of said business dealings in its advertising activities.
4. Each party undertakes to notify the other without delay if it learns that any Confidential Information has been disclosed to an unauthorized third party or that any hard copies of any Confidential Information are missing.
5. Any unpatented knowledge or information concerning Supplier's goods, methods or manufacturing processes which Supplier may disclose to GÜDEL incident to a PO or the manufacture or purchase of the Contracted Items shall, unless otherwise specifically agreed in writing, be deemed to have been disclosed as a part of the consideration for the PO and, therefore, Supplier agrees not to assert any claim against GÜDEL by reason of GÜDEL's use or alleged use thereof.

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6. Supplier shall treat every Agreement as confidential and may make reference to business relations with GÜDEL in publicity materials only with GÜDEL's prior written consent.

§13 Default & Special Damages

1. Unless excused by way of Force Majeure Event, the failure of Supplier to perform any term, condition, or covenant made or undertaken by it, or the violation of any warranty or representation in any Agreement, PO or these Terms, shall be deemed a default by Supplier. If a default occurs, GÜDEL shall provide a Notice of Default to Supplier and GÜDEL shall then have the right, at its option, to: (a) terminate any or all PO's with Supplier; or (b) enforce specific performance; or (c) charge Supplier for any damages or losses GÜDEL sustains as a result of Supplier's default.
2. **Under no circumstance shall GÜDEL, at any time for any reason, be responsible for paying Supplier punitive, consequential, incidental, or exemplary type damages including, but not limited to, lost profits, lost business, and lost opportunities.**

§14 OEM Requirements

1. Where the Contracted Items are sold or incorporated into goods or services that are sold by GÜDEL to a third party ("OEM Customer") with respect to an OEM Customer's program, Supplier shall take such steps, provide such disclosures, comply with such requirements and do all other things as may be necessary or desirable and within its control to enable GÜDEL to meet GÜDEL's obligations under the terms and conditions of any order (or other document that may be applicable to GÜDEL from time to time) with respect to its supply to the OEM Customer.
2. Supplier's obligations under this Section 14 will include, without limitation: delivery, packaging and labeling requirements; warranties and warranty periods; intellectual property rights; indemnification; confidentiality; access to facilities; audits and records; and replacement and service parts.
3. While GÜDEL may provide Supplier with information regarding the terms and conditions of the OEM Customer, Supplier shall nonetheless be responsible for ascertaining the terms of such OEM Customer that may affect Supplier's obligations under a PO. If there is any conflict between the terms of any OEM Customer and any other term in the Agreement or PO, GÜDEL shall have the right to have the provisions of such OEM Customer's terms prevail to the extent necessary or desirable to resolve such conflict.

§15 Work

1. If a PO calls for work to be performed at premises owned or controlled by GÜDEL or a customer of GÜDEL, then:
 - (a) Supplier will keep the premises and work area safe and free and clear of all hazards;
 - (b) The work will remain at Supplier's sole risk until acceptance by GÜDEL and Supplier will replace (at its own expense) all work, goods, equipment, materials, property or any other tangible item damaged or destroyed as a result of the acts, omissions or negligence of Supplier;
 - (c) Supplier will, to the fullest extent permitted by law, indemnify, save, defend and hold GÜDEL, its customer (if applicable) and their respective employees, officers, directors, agents, and parent and affiliated companies (individually an "Indemnitee", collectively the "Indemnitees") harmless from and against any and all claims, demands or suits made or brought against any Indemnitee on account of any of the terms or provisions of any applicable worker's compensation law and/or unemployment insurance law, or other breach of a PO or these Terms;
 - (d) Supplier shall maintain public liability insurance with limits that are at least the equivalent of a combined bodily injury and property damage single limit of Two Million Dollars (\$2,000,000) per occurrence, including contractual coverage with respect to the indemnity provisions of these Terms. GÜDEL and, if requested by GÜDEL, the customer where the work is to be performed, shall be named as additional insured(s) on such policies;

- (e) Such insurance shall be deemed to be the primary liability coverage and Supplier shall furnish GÜDEL acceptable evidence of such insurance prior to commencing work; and
- (f) Supplier, shall obtain and maintain, at its own cost and expense, workers' compensation insurance as required by applicable law as well as claims based employer's liability insurance, with minimum limits of One Million Dollars (\$1,000,000) per occurrence with respect to any employee, agent, contractor or representative of Supplier performing services in connection with any PO.

