



ORDER TERMS AND CONDITIONS

1. Applicability. This purchase order is an offer by Rolite Mfg., Inc. (“Buyer”) for the purchase of the goods or services specified on the face of this purchase order from the party to whom the purchase order is addressed (“Seller”) in accordance with and subject to these terms and conditions (the “Terms”; together with the terms and conditions on the face of the purchase order, the “Order”). This Order, together with any documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to Buyer’s purchase order, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter hereof. Seller’s acceptance is expressly limited to the terms of this Order. These Terms prevail over any terms or conditions contained in any other documentation and expressly exclude any of Seller’s general terms and conditions of sale or any other document issued by Seller in connection with this Order. If this Order has been issued by Buyer in response to an offer, the terms of which are additional to or different from any of the provisions hereof, then the issuance of this Order by Buyer is subject to the express condition that Seller assent that this Order constitutes the entire agreement between Buyer and Seller with respect to the subject matter hereof and thereof. These Terms apply to any repaired or replacement goods provided by Seller hereunder.
2. Acceptance. Seller’s written acceptance or commencement of performance of this Order shall constitute acceptance. If Seller does not accept this Order in writing within ten days of Seller’s receipt of this Order, this Order will be deemed accepted by Seller. Buyer may withdraw this Order any time before acceptance.
3. Delivery Date. Seller shall deliver the goods in the ordered quantities or perform the services, each on the date(s) specified in this Order or as otherwise agreed in writing by the parties (the “Delivery Date”). Timely delivery of the goods or services is of the essence. If Seller fails to deliver the goods or perform the services in full on the Delivery Date, Buyer may terminate this Order immediately by written notice to Seller and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses attributable to Seller’s failure to deliver the goods or perform the services on the Delivery Date. Alternatively, if Seller fails to meet the Delivery Date, Buyer, without limiting its other rights or remedies, may direct expedited routing; any excess costs incurred thereby shall be debited to Seller’s account. Buyer may return any goods delivered prior to the Delivery Date at Seller’s expense and Seller shall redeliver such goods on the Delivery Date.
4. Delivery Location. All goods shall be delivered to the address specified in this Order (the “Delivery Location”) or as otherwise instructed by Buyer.

5. Shipping. Delivery shall be as stated on the face of the Order, but if not so stated, then delivery of goods shall be FOB Delivery Location. Seller shall give written notice of shipment to Buyer when the goods are delivered to a commercial carrier. Seller shall provide Buyer all shipping documents, including the commercial invoice, packing list, air waybill/bill of lading and any other documents necessary to release the goods to Buyer promptly after Seller delivers the goods to the transportation carrier. This Order number must appear on all shipping documents, shipping labels, air waybill/bill of lading, invoices, correspondence and any other documents pertaining to this Order. Quantity of goods delivered shall not exceed ten percent (10%) over or under the quantity ordered by Buyer unless otherwise noted on the face of the Purchase Order.
6. Title /Risk of Loss. Title passes to Buyer upon delivery of the goods to the Delivery Location. Seller bears all risk of loss or damage to the goods until delivery of the goods to the Delivery Location.
7. Packaging. Goods must be packed for shipment according to Buyer's instructions or, if none, in a manner sufficient to ensure that the goods are delivered in undamaged condition. Goods shall be marked and labeled in compliance with all applicable laws, standards and regulations. Seller must provide Buyer prior written notice if it requires Buyer to return any packaging material. Any return of packaging material shall be at Seller's expense.
8. Amendment. No change to this Order is binding upon Buyer unless it is in writing, specifically states that it amends this Order and is signed by a Buyer authorized representative.
9. Nonconforming Goods. Buyer may inspect all or a sample of the goods on or after the Delivery Date. Buyer, at its sole option, may reject all or any portion of the goods if it determines they are nonconforming or defective. If Buyer rejects any portion of the goods, Buyer may, upon written notice to Seller: (a) rescind this Order in its entirety; (b) accept the goods at a reasonably reduced price; or (c) reject the goods and require replacement thereof. If Buyer requires replacement of the goods, Seller shall, at its expense, promptly replace the nonconforming goods and pay for all related expenses, including, but not limited to, transportation charges for return of the defective goods and delivery of replacement goods. If Seller fails to timely deliver replacement goods, Buyer may replace them with goods from a third party and charge Seller the cost thereof and terminate this Order for default. Any inspection or other action by Buyer hereunder will not reduce or otherwise affect Seller's obligations under this Order. Buyer may conduct further inspections after Seller has carried out its remedial actions. If the Seller identifies nonconforming goods prior to or following shipment to Buyer, Seller shall notify Buyer immediately. Buyer will evaluate the nonconformance and determine appropriate disposition.
10. Price. The price of the goods or services is the price stated in this Order. If no price is included in this Order, the price shall be the price set out in Seller's published price list in

