

Piston Group of Companies
Machinery and Equipment
Terms and Conditions Addendum

Machinery and Equipment Terms and Conditions Addendum

1. Scope.

(a) Scope. This Machinery and Equipment Terms and Conditions Addendum (“Machinery & Equipment Addendum”) is incorporated as part of the Piston Group of Companies Purchasing Terms and Conditions (“Terms”) and it automatically applies to and is a part of all Buyer’s¹ machinery and equipment Purchase Orders and amendments, purchase agreements, or similar documents issued by Buyer to Seller for the purchase of machinery and/or equipment. The term “Goods”, herein, includes goods and services, including machinery, equipment, tooling, engineering and design services, components, and intermediate assemblies. The term Goods as used herein shall replace the definition of the term Goods as used in the Terms. This Machinery & Equipment Addendum is intended to be read together with the Terms.

2. Invoices, Payment, and Security Interest.

(a) Invoices. Seller’s invoices shall describe in detail the Goods for which payment is being requested, including the quantity of each separate item, and shall include Buyer’s Order number, Seller’s code number, and other necessary information. Seller must invoice separately for each payment request. Unless otherwise agreed to in writing prior to issuance of Buyer’s Order and/or included in the Order, Seller shall issue invoices under the following schedule:

(i) Goods requiring design to Buyer’s specifications.

10%-of full purchase order value invoiced after PO issuance/design kick-off.

25%-of full purchase order value invoiced after system/mechanical engineering signoff/ design review.

25%-of full purchase order value invoiced after approval of Goods (*i.e.*, system run off) at Seller’s facility.

15%-of full purchase order value invoiced after successful installation of the Goods at Buyer’s facility.

15%-of full purchase order value invoiced after approval of system run off at Buyer’s facility.

10%-of full purchase order value invoiced after Buyer’s customer approves PPAP.

(ii) Goods that do not require design approval but require engineering approval

30%-of full purchase order value invoiced upon PO receipt.

30%-of full purchase order value invoiced upon receipt of Buyer’s engineering approval.

30%-of full purchase order value upon the earlier of Buyer’s receipt of the Goods or Buyer’s acceptance of the Goods at Seller’s designated facility.

¹ All Capitalized defined terms have the definitions stated in the Piston Group of Companies Purchasing Terms and Conditions, unless otherwise stated herein.

10%-of full purchase order value, or the balance due, invoiced after Buyer's acceptance of the Goods (*i.e.*, successful installation and Goods are deemed functional and satisfy all specifications communicated by Buyer.

Payment terms are Net 45 from the date on which Buyer receives Seller's invoice. Payment shall not constitute acceptance of non-conforming Goods and shall not limit or affect any rights or remedies of Buyer.

(b) Absence of Liens. Buyer may withhold payment for any Goods until Buyer receives evidence, in such form and detail as Buyer requires, of the absence of any liens, encumbrances and claims on such Goods.

(c) Recoverable Taxes. Any and all taxes shall be identified on Seller's invoice separately from the price. If Seller is obligated by law to charge any excise, value-added and/or similar tax to Buyer, Seller shall ensure that it is invoiced to Buyer and, once collected, is promptly remitted by Seller to the appropriate government authority, all in accordance with applicable laws so as to allow Buyer (without any registration with the government) to reclaim such excise, value-added and/or similar tax from the appropriate government authority. Seller transfers to Buyer all taxes, fees, and duties which are recoverable by Seller and shall cooperate with Buyer to enable Buyer to recover such sums including Seller providing Buyer reasonable proof that Seller paid such taxes, fees, and duties.

3. Equipment Design and Scope Changes.

(a) Design Review. Before commencing manufacture of the Goods, Seller must provide Buyer with preliminary drawings, CAD files, and/or design information of the complete system and, as required, its sub-systems and components ("Design Data") for approval by Buyer. If Seller fails to provide such Design Data, Buyer may cancel the Order, in whole or in part, at any time prior to delivery without liability. Any modifications to the Goods which become necessary, but which could have been avoided by Seller providing Design Data for approval, are Seller's responsibility to complete at its expense and within the original delivery schedule.

