General Terms and Conditions of Sale and Delivery (November 2024)

# ECON Inc., 4662 S. Custer Rd, 48161 Monroe, MI

# **General Terms and Conditions of Sale and Delivery**

# 1. Applicability

- 1.1. These general terms and conditions of sale (these "Terms") are the only terms that govern the sale of products ("Products") and services ("Services") by ECON Inc. ("Seller") to the buyer ("Buyer") named on the applicable confirmation, invoice, quotation, or acknowledgement ("Ordering Document").
- 1.2. The accompanying Ordering Document and these Terms (collectively, this "Agreement") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings or agreements, both written and oral. This Agreement supersedes any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Seller expressly rejects Buyer's general terms and conditions of purchase, and fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions or serve to modify or amend these Terms.
- 1.3.These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of Seller through Seller's office in Michigan.
- 1.4. Acceptance of the Ordering Document by Buyer is a prerequisite to the purchase of the Products and Services and shall operate as an acceptance of these Terms which are expressly incorporated into the Order Confirmation.

# 2. Specifications and Documentation

- 2.1. The information about dimensions, capacity, price, performance, and other Product specifications ("Specifications") contained in catalogs, brochures, newsletters, ads, pictures and price lists, and other documentation ("Documentation") are non-binding unless explicit reference is made to the same in the Ordering Document.
- 2.2. Buyer shall be deemed to have accepted drawings, specifications, technical documentation, samples, and prototypes unless Buyer gives Seller notice in writing stating with specificity all defects and nonconformities within five business days after receipt of the item.
- 2.3.Seller retains the right to change the dimensions, composition, design, performance, color and appearance of the Products without liability if, in its judgment, the change is nonmaterial.

#### 3. Termination

3.1.In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) 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.

#### 4. Transfer of Title and Risk of Loss

- 4.1.The Agreement shall be a shipment contract, unless otherwise specified in the Ordering Document, the delivery of Products shall be: (a) EXW Seller's designated facility (Incoterms 2020) if Buyer opts to cover shipping costs; or (b) CIP (Carriage and Insurance Paid To) Buyer's designated location (Incoterms 2020) if Seller is to cover shipping costs.
- 4.2. Title and risk of loss pass to Buyer upon the earliest of (a) the date of final payment by Buyer for such Products or (b) delivery of the Products as per the agreed Incoterm.

#### 5. Delivery of Products and Services

- 5.1. When a shipping/delivery date is specified by Seller, that date reflects Seller's estimate for the probable time required for completion of Buyer's order, based on Seller's then-current workload, raw material and labor availability, engineering and manufacturing capacity and scheduling. All shipping dates are approximate and shall be computed from the date of entry of the order on Seller's books. All shipping/delivery dates are further subject to Seller's prompt receipt from Buyer of all drawings, information and approvals necessary to provide the Products and satisfaction of any other conditions under the Agreement. Seller shall not incur liability of any kind whatsoever for failure to ship on any particular date.
- 5.2.If shipment of any Products or other performance by Seller is delayed at the request of or due to the fault of the Buyer, the Seller may at its option hold the Products at the place of manufacture at the risk and expense of the Buyer from the time the Products are ready for shipment. In the event of any such delay to shipment, full and final payment for an item shall be due and payable thirty (30) days after the Buyer is notified that the item is ready for shipment. If the Seller is unwilling to accommodate the Buyer by holding such item, then Buyer agrees to accept shipment immediately.
- 5.3.Delivery rescheduled at Buyer's request, if agreed to by Seller, is subject to an additional charge of 2% of the Price if rescheduled within ten (10) days immediately preceding the then-



- current scheduled delivery date, which shall be invoiced at the time of shipment.
- 5.4.Seller may, in its sole discretion, without liability or penalty, make partial shipments of Products to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Buyer's purchase order.
- 5.5.Seller shall use reasonable efforts to meet any performance dates to render the Services specified in the Sales Confirmation, and any such dates shall be estimates only.
- 5.6. With respect to the Services, Buyer shall (a) cooperate with Seller in all matters relating to the Services and provide such access to Buyer's premises, and such office accommodation and other facilities as may reasonably be requested by Seller, for the purposes of performing the Services; (b) respond promptly to any Seller request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Seller to perform Services in accordance with the requirements of this Agreement; (c) provide such customer materials or information as Seller may request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (d) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services before the date on which the Services are to start.

