

Gexpro Services, a division of General Supply & Services, Inc.
Terms & Conditions of Purchase

1. **COMPLETE CONTRACT:** This document contains the complete and exclusive statement of the terms of the agreement between Buyer and Seller. It supersedes all previous requests, quotations or agreements. If Seller accepts this Purchase Order ("Order") or provides any items listed in the Order, Seller is deemed to have agreed to these conditions. **Any attempted acknowledgment of this order containing additional to different terms is not binding unless specifically accepted by buyer in writing.**
2. **PRICE:** Buyer shall pay Seller the price shown on this Order. The price is firm and not subject to escalation without Buyer's written consent. No extra charges of any kind (e.g. charges for boxing fuel surcharges or cartage) will be allowed. If there are any issues regarding additional costs, they must be surfaced to Buyer prior to shipment and Buyer must issue a written change order to Seller. If Buyer's shipping instructions are not followed, Buyer will deduct any excess costs from Seller.
3. **PAYMENT:** Buyer agrees to pay any valid invoice 2.5% average 30, average net 75 days from receipt via check at U.S. banks, electronic funds transfer at foreign banks, or upon other such terms approved by Buyer in writing.
4. **HOLD FOR RELEASE:** If this is a "hold for release" Order and/or "for drawings only", then Buyer shall not incur any liability to Seller for the products unless and/or until Buyer instructs Seller in writing to proceed with product production and/or further performance.
5. **CHANGES:** Buyer, at any time, shall have the right to make changes to the purchase order including without limitation changes to the quantities, specifications, method of shipment, packing, place of delivery or delivery schedule. Seller shall notify Buyer within 10 days if any change affects price or delivery so that parties can negotiate an equitable adjustment. All changes must be acknowledged in writing and signed by an authorized representative of Buyer. If Seller considers that the conduct of any of Buyer's employees has constituted a change hereunder, Seller shall notify Buyer's authorized representative immediately in writing as to the nature of the change and its effect on Seller's performance including delivery schedule and the amount to be paid to Seller. Pending written direction from the Buyer, or after negotiation of any adjustments, Seller shall take no action to implement such Change. Buyer shall have no liability hereunder for cost of obsolescence, scrap, rework of materials and parts which Seller has released for manufacture in advance of Seller's normal manufacturing process without Buyer's prior written consent. No departure shall be made from Buyer's Specifications, nor any change made in materials, sources of supply, or design, manufacturing or assembly processes. Seller must request approval from Buyer of any proposed changes in writing, via the Supplier Deviation Request (SDR) form. Buyer reserves sole right to accept or reject such changes. Failure to do so could result in penalties and or termination of purchase order for default.
6. **DELIVERY AND PERFORMANCE:** Seller shall provide deliverables and perform services according to Buyer's schedule. If Buyer request that the Order be shipped "collect", Seller shall use the transportation carrier designated by Buyer. If Seller is unable to make delivery in accordance with the schedule, Seller shall immediately notify Buyer and provide a revised date. Seller is not liable for delays in performance or delivery due to a cause beyond its reasonable control. If Seller does not comply with Buyer's delivery schedule or fails to make progress as to endanger performance, Buyer may, at its option, either approve a revised delivery schedule or terminate this Order without liability to Buyer, in addition to pursuing any other rights. Buyer may return, at Seller's expense, items delivered to Buyer early.
7. **WARRANTIES:** Seller warrants that the products are new and covered by the manufacturer's warranty, which will be extended to the Buyer and/or the Buyer's customer. Seller also warrants that the products and services sold will be free from defects in material, workmanship and title, and will conform to the requirements of this Order for a period of at least twelve (12) months from the date of shipment to the ultimate customer, or twelve (12) months after completion of services. **Any attempt by Seller to limit, disclaim, or restrict any such warranties or any remedies of Buyer, by acknowledgment or otherwise, in accepting or performing this order, shall be null, void, and ineffective without Buyer's written consent. Seller's warranties shall run to Buyer, its successors, assigns, customers at any tier, and ultimate users and joint users.**
8. **LIABILITY:** Seller agrees to defend Buyer, at Seller's expense, against all claims made against Buyer, arising out of or relating to Seller's products or Seller's performance under this Order, including but not limited to, claims based on (1) breach of any of the warranties set forth in this contract, (2) late performance (except excusable delays), (3) defective products or performance, (4) failure of products or your performance to conform to specifications, the National Electrical Code or government code requirements, or (5) infringement of any patent, trademark or copyright. Seller further agrees to indemnify Buyer for all judgments, settlements, expenses and legal fees that Buyer incurs arising from such claims, including, if Seller fails to defend, legal fees and expenses of enforcement of this indemnity.
9. **WORK ON PREMISES:** Seller shall ensure that its personnel comply with Buyer's or Buyer's customers environmental and safety requirements for any work performed on Buyer's or Buyer's customer premises. Seller shall indemnify Buyer and Buyer's customer from any claim which may result in any way from any act or omission by Seller or Seller's representatives while performing Work on Buyer's or Buyer's customers premises, except to the extent that such claim is due solely and directly by an act or omission Buyer or Buyer's customer.
10. **ASSIGNMENT:** Any assignment of the Order will be void without the other party's prior written consent, which will not be unreasonably withheld.
11. **SET-OFF:** Buyer may at all times set off any amount that Seller, or any affiliate of Seller, owes to Buyer against any amount that Buyer, or any Buyer affiliate, owes to Seller.
12. **TERMINATION:** Buyer may terminate any part of the Order for its convenience at any time. If this occurs, Buyer shall negotiate reasonable termination charges with Seller. Buyer may terminate the Order with no further liability to Buyer, in addition to pursuing other remedies, if (1) Seller fails to perform any provision of this Order or fails to make progress as to endanger performance, and Seller does not cure such failure within ten (10) days after Buyer provides Seller with written notice, (2) Seller ceases to conduct operations in the normal course of business, (3) any proceeding under any bankruptcy or insolvency laws is brought by or against Seller, (4) a receiver is appointed or applied for, or (5) an assignment for the benefit of creditors is made by Seller.
13. **INSURANCE:** Seller shall maintain during the term of this Order, at its own expense, Workers' Compensation insurance as required by law, employer's liability insurance, general liability insurance and automobile insurance in amounts acceptable to Buyer. Seller agrees to provide Buyer with one month's written notice of any change in, or cancellation of, the insurance. Upon request, Seller shall provide Buyer with a certificate of insurance evidencing that the required minimum coverage is in effect and that Buyer, its directors, officers, employees, agents and representatives are named as additional insureds, provide a waiver of subrogation clause in favor of the additional insureds, and provide that all coverage provided by the Seller shall be primary. Such insurance shall also cover the actions of a subcontractor that Seller may utilize under this purchase order. If the Seller is a Manufacturer of products (or aviation segment products), then Seller agrees to maintain product liability insurance (or aviation product liability insurance), in accordance with the requirements above, with insurers and minimum amounts acceptable to Buyer covering its interests as a Buyer of Seller's products; it being understood that the maintenance of such product liability insurance coverage shall not be a satisfaction of Seller's liability hereunder or in any way modify Seller's indemnification of Buyer.