(b) Inspection and Review. During all phases of the design and manufacture of the Goods, Buyer reserves the right to inspect, recommend, and request modifications or changes to the Goods. At any time during normal business hours before delivery, Buyer shall have the right to enter Seller's premises to inspect all work in process, Design Data and backups, Manufacturing Data and backups, Goods, materials, and/or components.

(c) Changes. Buyer may at any time request Seller to implement changes to the design of the Goods or to the scope of any services covered by an Order, including services related to inspection, testing or quality control, by written Order Amendment. Seller shall request Buyer to issue an Order Amendment if it determines during development or manufacture of the Goods that modifications to the original design would be necessary to comply with the specifications or to accomplish Buyer's purposes, including in instances of changed circumstances or new information. Seller and Buyer will negotiate in good faith regarding an adjustment in price or delivery schedules resulting from an Order Amendment. However, if the change is due to Seller's fault or negligence, no price adjustment will be implemented. Seller shall provide to Buyer full documentation of changes in Seller's costs and the time to implement an Order Amendment. Notwithstanding anything to the contrary, if adjusted, the price shall be adjusted solely to compensate Seller for increased costs of materials, direct labor, and other direct production costs (excluding overhead and profit) necessarily incurred as a result of the changes, and the terms for performance shall be adjusted only for the period actually required to comply with the changes. In the event of any disagreement arising out of an Order Amendment, Seller shall continue performing under the Order, including the manufacture and delivery of Goods and prompt implementation of an Order Amendment, subject to any subsequent adjustment of price or schedule resulting from the parties' good faith negotiations.

(d) Non-Approved Changes. Buyer shall not be required to accept Goods which deviate from the terms and specifications under the Order unless an Order Amendment has been issued by Buyer.

4. Documentation. Seller shall furnish the following information and documentation within the timelines indicated below and in accordance with any specific project timing requirements unless otherwise agreed to by Buyer in writing prior to each milestone. Other requirements may be added as reasonably necessary for completion of the Order. All documentation, whether written or electronic, shall be in English. At a minimum, three (3) sets of the following documents are required. Electronic copies of drawings, schematics, or other engineering items must be supplied in three CD ROM copies in a CAD format Buyer can accept or translate (Inventor “packngo” is preferred. If the 3D CAD is not designed in Inventor, “Stp” format is required). Additional copies are to be quoted if requested.

(a) Project Timeline. Upon project kick-off, Seller shall provide to Buyer’s Project manager a project timeline and thereafter weekly Gantt chart schedule updates showing current project status as compared to major project milestones that have been identified by Buyer. These updates must be provided by Seller from project concept until the time of the delivery of the Goods at Buyer’s facility.

(b) Bill of Materials and other Documents. Seller must provide Buyer with a complete bill of materials for the Goods, a copy of all concepts, manufacturing, and assembly drawings, schematics, and other engineering information, thorough documentation regarding the operation and maintenance of the Goods (“Manufacturing Data”), and a 3D model of all designed Goods.

(c) Additional Design Details for Approval. In addition to Design Data, Seller shall provide to Buyer for approval design drawings, including system design, mechanical, electrical, pneumatic, controls and tooling, work holding, floor plans, site plans, material handling, special equipment and any other special requirements. This information is provided after the project kick-off but prior to Seller being authorized to begin fabrication, construction, or purchasing materials. The specific requirements and required timing are subject to the requirements of the individual Order.

(d) Foundation and Utilities Drawings. When applicable, Seller shall provide any required design information that can impact other equipment and/or long-lead facility modifications and construction requirements. These design details include any interface of the material described on the Order with Buyer’s existing facility or other existing, including any new equipment being installed together with the Goods. This information may include foundation requirements, electrical & utilities requirements, layouts, load rating information, and overall equipment envelope dimensions. Examples include floor attachment requirements, site surveys, press pit designs, in-floor conveyance system trench designs, and paint shop pit designs. This design information shall be provided no later than one (1) month after release of Order and prior to a formal project design submission.

(e) Sequence & Process Flow Diagrams. This documentation can include flow diagrams, equipment & plant layouts, and process design parameters with performance data when required. These documents will be required for submission after issuance of the Order and prior to formal project design submission.