# 6. Cancellation by Buyer

6.1.If Buyer cancels shipment of any purchase order or a portion of any purchase order or reschedules without prior agreement by Seller, any purchase order or a portion of any purchase order, 100% of the invoice charges shall apply and be assessed against Buyer unless otherwise agreed to in writing by an authorized officer of Seller.

# 7. Inspection and Rejection of Nonconforming Products

- 7.1.Buyer shall inspect the Products within five business days of receipt ("Inspection Period"). Buyer will be deemed to have accepted the Products unless it notifies Seller in writing of any Nonconforming Products during the Inspection Period and furnishes such written evidence or other documentation as required by Seller. "Nonconforming Products" means only the following: (a) product shipped is different than identified in Buyer's purchase order; or (b) product's label or packaging incorrectly identifies its contents.
- 7.2.If Buyer timely notifies Seller of any Nonconforming Products, Seller shall, in its sole discretion, (a) replace such Nonconforming

- Products with conforming Products, or (ii) credit or refund the Price for such Nonconforming Products, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Products to Seller in accordance with Seller's instructions. If Seller exercises its option to replace Nonconforming Products, Seller shall, after receiving Buyer's shipment of Nonconforming Products, ship to Buyer, at Buyer's expense and risk of loss, the replaced Products to the Seller's designated facility.
- 7.3.Buyer acknowledges and agrees that the remedies set forth in Section 7.2 are Buyer's exclusive remedies for the delivery of Nonconforming Products. Except as explicitly provided under this Agreement, all sales of Products to Buyer are made on a one-way basis and Buyer has no right to return Products to Seller.

#### 8. First Operation

8.1.Seller shall perform the commissioning of all equipment and systems to ensure proper functionality in accordance with this Agreement, unless otherwise expressly agreed in writing. If commissioning is performed by any party other than the Seller, all warranties and liabilities against the Seller for resulting defects or damages shall be void (reference Section 12).

#### 9. Price

- 9.1.Prices for Products shall be as quoted by Seller or as otherwise mutually agreed in writing ("Price"). Quoted Prices are based on current costs, including costs of purchased components and raw materials. If, at any time after the date of quotation or proposal, Seller's costs of purchased components or raw materials in the Products increases by any amount or if any surcharge is assessed on such purchased components or raw materials, then, in addition to the Product price, Buyer shall pay such additional purchased component or raw material cost or surcharge effective as of the date such increase or surcharge is levied upon the Seller.
- 9.2. Buyer shall pay all handling and other charges incidental to transportation of the Products.
- 9.3.Any tax, duty or related charge which Seller is required to pay to or collect for a governmental authority with respect to Services rendered or the sale, use or delivery of Products shall be billed to Buyer as a separate item, in addition to the Prices provided for herein, and paid by Buyer unless a valid blanket exemption certificate or signed purchase order marked "For Resale" is furnished by Buyer to Seller.
- 9.4.In the event Buyer requests changes to Products after the date of quotation, Seller may unilaterally increase Prices to cover increased costs (plus reasonable overhead and profit) associated with such changes. Where



applicable, Seller may add to the Price and Buyer agrees to pay for the Price of additional Products or portions of Products made necessary by incomplete or inaccurate information supplied by the Buyer. Buyer shall be liable for the Price of all Products substantially conforming to the Agreement, notwithstanding that Buyer may not have accepted or may have revoked acceptance of same.

### 10.Payment Terms

10.1. Unless otherwise specified in the invoice, the purchase Price for Products shall be paid according to the following schedule:

40%	due immediately upon receipt of Seller's confirmation of order
50%	Due before shipment
10%	Due net 30 upon receipt of invoice following delivery or initial startup of Products

- 10.2. For Services performed on a time and materials basis, Seller shall provide Buyer with a written Quote for estimated costs, and upon acceptance, Buyer shall issue a purchase order for the estimated amount. Seller shall invoice Buyer monthly for actual time and materials costs incurred, payable net 30 days from receipt of invoice.
- 10.3. Any payment not made when due shall accrue interest from the date at the rate of 1.5% per month Buyer shall be liable for all costs of collection, suit, and reasonable attorney's fees. Seller shall have the right to stop delivery if Buyer is in arrears with payment.
- 10.4.In no event shall Buyer be entitled to deduct, counterclaim, hold back or set off against the Price of Products or Services, or against any other amount owing under the Agreement or otherwise, any damages, liquidated damages, liens, claims or alleged claims arising out of the Agreement or any other transaction with Seller.