§16 Import/Export Regulations

1. Goods and technical data provided under any PO may be subject to the provisions of: the United States (U.S.) Export Administration Act (50 USC 2401-2420) and the Export Administration Regulations (EAR) (15 CFR 768-799) promulgated thereunder; the U.S. Arms Export Control Act (22 USC 2751-2779) and the International Traffic in Arms Regulations (ITAR) (22 CFR 120-130) promulgated thereunder; 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 (ATF) (27 CFR 447-555); the Homeland Security Act of 2002 and the U.S. Customs Regulations (19 CFR 1-199) promulgated thereunder; Canadian Export and Import Permits Act (RS Chapter E-19) and the Export Permits/Import Permits Regulations promulgated thereunder; the Canadian Defense Production Act and the Canadian Controlled Goods Regulations promulgated thereunder; the Canada Customs Act/Special Import Measures Act and the Canada Customs Regulations promulgated thereunder; the U.S. Foreign Corrupt Practices Act; as well as such export or import restrictions of any other jurisdiction as may apply to the export or import of such goods or technical data.
2. GÜDEL and Supplier acknowledge that the above-referenced laws, rules, and regulations impose restrictions on the import, export, re-export, or transfer to certain countries or parties of certain categories of goods and technical data. GÜDEL and Supplier also acknowledge that licenses or permits from the U.S. State Department, U.S. Commerce Department, U.S. Department Treasury, or the Canadian Department of Foreign Affairs and International Trade and Canadian Controlled Goods Directorate may be required before GÜDEL is permitted to provide technical data to Supplier or before Supplier is permitted to export goods to GÜDEL. Additionally, licenses from the U.S. Bureau of Alcohol, Tobacco, and Firearms (ATF), Canadian Department of Foreign Affairs and International Trade (DFAIT), or other jurisdictions may be required before GÜDEL is permitted to import goods from Supplier. GÜDEL and Supplier acknowledge that such licenses or permits may impose restrictions on use of goods and technical data.
3. Supplier shall comply with all applicable export and import laws and regulations and any requirements of GÜDEL with respect to the import, export, re-export, or transfer of goods and technical data including restrictions against sanctioned countries and denied parties. Supplier shall comply with all U.S. Customs Department Trade Partnership Against Terrorism (C-TPAT) requirements.
4. Upon issuance of a PO by GÜDEL, Supplier must provide in a form satisfactory to GÜDEL, certification as to whether the Contracted Items are subject to the U.S. State Department's ITAR, and if so subject, certification as to the applicable U.S. Munitions List (USML) category; or, if they are not so subject, certification as to whether the Contracted Items are subject to the U.S. Commerce Department's EAR, and if so subject, certification as to the applicable Export Control Classification Number (ECCN); or, if they are not so subject, certification as to whether the Contracted Items are subject to Canada's Department of Foreign Affairs and International Trade Export and Import Permits Act, and if so subject, certification as to the applicable Export or Import Control List Group item number. To the fullest extent permitted by law Supplier shall indemnify and hold GÜDEL harmless from and against any loss, damage, cost, expense, or liability including lost profits, attorney's fees and court costs for any failure or alleged failure of Supplier to comply with such export or import laws and regulations, and for any false statements or material omissions by Supplier with respect thereto including,

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without limitation, export or import classification and country of origin data of Contracted Items under applicable regulations.

- Supplier shall not, without GÜDEL's prior written consent, export, transfer, re-export, or re-transfer any technical data provided by GÜDEL, including GÜDEL's technical data that has been integrated by Supplier into the Contracted Items. Supplier shall not export, transfer, re-export, or re-transfer any technical data to any U.S. or Canadian Government sanctioned countries, denied, or designated parties. These restrictions apply to Supplier, its employees, and any third party including, but not limited to Supplier's vendors and subcontractors. Upon completion of performance or termination of a PO, GÜDEL furnished technical data shall, at GÜDEL's option, be returned to GÜDEL or destroyed by Supplier. Supplier agrees to provide written verification of destruction to GÜDEL.