(f) Final Design Prints and CAD. A formal design submission shall be required at the time of the final machine qualification at Buyer’s facility. This package shall include any updates to the design and content that have been made since the initial design approval and include updates and amendments that occurred through the qualification and installation periods.

(g) Spare Parts List. A listing of interchangeable components used in the Goods including (as applicable): brand of manufacture, manufacturer’s part numbers, sizes, and configuration information, needs to be provided to Buyer upon approval of the Goods design, and then revisited by the parties at completion of the Goods build, and then finalized by the parties upon delivery of the Goods and prior to final payment. This listing shall identify components considered to be “wear” items (e.g. components which will need to be replaced on a regular basis due to routine wear and tear) and any component having lead-times in excess of two (2) weeks and shall recommend to Buyer quantities to maintain on-hand.

(h) Circuit Diagrams. Schematic diagrams that shall be provided to Buyer upon delivery of Goods and prior to final payment shall include but are not limited to; hydraulic, pneumatic, coolant, refrigeration, gases,

controls circuits, and electrical wiring. These documents should indicate physical location of maintenance and trouble-shooting points (filters, valves, solenoids, indicator lamps, reset buttons, etc.) on the Goods and reference the location(s) of wear and replacement components.

(i) Operation and Set-up Manuals. Documents, electronic files, and manuals outlining the proper set-up, cycle time (including cycle-time charts), operation, adjustments, changeovers, programming, maintenance & service of the material described in the Order shall be provided upon delivery of the Goods and prior to final payment.

(j) Service Schedules. Recommended schedules for equipment maintenance, adjustment, replacement of wear items (replacement schedules (in number of cycles/day) for all perishable tooling or replacement parts), lubrication, calibration, and cleaning shall be provided to Buyer upon delivery of the Goods and prior to final payment.

(k) Training Services & Materials. As required by Buyer, Seller shall provide training services to Buyer personnel as designated by Buyer's Engineering and Facilities management. Timing and location of this training shall be mutually agreed between Buyer and Seller and is intended to transfer all operating knowledge of the Goods to Buyer. The training should address set-up, operation, and changeovers of the Goods, as well as basic maintenance and troubleshooting of common issues so that Buyer Operations and Facility personnel can become comfortable and confident in use and basic maintenance of the Goods.

(l) Software. When Goods include computer programs, including, where applicable, object code and source code, and any modifications, updates or releases relating thereto ("Software"), Seller shall provide to Buyer unrestricted, freely transferable usage rights and all documentation related to the Software, including user manuals, specifications, technical manuals and supporting materials. No portion of the Software delivered to Buyer will contain any undisclosed features or any "back door," "time bomb," "Trojan horse," "worm," "drop dead device," "virus," or other computer software routines or hardware components designed to (i) permit access or unauthorized use of either the Software or Buyer's computer systems, (ii) disable, damage or erase the Developed Software or data, or (iii) perform any other such actions, and the Software shall not contain preprogrammed preventative routines or similar devices which prevent Buyer from exercising the rights granted under an Order and/or from utilizing the Software for the purpose for which it was designed. All open-source software included in the Software shall be identified to Buyer. Seller shall continue to provide support and updates for any Software without additional charge or cost.

5. Delivery.

(a) Responsibility. Seller will make all shipping arrangements including insurance, any rigging at the Seller's site, and transportation management from the manufacturing location to Buyer's facility, unless agreed to in writing otherwise prior to release of the Order. Buyer will arrange for the unloading and rigging within Buyer's facility.

(b) Shipping. Seller will: (i) properly pack, mark and ship goods as instructed by Buyer or any carriers and in accordance with any applicable laws or regulations; (ii) route shipments as Buyer instructs; (iii) not charge for costs relating to handling, packaging, storage or transportation (including duties, tariffs, taxes, fees, etc.) unless otherwise expressly stated in the Order; (iv) provide packing slips with each shipment that identify Buyer's Order number and the date of the shipment; and (v) promptly forward the original bill of lading or other shipping receipt with respect to each shipment as Buyer instructs. Seller will include on bills of lading or other shipping receipts the correct classification identification of the Goods shipped as Buyer or the carrier requires. The marks on each package and identification of the Goods on packing slips, bills of lading and invoices must enable Buyer to easily identify the Goods. Unless otherwise specified in writing between the parties, all shipments will be Delivery Duty Paid or equivalent in Incoterms 2020 – Buyer's location for international transactions and Ex Works or equivalent in Incoterms 2020 for domestic (*i.e.* U.S. suppliers) transactions.