# 11. Security Interest and Right of Reclamation

11.1.As collateral security for the payment of the Price of the Products, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Buyer in, to, and under the Products, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. Seller may file any financing statements, continuation statements, or other security documentation that Seller deems necessary to perfect or maintain its security interest, and Buyer hereby irrevocably authorizes Seller to execute and file such documentation on Buyer's behalf as

- Buyer's attorney-in-fact. The security interest granted under this provision constitutes a purchase money security interest under the Michigan Uniform Commercial Code.
- 11.2. This provision shall apply in the event that Seller has: (a) delivered the Product(s) to Buyer on credit; (b) financed the sale of the Product(s) to Buyer or (c) has been engaged by Buyer for the repair, reconditioning or refurbishment of Product(s). As a condition of Seller allowing Buyer to accept delivery of the Product(s) on credit, Buyer represents and warrants to Seller that Buyer is solvent and is not presently a debtor in any bankruptcy case in any court of competent jurisdiction. In the event Seller becomes insolvent before delivery or while Products are in transit, it will immediately notify Seller. The failure to notify Seller immediately will be construed as a reaffirmation of Buyer's solvency at the time of delivery. Seller will have the right to stop delivery of the Products by a bailee or other third party transporting the same if Buyer becomes insolvent, repudiates or fails to make a payment due, in order to withhold or reclaim the parts under the provisions of the Uniform Commercial Code. In the event Products reach Buyer prior to Seller's ability to stop Products and Buyer cannot make payments within the agreed upon payment terms, Buyer shall return the Products to Seller at Buyer's expense. In the event of Buyer's insolvency, this Agreement shall constitute a demand by Seller for reclamation of the Product(s) in accordance with Section 2-702 of the Uniform Commercial Code and Section 546 (c)(1) of the United States Bankruptcy Code. In the event of Buyer's insolvency, Buyer does hereby waive any defenses to Seller's reclamation of the Product(s) and Buyer shall promptly return possession of the Products to Seller.

# 12.Limited Warranty

- 12.1.Seller warrants to Buyer that the Products will: (a) be free from material defects in materials and workmanship; and (b) materially conform to the Specifications identified in Seller's order acknowledgement and agreed to in writing by Seller. The foregoing warranty shall not cover defects arising from designs which do not adhere to accepted industry design rules or artwork, either received by or generated by Seller, which are found to be incorrect due to incompleteness, incorrect revision level, ambiguity, or any other reason.
- 12.2. The warranty period shall end at the earlier of: (a) 12 months from Buyer's receipt of Products or Services; or (b) 16 months from the date Products are made available for pickup at Seller's facility (EXW) ("Warranty Period").
- 12.3.For Products which are supplied by other vendors and which are resold by Seller without alteration or change ("Third Party Products")



Seller provides only the following warranties: (a) any manufacturer's warranty provided by the original manufacturer of the Third Party Products which seller hereby assigns to Buyer to the extent such assignment is permitted; and (b) Seller's warranty that the Products are furnished free and clear of any liens of third parties created by Seller. Except as set forth in this Section 12.3, Seller makes no warranties of its own for Third Party Products.

- 12.4. Seller warrants to Buyer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.
- 12.5. The Seller shall not be liable for a breach of the warranties set forth in Section 12.1 or Section 12.4 unless within the Warranty Period: (a) Buyer gives written notice of the defective Products or Services, as the case may be, reasonably described, to Seller promptly after Buyer discovers or ought to have discovered the defect; (b) if applicable, Seller is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 12.1 to examine such Products and Buyer (if requested to do so by Seller) returns such Products to Seller's place of business, freight prepaid, for the examination to take place there; and (c) Seller reasonably verifies Buyer's claim that the Products or Services are defective and that such defect is not a result of mishandling, neglect, accident, improper assembly, modifications, soldering, or other misuse by Buyer
- 12.6. The Seller shall not be liable for a breach of the warranty set forth in 12.1 if: (a) the installation, maintenance or use Products is not in conformity with instructions furnished by Seller from time to time, and (ii) the Products have been subjected to misuse, neglect, or accident, or to alteration, improper assembly or installation, modification, repair, improper testing, handling, use or soldering in any respect which, in the judgment of Seller, adversely affects the condition or operation of the Products.
- 12.7.Seller's sole obligation to Buyer hereunder, and the sole and exclusive remedy of Buyer for breach of warranty, for Products failing to meet any applicable warranty shall be, at Seller's discretion, to replace the defective Product or issue Buyer credit for the purchase Price of the defective Product.
- 12.8. Subject to Section 12.5 above, with respect to any Services subject to a claim under the warranty set forth in Section 12.4, Seller shall, in its sole discretion, (i) repair or re-perform the applicable Services or (ii) credit or refund the