force as of the date of this Order. Unless otherwise specified in this Order, the price includes all packaging, transportation costs to the Delivery Location, insurance, customs duties and fees and applicable taxes, including, but not limited to, all value-added taxes, sales, use or excise taxes. No increase in the price is effective, whether due to increased material, labor or transportation costs or otherwise, without Buyer's prior written consent.

11. Most Favored Customer. Seller warrants that the price for the goods or services is the lowest price charged by Seller to any of its customers for similar volumes of similar goods or services. If Seller charges any other customer a lower price, Seller must apply that price to all goods or services under this Order. If Seller fails to meet the lower price, Buyer, at its option, may terminate this Order for default.
12. Payment Terms. Seller shall issue an invoice to Buyer on or after the delivery and only in accordance with these Terms. Except as otherwise set forth on the face of the Order, Buyer shall pay all properly invoiced amounts due to Seller NET sixty (60) days after Buyer's receipt of such invoice, except for any amounts disputed by Buyer in good faith. All payments hereunder will be in US dollars and made by company check or as may otherwise be agreed between Buyer and Seller. In the event of a payment dispute, Buyer shall deliver a written notice to Seller reasonably describing each disputed item. The parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under this Order notwithstanding any such dispute.
13. Changes by Buyer. Buyer may, at any time, in writing, make changes within the general scope of this Order, in any one or more of the following: (a) applicable drawings, designs or specifications; (b) method of shipment or packing; (c) place or timing of delivery; (d) materials, methods or manner of production; or (e) quantity. If any such change causes an increase or decrease in the cost of or the time required for performance of this Order, an equitable adjustment shall be made in the price or delivery schedule or both, and this Order shall be modified accordingly. Any claim by Seller for adjustment hereunder must be asserted within twenty (20) days from Seller's receipt of the change notice, but such period may be extended upon Buyer's written approval. However, nothing in this clause will excuse Seller from proceeding with this Order as changed or modified.
14. Changes by Seller. Seller shall notify buyer three hundred sixty-five (365) days in advance of obsolescence or discontinuation of any materials, processes or products. Changes by Seller to the goods, manufacturing processes, location of manufacturing facility, sub-suppliers and raw materials or construction thereof, will not be made without prior written approval from Buyer.
15. Set-off. Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller.
16. Warranties. Seller warrants to Buyer that all goods or services will conform to applicable specifications, drawings, designs, samples and other requirements specified by Buyer and will be merchantable; free from any defects in workmanship, material and design; fit for

their intended purpose and operate as intended; merchantable; and free and clear of all liens, security interests or other encumbrances. Goods and services provided hereunder will not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the goods or services by Buyer. These warranties are cumulative and in addition to any other warranty provided by law or equity and shall survive acceptance of and payment for the goods ordered or services provided hereunder. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the goods or services with the foregoing warranties. If Buyer gives Seller notice of noncompliance, Seller shall, at its own expense, promptly replace or repair the defective or nonconforming goods or services and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods or services to Seller and the delivery of repaired or replacement goods or services to Buyer.