(c) Delivery Schedules. Deliveries will be made to the address, in the quantities, on the dates and at the times specified by Buyer in the Order or other instructions Buyer issues in writing. Time is of the essence with respect to all delivery schedules Buyer establishes. If the Seller becomes aware of any issues which could cause delays or otherwise impact the delivery schedule (delays with purchased components or materials, equipment build, design changes or design issues, etc.), Seller shall notify Buyer immediately upon becoming aware of the cause and shall promptly follow up with additional detail regarding the cause of the delay and actions being taken or considered to resolve the issue. The Buyer and Seller should work together to resolve or mitigate the delay.

(d) Late Delivery. Unless Buyer's actions cause Seller to fail to meet Buyer's delivery schedules, Seller shall be responsible to pay the Buyer a late delivery premium and any extraordinary expenses incurred by Buyer to compensate Buyer for additional costs caused by Seller's delay. If Seller's delay causes Buyer to miss deliveries to Buyer's customers, Seller shall be liable for additional damages assessed by Buyer's customer or otherwise resulting from the delay.

(e) Premium Shipments. If Seller fails to have Goods ready for shipment in time to meet Buyer's delivery schedules using the method of transportation originally specified by Buyer and, as a result, Buyer requires Seller to ship the goods using a premium (more expeditious) method of transportation, Seller will ship the goods as expeditiously as possible and shall pay and remain responsible for any and all additional costs of such premium shipment.

(f) Delivery Changes. Delivery date(s) may not be changed unless Buyer and Seller have mutually agreed, in writing, to reschedule the delivery date. A request to change a delivery date(s) must be made in writing by the requesting party in a timely manner such that refusal by the other party will not impact the original delivery date(s).

(g) Release for Delivery. Goods shall not be released for shipment to Buyer's facilities until approved in writing by Buyer.

(h) Specific Performance. Seller acknowledges and agrees that money damages would only partially compensate Buyer for any breach by Seller and would not be a sufficient remedy for any actual, anticipatory or threatened breach of an Order by Seller with respect to its delivery of Goods to Buyer such that, in addition to all other rights and remedies which Buyer may have, Buyer shall be entitled to specific performance and interlocutory and permanent injunctive or other equitable relief as a remedy for any such breach, without proof of actual damages, without establishing a "balance of convenience," and without bond or other security being required.

6. Service and Replacement Parts. For a period of three (3) years following final acceptance of the Goods, Seller will sell to Buyer replacement parts necessary to fulfill Buyer's service and replacement requirements at Buyer's then current price(s) under this Order or Seller's list prices for such parts at the time the Order is issued. For the following ten (10) year period, Seller will continue to sell parts to Buyer to fulfill Buyer's service and replacement requirements at price(s) that are reasonably agreed to by the parties but, in no event, higher than the price offered by Seller to third parties for similar parts. If requested by Buyer, Seller will also make service literature and other materials available at no additional charge to support Buyer's service activities. Buyer may purchase replacement parts from parties other than Seller. Supplier shall provide custom, fabricated or machined replacement parts (e.g.: non-standard, off-the-shelf, catalogue components) within two weeks (14 days) from the date of receipt of an order from Buyer.

7. Risk of Loss and Title to Goods.

(a) Risk of Loss. All shipments are at the risk of Seller until receipt at Buyer's location or other final destination designated in an Order or other writing by Buyer, regardless of the delivery point pursuant to the delivery terms, unless risk of loss is otherwise assumed by Buyer in writing. Seller shall insure the Goods at their replacement value for the benefit of Seller and Buyer as their interest may appear and provide

to Buyer proof thereof. If risk of loss is assumed by Buyer, all risk casualty insurance for replacement value must be provided by Seller for the benefit of Buyer. The cost of any insurance shall be paid by Seller unless otherwise agreed in writing by Buyer. Under no condition will the risk of loss be that of Buyer, unless such insurance is provided. Risk of loss shall not be governed by transfer of title.