- Price of such Services at the pro rata contract rate.
- 12.9.EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION 12, SELLER MAKES NO WARRANTIES WITH RESPECT TO THE PRODUCTS OR SERVICES. ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, ARE EXPRESSLY DISCLAIMED, INCLUDING ANY: (A) WARRANTY OF MERCHANTABILITY; (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR WARRANTY OF NONINFRINGEMENT.
- 12.10.SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR SELLER ANY OTHER WARRANTY OR LIABILITY IN CONNECTION WITH THE SALE, INSTALLATION OR USE OF PRODUCTS AND SELLER MAKES NO WARRANTY WHATSOEVER FOR THIRD PARTY PRODUCTS.
- 12.11. SELLER SHALL NOT BE LIABLE FOR:
  (A) DAMAGES DUE TO DELAYS IN
  DELIVERIES OR USE; OR (B) ANY VALUE
  ADDED SUCH AS COMPONENT COSTS,
  ASSEMBLY, OR TEST.
- 12.12.Buyer waives any causes of action or theories of liability including, but not limited to, those arising under contract, tort, strict liability, product liability, statutes or otherwise, except as specifically provided by the UCC as modified and limited herein. Buyer further waives any right of implied contractual or common law indemnity against Seller for any claim, including, but not limited to, liability for claims for damages to person or property arising out of the use of Products sold to Buyer under this Agreement.

#### 13.Returns

- 13.1.Seller may charge Buyer a return charge equal to twenty-five percent (25%) of the invoice Price of returned Products. Returned Products must be returned to Seller in the original packaging and Buyer must first obtain a written consent from Seller to return the Products. Seller may offset the return charge against any amounts Seller owes to Buyer.
- 13.2.No return from Buyer of Product shall be accepted without Buyer first obtaining a Return Material Authorization (RMA) issued by Seller.

# 14.Indemnification

14.1.Buyer shall indemnify, defend, and hold harmless Seller, and Seller's parent, subsidiary and affiliate companies, and their respective shareholders, officers, directors, employees, representatives and agents, from and against any and all third party claims, damages, losses, judgments, settlements, penalties, costs, and expenses (including reasonable attorney fees) ("Losses") resulting from any claim, action, demand, lawsuit, arbitration, inquiry, or investigation that arise out of or result from, or are alleged to arise out of result from: (a) the



gross negligence or willful misconduct of the Buyer or its employees, customers, or agents; (b) any claims (including infringement, product liability, or tort) related to items manufactured by Seller to Buyer's requested, furnished, accepted, or approved specifications or design; (c) Excluded Claims (defined below); or (d) the use, storage, sale, processing or other disposition of the Products, supplies, or materials used in connection with the Products or parts manufactured with the Products if (i) the action or inaction of Buyer or its employees, customers or agents, or Buyer's design specifications, were a material or proximate cause of injuries or damages giving rise to claims against Seller, or (ii) the claim asserted is inconsistent with the limitation of warranties, limitation of liability, and/or limitation of remedies provisions set forth in this Agreement.