14. **GOVERNMENTAL COMPLIANCE:** Seller shall comply with all laws and regulations applicable to the Order when the items are delivered or services are performed, including without limitation:

- 14.1. Fair Labor Standards Act. Seller represents that the items were produced in compliance with the Fair Labor Standards Act of 1938 as amended.
- 14.2. Use of Workers/Subcontractors. Unless exempt, Seller shall comply with the Equal Opportunity Clause in 41 CFR 60-1.4; the Affirmative Action Clause regarding Disabled Veterans and Veterans of the Vietnam Era in 41 CFR 60-250-4; the Affirmative Action Clause regarding Handicapped Workers in 41 CFR 60-741.4; any other provisions required by the Office of Federal Contract Compliance Programs as set forth in 41 CFR Chapter 60; and any other applicable Executive Orders.
- 14.3. Environmental Safety. Seller represents and warrants that each chemical substance listed or contained in an item listed in the Order is on the list of chemical substances published by the Administrator of the Environmental Protection Administration under the Toxic Substances Control Act as amended. Seller also warrants that the items comply with the Federal Hazardous Substances Act as amended.
- 14.4. Labor Force. Seller certifies that no products supplied under this Order have been produced utilizing forced, indentured or convict labor or utilizing the labor of persons in violation of the minimum working age law in the country of manufacture. In the event Buyer determines that Seller's certification is untrue, Buyer shall have the right to immediately terminate this Order without further compensation to Buyer.
- 14.5. Material Safety Data Sheets ("MSDS"). Seller shall provide MSDS sheets, as required by law with each shipment or on Seller's website.