(b) Title to Goods. Title to all Goods shall vest in Buyer the earlier of the date of an Order and their identification to an Order. Identification shall occur not later than the date Seller acquires or begins manufacture of the Goods. Buyer's obligation to pay for Goods is limited by the terms of an Order. Seller shall pay all taxes related to ownership, possession or storage of the Goods until Buyer takes possession of the Goods at the destination whether or not title has transferred.

8. Machinery & Equipment Acceptance.

(a) Initial Inspection and Qualification at Seller's Location. (i) The Goods shall be qualified at Seller's facility prior to shipment to Buyer. Per the applicable Buyer equipment specification, Seller shall demonstrate, to Buyer's satisfaction, that the Goods meet the Order requirements including all specifications, options, and/or features and that all specifications, options and/or features are incorporated into the final product. Buyer may, at its discretion, require Seller to demonstrate, in the presence of Buyer personnel, the functionality of any or all features and/or options. (ii) Seller shall provide a reasonable, scheduled time period to perform this qualification testing and shall provide the appropriate corrective action (adjustments, modifications, changes, or repairs) necessary to pass the qualification requirements within the allotted project schedule. (iii) The Goods shall be production ready per the Order specifications. Any deviations must be approved in writing by Buyer prior to pre-delivery qualification. (iv) Seller shall provide knowledgeable and competent personnel to aid in the pre-delivery qualification process. (v) Seller shall provide Buyer with written notification sixty (60) days prior to the pre-delivery qualification of any special materials, tooling, fixtures, or training not included with the scope of the Order which are necessary to conduct the equipment qualification testing. (vi) Prior to the qualification testing, Buyer will provide to Seller any required tooling and/or fixtures not included in the Order, production-representative components, and any raw materials required to thoroughly evaluate the Goods. (vii) In the event of an unsuccessful qualification test, Seller will document the necessary corrective actions required to address the performance and/or quality issues. Seller shall correct any non-conformances to the Goods at Seller's expense. In such a case, Seller must maintain the original project schedule and shall remain liable for all liquidated damages and other damages arising from any delay. (viii) Seller shall verify that corrective actions have sufficiently addressed and resolved the prior issues to the Buyer's satisfaction. A re-qualification test will be conducted if deemed necessary by Buyer. (ix) Unless otherwise agreed in writing by Buyer, only after the completion of a successful qualification run, and approval from Buyer will the Seller be allowed to disconnect the Goods and prepare them for shipment to Buyer's production location.

(b) Installation at Buyer's Location. Unless otherwise agreed in writing by Buyer, Seller agrees that without further charge it shall assist Buyer in the installation of the Goods. Buyer and Seller shall agree in writing on the schedule for such installation and the role of each party in the installation process, as provided in the Request for Quote (RFQ).

(c) Final Inspection and Qualification at Buyer's Location. Upon completion of installation of the Goods at Buyer's facility, a final machine qualification test shall consist of (i) an 8-hour production run with no adjustments allowed, (ii) satisfactory completion of all items in accordance with the Order including any associated documents related to the Order, and completion of the form: ME-012: Facilities / Capital Equipment Plant Run At Rate Approval, with any exceptions noted and approved by Buyer. (iii) In the event of a failure of the Goods during the qualification testing, Seller shall provide to Buyer, for buyer's approval, a written summary of proposed corrective actions, indicating what steps are to be taken to correct the failure(s) and a timeline showing when the work will be completed. In such a case, Seller must maintain the original project schedule and shall remain liable for all liquidated damages and other damages arising

from any delay. (iv) Upon acceptance of the proposed corrective actions by Buyer, an additional prove-off run may be required at Buyer's discretion. Additional prove-off requirements do not waive the delivery date nor Buyer's rights under this Order, including liquidated or other damages. Such prove-off will be at Seller's expense. (v) Buyer and Seller will mutually agree as to the corrective actions so as not to compromise Buyer's ability to meet its customer's requirements.