17. Termination for Default. In addition to any remedies that may be provided under these Terms, Buyer may terminate this Order with immediate effect upon written notice to Seller, either before or after the acceptance of the goods or services, if Seller has not performed or complied with any of these Terms, in whole or in part, if Seller fails to make progress so as to endanger performance of the Order as reasonably determined by Buyer, or if Seller becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors. If Buyer terminates this Order pursuant hereto, Seller's sole and exclusive remedy is payment for the goods or services received and accepted by Buyer prior to termination.

18. Termination for Convenience. Buyer may at any time (notwithstanding the existence of any of the causes or events specified in Section 16 or any other condition of default) to cancel in whole or in part, the undelivered portion of the goods or services by written notice to Seller, who shall immediately upon receipt of such notice discontinue all work in respect to the cancelled portion of this Order except as may be necessary to preserve and protect the work and materials then in process. Seller shall use its best efforts to cancel and terminate all then existing orders placed by Seller which are chargeable to the cancelled portion of this Order. In the event of such termination and if Seller is not in default hereunder, Buyer shall pay Seller, in addition to the price for all conforming goods and services previously delivered to and accepted by Buyer in accordance with the terms of this Order and not previously paid for, all reasonable direct costs necessarily incurred by Seller in connection with the cancelled portion of this Order, which payment(s) shall be in full settlement of all claims by Seller arising out of such cancellation, provided that Seller delivers to Buyer all goods, services and raw materials paid for by Buyer.

19. Indemnity. Seller shall defend, indemnify and hold harmless Buyer and Buyer's parent company and their subsidiaries, affiliates, successors or assigns and their respective directors, officers and employees and Buyer's customers (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any rights hereunder and the

cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the goods purchased or services received from Seller or Seller's negligence, willful misconduct or breach of these Terms. Seller shall not enter into any settlement without Buyer's or Indemnitee's prior written consent.

20. Intellectual Property Indemnity. Seller shall, at its expense, defend, indemnify and hold harmless Indemnitees against any and all Losses arising out of or in connection with any claim that such Indemnitee's use or possession of the goods or receipt of the services infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. Seller shall not enter into any settlement without Indemnitee's prior written consent.
21. Insurance. Seller shall maintain Commercial General Liability insurance, including public, product, premises and completed operations, contractual and vendors liability, with limits of not less than \$2,000,000 per occurrence and in the aggregate. Such insurance must: (a) be maintained with an insurance carrier reasonably acceptable to Buyer; (b) be written in a form reasonably acceptable to Buyer; (c) be primary and noncontributory with respect to any insurance carried by or on behalf of Buyer, (d) contain a waiver of subrogation in favor of Buyer; and (e) include Buyer as an additional insured. On Buyer's request, Seller shall provide Buyer with certificates of insurance evidencing the coverage required hereunder. Seller must notify Buyer at least thirty (30) days in advance of any material change, cancellation or nonrenewal of any such policy, except that (10) ten days notice is required in the event of cancellation for non-payment of premium.
22. Subcontractors. If Seller uses subcontractors for any part of the manufacture of the goods or performance of the services hereunder, Seller shall be responsible and liable for all acts or omissions of its subcontractors. Seller must obtain prior written authorization from Buyer to use subcontractors for any activity relating to the goods or services provided hereunder occurring on Buyer's premises. These Terms shall be applicable to all subcontractors and Seller is responsible for enforcement. Seller will maintain a contractor management program to ensure that subcontractors comply with the safety requirements of these Terms and the Order. The Seller is responsible to flow down to its sub-suppliers all applicable Buyer requirements, including regulatory requirements where required.
23. Compliance with Law. Seller warrants that it is in compliance with and shall comply with all applicable laws, regulations and ordinances, including but not limited to, all laws prohibiting engagement in corrupt practices, such as the U.S. Foreign Corrupt Practice Act. Seller has, and shall maintain in effect, all licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Order.
 - (a) Export Control. Seller shall comply with all export control and sanctions laws, regulations, and orders applicable at the time of export, re-export, transfer, disclosure or provision of goods, software, technology or services including, without limitation, the (i) Export Administration Regulations (EAR); (ii) International Traffic in Arms Regulations (ITAR); (iii) Foreign Assets Control Regulations and associated Executive Orders; and (iv) laws and regulations of other countries (collectively, "Export Control Laws"). Unless this