§17 Compliance

- GÜDEL and Supplier declare their commitment to a corruption-free business community, undertake to refrain from any kind of corrupt conduct and any other kind of criminal practices, and to take all necessary measures to prevent such. Both parties agree to take precautionary measures against the following listed serious transgressions:
 - Criminal acts in business transactions, particularly money laundering, fraud, criminal breach of trust, forging of documents, technical sketches/notes, or evidentiary-relevant data, causing the recording of false declarations/facts, perjury, concealment of documents, or collusive bidding in conjunction with tender invitations;
 - The offering, promising, or granting of advantages to national or foreign public officials, office holders, or persons under a special obligation to the public service who decisively participate in the granting or execution of contracts;
 - The offering, promising, granting/promoting, obtaining of promises (for oneself), and accepting of advantages to/from business partners in exchange for unfair preferential treatment in national or international business transactions;
 - The disclosure or procurement (for oneself) of trade and business secrets, and the unauthorized exploitation of (technical) patterns/models; and
 - Violations of competition and antitrust law.

§18 General provisions

- The invalidity or unenforceability of any provision of these Terms under any present or future law, rule, regulation or ordinance will not affect any other provision of these Terms and the remaining provisions shall continue with the same force and effect as if such invalid provision had not been inserted in these Terms. Any invalid provision shall be replaced by a valid enforceable provision whose effect comes closest to the intended commercial purpose of the invalid provision.
- A PO may not be assigned, subcontracted or delegated, in whole or in part by Supplier without GÜDEL's prior written consent.
- Unless otherwise expressly agreed, the place of performance for the delivery commitment shall be the shipping address or place of use specified by GÜDEL; for all other obligations, the place of performance shall be Ann Arbor, Michigan.
- The Agreement language is English. If the parties make use of any language other than English, then the English wording shall take precedence.
- These Terms and all POs shall be governed by and interpreted in accordance with the substantive laws of the State of Michigan, USA, without regard to its conflict of law rules. **The United Nations Convention on Contracts for the International Sale of Goods (CISG) April 11, 1980, shall not apply to any PO.**
- The rights, remedies and warranties set forth in these Terms are non-exclusive and cumulative. GÜDEL shall have the right to enforce

against Supplier any and all other rights, remedies and warranties available to a purchaser of goods or service either in law or in equity.

- Titles and headings in these Terms are inserted for convenience of reference only and shall not affect the interpretation or construction of these Terms.
- All services are to be rendered by Supplier and any subcontractor of Supplier, as independent contractors. GÜDEL and Supplier are neither partners nor joint venturers. In no event shall Supplier or its agents, representatives or employees be deemed to be agents, representatives or employees of GÜDEL. Supplier shall have complete control over the performance of, and the details for accomplishing, the work and services called for in the PO. Supplier's employees and subcontractors shall be paid exclusively by Supplier. Neither Supplier nor its agents, representatives or employees shall be entitled to participate in, or receive the benefits of, any pension, retirement, medical insurance, or other employee benefit plan of GÜDEL. Supplier shall be responsible for payment of all obligations to federal, state, and local governments including, but not limited to, income or earnings taxes, social security contributions, unemployment compensation contributions, withholdings and any other similar obligations arising out of its activities under any PO.
 - Any waiver of strict compliance with (or amendment of) any of these Terms or any PO by GÜDEL must be in writing and signed by any authorized officer of GÜDEL. Any such waiver shall not constitute a waiver of GÜDEL's rights under any other provision of these Terms or any PO.
 - GÜDEL and Supplier do not intend to confer any benefits on any person, firm, or corporation other than Supplier, GÜDEL and GÜDEL's customer, as a result of the issuance of any PO.

§19 Notice

- Notice related to any GÜDEL PO shall be issued in writing to:

Güdel, Inc.
4881 Runway Blvd.
Ann Arbor, MI 48108

Ref: Güdel PO #
Attn: Purchasing

FAX No: +1 (734) 214-9000
E-mail: orders@us.gudel.com

Notices shall be effective upon confirmation of receipt and written acceptance by Güdel, Inc.

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