(d) Performance requirements indicated in the equipment RFQ package (eg.: cycle time, equipment speeds and forces, etc.) are to be met during the Machine Qualification events (ref. Sections 8(a) and 8(c)). At this time, the equipment must demonstrate full compliance to the relevant performance parameters.

9. Maintenance and Safe Use.

Seller shall provide to Buyer with the Goods, in writing, all information necessary: (a) for the safe installation, use, maintenance and repair of the Goods; (b) to maximize the efficient use and useful life of the Goods; and (c) to comply with any applicable labeling, notice, or warning law. Safety documentation includes LOTO Placards, Energy Source Identification, Risk Assessments, Ergo assessments. Prior to and with the shipment of the Goods, Seller shall furnish to Buyer sufficient warning and notice in writing (including material safety data sheets and appropriate labels on the Goods, containers and packing) of any hazardous material that is an ingredient or a part of any of the Goods, together with such special handling instructions as may be necessary to advise carriers, Buyer, customers and end users if applicable, and their respective employees, how to exercise that measure of care and precaution that will best prevent bodily injury (including death) or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer. Seller shall promptly furnish to Buyer in such form and detail as Buyer may direct, in addition to standard material safety data sheets: (i) a list of all ingredients in the Goods; (ii) the amount of all ingredients; (iii) information concerning any changes in or additions to such ingredients; and (iv) other information required by International Material Data System consumer protection laws and conflict minerals standards and regulations.

10. Service and Support.

(a) On-Site. If Buyer's Maintenance staff is unable to resolve functional issues with the purchased Goods, Seller's support personnel will be dispatched to Buyer's facility and must be on site within thirty-six (36) hours of notification if traveling from overseas or twenty-four (24) hours if traveling within North America. If the problem remains unresolved twenty-four (24) hours after Seller's service personnel arrives at Buyer, Seller will dispatch additional resources from the original equipment manufacturer within eight hours of notification, if requested by Buyer.

(b) Remote. Seller will provide Buyer with a service contact number for normal business hours and a 24-hour emergency telephone contact number. This will allow the Buyer to be in contact with a competent service representative who can respond to inquiries regarding repairs and maintenance of the Goods. If the provided emergency contact number is an automated or an answering service, the response time to Buyer by a competent service representative will be no more than thirty minutes from the time Buyer places the original call. This service shall not be used as a replacement for providing on-site service when required.

11. Warranties.

(a) General. Seller warrants to Buyer, its successors and assigns that the Goods shall: (i) be in strict compliance with the samples, Design Data, Production Data, Seller's advertisements and sales presentations, written and oral, statements on labels, Buyer's specifications and performance requirements, statements of work and other requirements (including content and compliance specifications) approved or adopted by Buyer as of the date of delivery or such other date provided by Buyer in writing; (ii) be fit for the particular purposes for which they are purchased in the environment in which the Goods are or reasonably may be expected to perform; (iii) be merchantable; (iv) be composed of all new materials and

components of the highest quality; (v) be free from all defects, including for example, design, workmanship and materials; (vi) be in strict compliance with all government requirements; (vii) be equipped with state of the art safety equipment and fail-safe safeguarding systems; (viii) be produced by experienced and well trained personnel in a professional and workmanlike manner and in accordance with industry best practices; and (ix) be free of liens. Any attempt by Seller to limit, disclaim, or restrict any such warranties or any remedies of Buyer, by acknowledgement or otherwise, in accepting or performing an Order, shall be null, void, and ineffective without Buyer's prior written consent. Approvals by Buyer of Seller's Design Data, Production Data, drawings, specifications, samples, and other data, are to assist Seller without charge to Seller, but they do not replace, modify or cause Buyer to share Seller's responsibility and do not waive or limit any warranty of Seller.

(b) Warranty Period. The foregoing warranties will be considered warranties of future performance that continue for the longer of: (i) the longest period provided by applicable law, or (ii) thirty-six (36) months following installation and successful completion of acceptance testing of the Goods (or such longer period as may be specified in the Order). The statute of limitations period applicable to any breach of warranty will be the longest statute of limitation period for breach of contract, products liability or indemnity claims in any applicable jurisdiction.