Order is for goods to be supplied on a “build to print” basis by Seller, Seller shall provide Buyer with (i) the applicable Harmonized Tariff Schedule Number, and (ii) either (a) the United States Munitions List (USML) category of such goods, software, technology or services that are controlled by the ITAR, or the Export Control Classification Number (ECCN) of such goods, software or technology that are controlled by the EAR and (iii) any analogous classification under any other applicable law. If any goods to be provided under this Order are USML items, Seller represents that it maintains registration with the Directorate of Defense Trade Controls. Seller shall not export, re-export, transfer, disclose or otherwise provide Buyer’s technical data controlled by Export Control Laws (“Technical Data”) to any foreign persons or foreign commercial entities, or modify or divert such Technical Data to any military application without Buyer’s advance, written authorization. Any subcontracts between foreign persons in the approved country for manufacture of goods or provision of services shall contain all the limitations of this Section. Upon Buyer’s request, Seller shall demonstrate to Buyer’s reasonable satisfaction Seller’s subcontractors’ compliance with this Section and all Export Control Laws. Upon completion of its performance under this Order, Seller and its subcontractors shall destroy or return to Buyer all Technical Data.

24. Government Contracts. If this Order is issued under any U.S. Government agency contract or subcontract thereunder, then Seller shall comply with all of the applicable provisions of Title 48 of the Code of Federal Regulations (“CFR”) relating to procurement by U.S. Governmental agencies, as the same may be amended, superseded or modified. Seller is charged with knowing and complying with any and all such provisions incorporated herein.
25. Record Retention, Inspection and Audit Rights. Seller shall maintain complete books and records, including inspection records, with respect to all goods and services, which records shall be in English and be available to Buyer during performance of this Order and until the later of four (4) years after final payment; final resolution of any dispute involving the goods or services delivered hereunder; or the latest time required by applicable law or regulation. Seller shall at any time, and after reasonable notice by Buyer, (i) grant to Buyer, Buyer’s customers and/or to any applicable regulatory authority, unrestricted access to (or if Buyer so requests, provide to Buyer copies of) such books and records, wherever such books and records may be located (including third-party repositories), and (ii) provide Buyer, Buyer’s customers and/or any such authority the right to access, and to perform any type of inspection, test, audit or investigation at Seller’s premises, including manufacturing and test locations, for the purpose of enabling Buyer to verify compliance with the requirements of this Order or for any other purpose indicated by Buyer’s customers or said authority in certification, manufacture, use and/or connection with the design, development or support of the goods or services. Seller and its subcontractors shall furnish all reasonable facilities and assistance for the safe performance of the inspection, test, audit and/or investigation.
26. No Waiver. No waiver by any party of any of the provisions of this Order will be effective unless in writing and signed by the party so waiving. Except as otherwise set forth in this Order, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Order will operate or be construed as a waiver thereof, nor will any single or partial exercise of any right, remedy, power or privilege hereunder

preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

27. Confidential Information. All confidential or proprietary information of Buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, whether disclosed orally or in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential,” in connection with this Order is confidential, solely for the use of performing this Order and may not be disclosed or copied unless Buyer agrees in writing. Upon Buyer’s request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to Seller at the time of disclosure; or (c) rightfully obtained by Seller on a non-confidential basis from a third party who was not under any obligation of confidentiality.