15. **CONFIDENTIAL INFORMATION:** Seller shall keep confidential any technical, process, proprietary or economic information derived from drawings, 3D or other models, specifications and any other data and/or information furnished by Buyer in connection with this Order (the "Confidential Information") and shall not divulge, directly or indirectly, the Confidential Information for the benefit of any other party without Buyer's prior written consent. Confidential Information shall also include any notes, summaries, reports, analyses or other material derived by Seller in whole or in part from the Confidential Information in whatever form maintained (collectively, "Notes"). Except as required for the efficient performance of this Order, Seller shall not use or permit copies to be made of the Confidential Information without Buyer's prior written consent. If any such reproduction is made with prior written consent, notice referring to the foregoing requirements shall be provided thereon. The restrictions in this Section regarding the Confidential Information shall be inoperative as to particular portions of the Confidential Information disclosed by Buyer to Seller if such information: (i) is or becomes generally available to the public other than as a result of disclosure by Seller; (ii) was available on a non-confidential basis prior to its disclosure to Seller; (iii) is or becomes available to Seller on a non-confidential basis from a source other than Buyer when such source is not, to the best of Seller's knowledge, subject to a confidentiality obligation with Buyer, or (iv) was independently developed by Seller, without reference to the Confidential Information, and Seller can verify the development of such information by written documentation. Upon completion or termination of this Order, Seller shall promptly return to Buyer all Confidential Information, including any copies thereof, and shall destroy (with such destruction certified in writing by Seller) all Notes and any copies thereof. Any knowledge or information, which Seller shall have disclosed or may hereafter disclose to Buyer, and which in any way relates to the goods or services purchased under this Order (except to the extent deemed to be Buyer's Property), shall not, unless otherwise specifically agreed to in writing by Buyer, be deemed to be confidential or proprietary, and shall be acquired by Buyer free from any restrictions (other than a claim for infringement), as part of the consideration for this Order and, notwithstanding any copyright or other notice thereon, Buyer shall have the right to use, copy, modify and disclose the same as it sees fit. Seller shall not make any

announcement, take or release any photographs (except for its internal operation purposes for the manufacture and assembly of the goods), or release any information concerning this Order or any part thereof or with respect to its business relationship with Buyer, to any third party, member of the public, press, business entity, or any official body except as required by applicable law, rule, injunction or administrative order without Buyer's prior written consent

16. **WAIVER:** A waiver or renunciation can discharge no claim or right arising out of a breach of this Order in whole or in part, unless supported by consideration and made in writing signed by the aggrieved party. Either party's failure to enforce any provisions hereof shall not be construed a waiver of a party's right thereafter to enforce each and every such provision.

17. **SUPPLIER SECURITY:** Seller shall have and comply with a company security and crisis management policy. Upon Buyer's request, Seller shall provide Buyer a copy thereof and certification (in a form acceptable to Buyer) of Seller's compliance with this Article. Seller shall revise and maintain the policy proactively, and as may be requested by Buyer, in anticipation of security and crisis risks relevant to the Seller's business. Seller's policy, at a minimum, shall identify, and require the taking, by Seller's management and employees, of the measures necessary to do the following:

- (a) provide for the physical security of the people working on Seller's premises and others working for or on behalf of Seller;
- (b) provide for the physical security of Seller's facilities and physical assets related to the performance of work, including, in particular, the protection of Seller's mission critical equipment and assets;
- (c) protect from the loss of, misappropriation of, corruption of, and/or other damage to software related to the performance of work;
- (d) protect from the loss of, misappropriation of, corruption of, and/or other damage to Buyer's and Seller's drawings, technical data, and other proprietary information related to the performance of work;
- (e) provide for the prompt recovery -- including through preparation, adoption, and maintenance of a disaster recovery plan -- of facilities, physical assets, software, drawings, technical data, other intellectual property, and the Seller's business operations in the event of a security breach, incident, crisis or other disruption of Seller's ability to use the necessary facilities, physical assets, software, drawings, technical data, or other intellectual property or to continue operations;
- (f) for any deliveries of Goods originating outside of the United States for delivery to the United States, review by Seller of the requirements of the Customs-Trade Partnership Against Terrorism ("C-TPAT") for Air Carriers, Rail Carriers, Sea Carriers and Highway Carriers comply with the security procedures outlined by the United States Customs Service at http://www.customs.gov/xp/cgov/import/commercial_enforcement/ctpat/, as modified from time to time;
- (g) identify an individual contact (name, title, location and email/telephone/fax numbers) responsible for Seller's facility, personnel, and shipment security measures.

Buyer reserves the right to inspect Seller's policy and to conduct on-site audits of Seller's facility and practices to determine whether Seller's policy and Seller's implementation of the policy are reasonably sufficient to protect Buyer's interests. If Buyer reasonably determines that Seller's policy and/or policy implementation is/are insufficient to protect Buyer's property and interests, Buyer may give Seller notice of such determination. Upon receiving such notice, Seller shall have forty-five (45) days thereafter to make the policy changes and take the implementation actions reasonably requested by Buyer. Seller's failure to take such actions shall give Buyer the right to terminate this purchase order immediately without further compensation to Seller. Seller agrees that it will make reasonable efforts to become a member of C-TPAT in a timely manner, if it is eligible to do so. At Buyer's

request, Seller shall inform Buyer of Seller's C-TPAT membership status and its anticipated schedule for participation in C-TPAT. When Seller does not exercise control of manufacturing or transportation of Goods destined for delivery to Buyer or its customers in the United States, Seller agrees to communicate C-TPAT security recommendations to its suppliers and transportation providers and to condition its relationship to those entities on their implementation of such recommendations, unless Seller is using such supplier and transportation provider at Buyer's request.

18. **FREIGHT POLICY:** Seller shall comply with the terms of the Buyer's Freight Policy, as defined in SIF220, as amended
19. **PROCUREMENT CLAUSES:** Seller shall comply with the terms of the Buyer's Procurement Clauses, as defined in SIF210, as amended. These clauses are designed to communicate standard and custom requirements. Standard clauses shall apply universally to all Orders without reference. Custom clauses shall be referenced on contracts and/or purchase orders, as applicable.
20. **QUALITY ASSURANCE:** In the event that a quality defect or non-conformance attributable to the Seller is detected, Seller shall be responsible for replacement cost and/or material cost, laboratory testing fees, and expedited freight costs. End customer liquidated damages and other costs associated with the defect or non-conformance shall be shared to the extent each party is responsible.
21. **BUYER'S PROPERTY:** All tangible and intangible property, including but not limited to tools, tool drawings, materials, sample parts, processes, procedures, process parameters, drawings, computer software, documents, information or data of every description furnished to Seller by Buyer, or by Buyer's affiliates, subsidiaries or contractors, or paid for in whole or in part by Buyer, and any replacement thereof, or any materials affixed or attached thereto, shall be and remain the personal property of Buyer, and, unless otherwise agreed to in writing by Buyer shall be used by Seller solely to render services or provide products to Buyer. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as being the property of Buyer or Buyer's designee, and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's purchase orders. Such property while in Seller's custody or control shall be held at Seller's risk and shall be insured by Seller for replacement cost with loss payable to Buyer. Such property shall be subject to prompt removal or return at Buyer's written request, in which event Seller shall prepare such property for shipment and shall deliver it as directed by Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense. Buyer shall have the right to audit all pertinent books and records of Seller, and to make reasonable inspections of Seller's facilities to verify compliance with this Article.
22. **RIGHT OF ACCESS & AUDIT:** Buyer and Buyer's representatives, customers, or regulatory authorities shall have the right of access & audit, on a non-interference basis, to any area of Seller's or Seller's supply chain sub-tier premises where any part of the work is being performed. Seller shall flow this requirement down to its sub sub-tier supply chain suppliers. Seller shall, without additional costs to Buyer, provide all reasonable in-plant accommodations, facilities, and assistance for the safety and convenience of the Buyer and the Buyer's representatives in the performance of their duties.