(c) Notice of Breach. The following communications shall each constitute notice of breach of warranty under an Order: (i) any communication or notice specifying a defect, default, failure to meet performance requirements, claim of defect or other problem or quality issue with Goods; or (ii) any communication to Seller claiming that the Goods are in breach of any warranty or that Seller is in default under an Order. Any such claim of breach by Buyer may only be rescinded in a writing signed by Buyer's Director of Purchasing or Buyer's President if there is no Director of Purchasing.

(d) Warranty Remedies. If any Goods fail to conform to the warranties during the warranty period, Seller shall service, adjust or replace any non-conforming Goods or components at no charge to Buyer as soon as possible upon written notice from Buyer. For Goods installed by Seller, on-site repair, consisting of servicing, adjusting or replacing part(s), shall be performed at no additional cost to Buyer. For Goods installed by Buyer, non-conforming goods shall be returned by Buyer to Seller, at Seller's cost, and repaired or replacement Goods shall be shipped by Seller to Buyer, Delivery Duty Paid or equivalent in Incoterms 2020 – Buyer's location for international transactions and Ex Works or equivalent in Incoterms 2020 for domestic (*i.e.* U.S. suppliers) transactions. The removal by Buyer of goods to be returned to Seller for repair or replacement and the installation by Buyer of replacement or repaired parts shall be at Seller's expense.

(e) Additional Damages. In addition to Seller's obligations described in the preceding subsection, if any Goods fail to conform to the above warranties, Seller shall compensate and reimburse Buyer for all reasonable losses, costs and damages caused by such nonconforming Goods. Such costs and damages may include, without limitation, costs, expenses and losses of Buyer and/or its customers arising from production interruptions (equipment downtime or loss of performance) or slowdowns (cycle time increases) and attorneys' fees incurred by Buyer related to nonconforming Goods.

12. Insurance.

(a) Insurance. Seller shall obtain and maintain insurance coverage in the following minimum amounts with reputable and financially responsible underwriters acceptable to Buyer and having an A.M Best rating of at least A-VIII: workmen's compensation - statutory limits for jurisdictions in which work is to be performed; employer's liability-\$1,000,000; comprehensive general liability- with limits not less than \$10,000,000 per occurrence; automobile liability/bodily injury- with limits not less than \$5,000,000 per person for bodily injury and \$10,000,000 per accident for bodily injury, and \$5,000,000 per accident for property damage. An umbrella policy may be used to satisfy the required policy limits. All policies shall be issued by an insurer licensed to do business in the national, state/provincial, and local jurisdiction where Buyer shall use the Goods. The comprehensive general liability insurance shall be an occurrence form of policy and cover

global liability arising from products liability, premises, operations, independent contractors, products, completed operations, personal injury and advertising injury. Buyer shall be named as an additional insured under all policies except workers compensation. The insurance policies will each include a waiver of subrogation in favor of Buyer. Seller also waives subrogation against Buyer. Seller shall furnish to Buyer upon request certificates of insurance completed by its insurance carriers. The purchase of such insurance coverage or the furnishing of a certificate shall not be a satisfaction of Seller's liability hereunder, or in any way modify Seller's obligation to indemnify Buyer.

13. Importer of Record.

Unless otherwise agreed in writing by Buyer, to the extent Goods are to be delivered under these or other terms requiring Seller to deliver with duty and taxes paid to the destination country, Seller warrants that Buyer will not be a party to the importation of the Goods, that the transaction(s) represented by an Order will be consummated after importation, and that Seller will neither cause nor permit Buyer's name to be shown as "importer of record" on any customs declaration. Seller also warrants that, under DAP terms, if applicable, it has resident or non-resident importation rights into the destination country with knowledge of the necessary import laws. If Seller is acting as the importer of record into a country for the delivery of Goods to the Buyer or its designee, including any component parts thereof, associated with an Order, Seller shall provide Buyer required documentation and all necessary information for duty drawback purposes.