28. Force Majeure. Neither party shall be liable to the other for any delay or failure in performing its obligations under this Order to the extent such delay or failure is caused by an event or circumstance that is beyond that party’s reasonable control, without such party’s fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable (a “Force Majeure Event”). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, war, invasion, hostilities, terrorist acts, riots, strikes, embargoes or industrial disturbances. Seller’s economic hardship, labor difficulties or changes in market conditions are not considered Force Majeure Events. Seller shall use all diligent efforts to immediately notify Buyer in writing of any actual or potential Force Majeure Event, end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under this Order. If a Force Majeure Event prevents Seller from carrying out its obligations under this Order for a continuous period of more than ten business days, Buyer may terminate this Order immediately by written notice.

29. Assignment. Seller shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Order without Buyer’s prior written consent. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve Seller of any of its obligations hereunder. Buyer may at any time assign, transfer or subcontract any or all of its rights or obligations under this Order without Seller’s prior written consent.

30. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Order shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from this Order.

31. No Third-Party Beneficiaries. This Order is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.
32. Governing Law. This Order shall be a contract made in the State of New York, United States and shall be construed and enforced in accordance with the laws of the State of New York without giving effect to its conflict of laws provisions. Any dispute regarding an Order shall be resolved in a court of competent jurisdiction in the County of Erie, State of New York, United States, and Seller hereby expressly consents to the personal jurisdiction of any court in the County of Erie, State of New York, United States. The United Nations Convention on the International Sale of Goods shall not apply to these Terms or any related agreement or document.
33. Cumulative Remedies. The rights and remedies under this Order 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.
34. Notices. All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of this Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified mail (return receipt requested, postage prepaid). Except as otherwise provided in this Order, a Notice is effective only upon receipt of the receiving party and if the party giving the Notice has complied with the requirements of this Section.
35. Severability. If any term or provision of this Order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Order or invalidate or render unenforceable such term or provision in any other jurisdiction.
36. Survival. Provisions of this Order which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following provisions: Set-off, Warranties, Indemnification, Intellectual Property, Indemnification, Insurance, Compliance with Laws, Confidentiality, Governing Law, Submission to Jurisdiction and Survival.

Additional Terms and Conditions for Purchase Orders

1. Our purchase order will be used to provide you with the relevant information to describe the product or service we are ordering including (as applicable):
 - a. any specific requirements for approval of the product or service,

- b. any specific methods, processes or equipment that must be used
 - c. any specific requirement for the release of the product to us
 - d. any requirements for qualification of personnel
 - e. any verification activities we intend to perform at your location
 - f. any special requirements, critical items or key characteristics
 - g. any tests or verifications we are asking you to perform
 - h. any SPC requirements
2. A Certificate of Conformance (C of C) is required that defines the services provided conform to all provisions specified on the PO, applicable drawings and specification and are free of mercury contamination to the best of your knowledge. The C of C shall be signed by an authorized QA Representative.
 3. Material, chemical and physical properties shall be supplied defining the originating source and related lot number(s).
 4. All material supplied is subject to our inspection and approval. The right to reject material and/or cancel any order balance if shipment(s) do not comply with stated specification or schedule.
 5. When required, we will flow down the applicable requirements (including the requirements of our customers communicated through the purchase order) to you. This may include using a customer designated external provider of secondary services.
 6. You must:
 - a. Implement a quality management system (preferably registered to ISO 9001)
 - b. Inform us of any non-conforming product and obtain our approval before disposition
 - c. Notify us of any changes in product or process, changes in your suppliers to our product, process or service, changes of manufacturing facility location and, if deemed required by us, obtaining our approval prior to making the change.
 - d. Provide test specimens if requested
 - e. Retain all records relating to our product/service activities for a minimum of 10 years in a manner that is secure and ensure the records can be readily retrieved.
 - f. Ensure our company, our customers and any relevant regulatory authorities will be granted right of access to applicable areas of your facility and any facility in the supply chain that was involved in the order as well as all applicable records.