- 14.2. Seller shall indemnify, defend, and hold harmless Buyer from and against all Losses that arise out of or result from, a claim that the Products, when used in accordance with this Agreement and the Documentation, infringe on a third party's United States patent.
- 14.3. Seller's indemnification or liability obligations shall not apply to the extent the damages relate to or arise out of: (a) Third Party Products; (b) Buyer's unauthorized use, misuse, and/or alteration of the Products; (c) Buyer's use of Products in combination with apparatuses, products, circuits or, devices not furnished by Seller; or (d) Buyer's application or use of Products, including any application or process performed or facilitated by such Products ("Excluded Claims").
- 14.4.Each party must promptly notify the other party in writing of any action for which such party believes it is entitled to be indemnified pursuant to Section 14.1 or Section 14.2. The party seeking indemnification (the "Indemnitee") shall cooperate with the other party (the "Indemnitor") at the Indemnitor's sole cost and expense. The Indemnitor shall promptly assume control of the defense and shall employ counsel of its choice to handle and defend the same, at the Indemnitor's sole cost and expense. The Indemnitee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. The Indemnitor shall not settle any claim without the Indemnitee's prior written consent. The Indemnitee's failure to perform any obligations under this Section 14.4 will not relieve the Indemnitor of its obligations under this Section 14, except to the extent that the Indemnitor can demonstrate that it has been prejudiced as a result of such failure.
- 14.5.If any of the Products are finally adjudicated to infringe, misappropriate, or otherwise violate any third-party intellectual property right, Seller may, at its option and sole cost and expense:

  (a) procure for Buyer the right to continue using

such Products, (b) replace such Products with non-infringing products and services of at least equal function and quality, (c) modify such Products so that they become non-infringing, or (d) request the return of such Products and refund the purchase Price less an allowance for depreciation and shipping costs thereof.

14.6.THIS SECTION 14 SETS FORTH BUYER'S SOLE REMEDIES AND SELLER'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE PRODUCTS INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

#### 15.Limitation of Liability

- 15.1.IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY REMEDY OF ITS **ESSENTIAL PURPOSE.**
- 15.2.IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY PRODUCTS OR SERVICES SUPPLIED OR TO BE SUPPLIED UNDER THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE PRODUCT(S) AND/OR SERVICES GIVING RISE TO THE CLAIM.

# 16.Default and Remedies

**16.1.**If Buyer fails, with or without cause, to furnish Seller with instructions for, or refuses to accept deliveries of, any of the Products sold under the Agreement, or is otherwise in default under or repudiates all or any part of the Agreement or any other agreement with Seller, or advises Seller that it shall default in the performance of any of its obligations, or fails to pay when due any invoice under the Agreement or any other agreement with Seller, or if any action is started by or against Buyer seeking the appointment of a trustee or receiver or the entry of an order for debtor's relief for Buyer, then, in addition to any and all remedies allowed by law, Seller may, without notice: (a) bill and declare due and payable amounts for all undelivered Products,



work in process and raw material under the Agreement and/or any other agreement between Seller and Buyer, (b) cease performance of its obligations and defer shipment under the Agreement and/or any other agreement between Buyer and Seller until such default, breach or repudiation is removed, (c) cancel any undelivered portions of the Products and/or any other agreement with Buyer in whole or in part, and/or (d) recover Products in transit or delivered, retrieve delivered Products, repossess all Products which may be stored by Seller for Buyer's account and otherwise enforce its remedies for Buyer's default.

16.2. Buyer shall remain liable for all damages suffered or incurred by Seller in any such circumstances, including, without limitation, for work in process and raw material. Seller shall be awarded incidental damages including, without limitation, reasonable profits and costs such as actual reasonable attorney fees in any proceeding to enforce its remedies in which it obtains relief for damages or injunctive relief. All rights granted to Seller in the Agreement and by law are cumulative, provided Seller shall be entitled to only a single full recovery.

#### 17. Force Majeure

- 17.1. No party shall be liable or responsible to the other party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of Buyer to make payments to Seller hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") control, including, without limitation, the following force majeure events ("Force Majeure Event(s)"): (a) acts of God; (b) flood, fire, earthquake, explosion, pandemics, epidemics, public health emergencies; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or actions; (e) sanctions, tariffs, embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) telecommunication breakdowns, power outages or shortages, lack of warehouse or storage space, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and (i) other events beyond the control of the Impacted Party.
- 17.2. The Impacted Party shall give prompt notice of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall

- resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.
- 17.3.In the event that the Impacted Party's failure or delay remains uncured for a period of four weeks following written notice given by it under Section 17.2, either party may thereafter terminate this Agreement, on whole or in part. In the event of termination under this provision, Buyer shall reimburse Seller for all expenses and direct costs incurred prior to termination in connection with the terminated order (including materials, labor, and reasonable overhead), but excluding any lost profits or unearned markup.

#### 18. Confidentiality and Intellectual Property

- 18.1.All non-public, confidential or proprietary information of Seller, including but not limited to, specifications, drawings, reproductions, designs, engineering instructions, photographs, reproducible copy, parts lists, plans, reports, working papers samples, documents, data, business operations, customer lists, or pricing, disclosed by Seller to Buyer ("Confidential Information"), whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return or destroy all Confidential Information. Seller shall be entitled to injunctive relief for any violation of this Section 18. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.
- 18.2.Unless otherwise agreed, Buyer acknowledges that any information disclosed to Seller is subject only to Buyer's patent rights, without any other restrictions on Seller's use, including reproduction, modification, disclosure or distribution of the information. Buyer agrees not to label any such information with a notice asserting that the information is proprietary or confidential to Buyer. In addition, Buyer agrees not to assert any claim (other than a claim for patent infringement) against Seller, Seller's customers, or their respectives suppliers, with respect to any information that Buyer has disclosed or may disclose to Seller in connection with the Products.
- 18.3.Seller retains all rights with respect to the Confidential Information, and Buyer shall not acquire, nor attempt to obtain, any patent, trademark, copyright, license or other rights in respect of the Confidential Information.
- 18.4. Any invention or other information, whether patentable or not, developed by Seller in the



performance of the Agreement shall remain the property of Seller. Seller shall be under no obligation to refrain from using in its business any of Seller's proprietary information disclosed to Buyer under this Agreement.

#### 19. Assignment

19.1.Buyer shall not assign this Agreement or any interest therein or any rights thereunder without the prior written consent of Seller, and any purported assignment without such consent shall be void.

# 20.Technical Advice and Engineering Disclaimer

20.1. Buyer acknowledges and agrees that: (a) Any technical advice provided by Seller regarding Product(s) use or operation is provided free of charge; (b) Seller assumes no obligation or liability for any advice given or results obtained, and all such advice is accepted by Buyer at its own risk; (c) Seller is not an engineering firm and does not provide engineering services; (d) specifications and requirements for Buyer's particular use of the Products are beyond Seller's knowledge and expertise; (e) Buyer has either: (i) consulted with engineers or other appropriate specialists, or (ii) had the opportunity to do so; and has independently determined that the Product specifications meet Buyer's requirements; (f) Buyer is not relying on any advice, recommendations, or representations from Seller regarding the suitability of the Products for Buyer's intended use; and (g) Seller has not received information about, evaluated, or made any representations regarding the adequacy of the Products for Buyer's intended purpose.

# 21. Dispute Resolution

- 21.1.Buyer and Seller agree that this Agreement is made and entered into in the State of Michigan, and shall be governed by, subject to, and construed in accordance with the laws of the State of Michigan. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is hereby excluded and shall have no effect on this contract.
- 21.2.In the event of any dispute, controversy, or claim arising out of or relating to this Agreement ("Dispute"), Buyer and Seller shall first attempt to resolve such Dispute through good faith negotiations between their respective senior executives with authority to settle the Dispute. Either party may initiate such negotiations by providing written notice to the other party setting forth the subject of the Dispute in reasonable detail ("Dispute Notice"). The designated executives of Buyer and Seller shall meet at a mutually acceptable time and place within thirty (30) days after delivery of the Dispute Notice, and thereafter as often as they reasonably deem necessary, to attempt to resolve the

- Dispute. All negotiations pursuant to this Section shall be confidential.
- 21.3.If the Dispute has not been resolved by negotiation within sixty (60) days after delivery of the Dispute Notice, the Dispute shall be finally settled by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules then in effect. The place of arbitration shall be Detroit, Michigan. The language of the arbitration shall be English. The arbitrator(s) shall award to the prevailing party, if any, as determined by the arbitrator(s), its reasonable attorneys' fees and costs.
- 21.4. Notwithstanding the foregoing, either party may seek interim or provisional relief in any court of competent jurisdiction in Michigan if necessary to protect the urgent interests of such party before the arbitration is commenced or the arbitrator(s) is/are appointed.

#### 22.General

- 22.1. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement 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.
- 22.2.This Agreement 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.
- 22.3.All notices, requests, 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 the Ordering Document 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 prepaid), email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.
- 22.4. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement operates or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder



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

22.5. The provisions of this Agreement are severable and if any one or more such provisions are judicially determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions or portions of this Agreement shall nevertheless be binding on and be enforceable by and between the parties.