

COLDWATER MACHINE COMPANY

TERMS AND CONDITIONS OF PURCHASE

1. Acceptance of Terms.

Seller agrees to be bound by and to comply with all terms set forth herein and in the purchase order, to which these terms are attached and are expressly incorporated by reference (collectively, the "Order"), including any amendments, supplements, specifications and other documents referred to in the Order and agreed to by Seller. Acknowledgement of the Order, including without limitation, by beginning performance of the work called for by the Order, shall be deemed acceptance of the Order. The Order does not constitute an acceptance by Buyer of any offer to sell, any quotation, or any proposal. Reference in the Order to any such offer to sell, quotation or proposal shall in no way constitute a modification of any of the terms of the Order. **ANY ATTEMPTED ACKNOWLEDGMENT OF THE ORDER OR ANY INVOICE CONTAINING TERMS INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF THE ORDER IS NOT BINDING UNLESS SPECIFICALLY AGREED BY THE BUYER IN WRITING.**

2. Prices and Payment.

- a) All prices for products and services purchased hereunder (hereinafter referred to as "Items") are firm and shall not be subject to change. Unless otherwise provided on the face of the Order, THE PRICES APPEARING HEREIN INCLUDE ALL PACKAGING, CRATING, AND FEDERAL, STATE, AND LOCAL TAXES, IF APPLICABLE, AND ARE FIRM FOR THE DELIVERY PERIOD SHOWN.
- b) Seller warrants that none of the Items furnished under the Order are surplus, used, remanufactured or reconditioned or of such age or so deteriorated as to impair the usefulness or safety thereof, unless otherwise specifically stated on the face of the Order.
- c) Payment terms are stated on the face of the Order. Unless otherwise stated on the Order, payment terms are net thirty (30) days from the Payment Start Date. The Payment Start Date is the latest of: the date the Items are received, or the date of receipt of a valid invoice by Buyer. Payment will be made in accordance with the standard practices of the Buyer regarding payment cycles processes.

3. E-Business and Supplier Online Reps and Certs Portal.

At Buyer's direction, Seller shall access and use Buyer's e-business website in connection with Seller's duties under the applicable Order and shall comply with all requirements therein which are consistent with the applicable Order. Buyer shall provide reasonable assistance to Seller in its use of the e-business website. Seller shall plan manufacturing time to support the forecasted quantities for each Product as set forth on the applicable Order, and as detailed within the e-business website. In addition, Seller shall ensure that it updates the applicable

required information on the CMC's Supplier Online Reps and Certs Portal (<https://www.coldwatermachine.com>) on an annual basis, or as otherwise required by Coldwater Machine Company.

4. Deliveries and Shipment.

Delivery of Items in accordance with the requested schedule date(s) is a material requirement of the Order. WHEN TIME IS OF THE ESSENCE; Seller will, at its expense, expedite delivery by the most expeditious way if the delivery schedule is endangered for any reason other than Buyer's fault. Buyer reserves the right to reject all or any part of any delivery that varies from the quantity authorized by Buyer for shipment. All Items shall be packaged in accordance with good commercial practice in a manner sufficient to ensure arrival in an undamaged condition, or when specified, in accordance with Buyer's instructions. Seller shall comply with any additional shipping instructions identified on the face of the Order. If requested by Buyer, Seller shall give notice of shipment to Buyer at the time of delivery of any shipment of Items to any carrier for transportation. Title and risk for loss of Items, shall transfer to Buyer at the point of delivery to Buyer's destination, unless earlier agreed pursuant to other provisions of the Order.

5. Inspection.

Notwithstanding payment, passage of title, or prior inspection or test, all Items are subject to final inspection and acceptance or rejection by Buyer. At all reasonable times, including the period of manufacture, Buyer, its customers, and/or representatives of relevant regulatory agencies where applicable may inspect and/or test the Items to be furnished hereunder at the places where the work is being performed, including those of the Seller's suppliers, and Seller shall provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and test. Buyer may inspect 100% or a sample of all Items or any lot of Items at Buyer's option, and Buyer shall have the right to reject all or any portion of the Items or lot of Items if any such inspection reveals them to be, in Buyer's reasonable opinion, defective or nonconforming. Seller shall provide and maintain a test and inspection system acceptable to Buyer and its customers, if required. Records of all inspection work by Seller shall be kept complete and available to Buyer and its customers during the performance hereof and for seven (7) years after final payment by Buyer or for such longer period as may be specified elsewhere.

6. Warranty.

Seller warrants that for a period of two (2) years after acceptance of the Items, that all Items furnished to Buyer will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications, and samples, will meet all functional and performance requirements and, to the extent the Order calls for services to be performed, that such services will be free from defects in workmanship, will meet all requirements of the Order and will be performed to the highest standards of workmanship in the industry (all of which are

hereinafter collectively referred to as “Conforming Items”). At Buyer’s discretion, Seller shall repair, replace, or refund the value of the Items that fail to comply with this warranty. Seller shall be responsible for the payment of any shipping and processing costs associated with the return of any non-Conforming Items; in the case that Buyer has paid for any such shipping costs, Seller shall reimburse Buyer for all shipping, processing and priority costs incurred in relation to the non-Conforming Items.

In the event non-Conforming Items are furnished and returned to Seller, within ten (10) business days after notifying Seller of the non-Conforming Items, Seller shall have repaired or replace such non-Conforming Items. The failure of Seller to have repaired or replaced, and redeliver such non-Conforming Items within such ten (10) business day period shall entitle Buyer, at its election and in addition to any other rights or remedies it may have at law or in equity, to have such non-Conforming Items repaired or replaced at Seller’s expense. Should Buyer receive non-Conforming Items, Buyer shall always retain the right to terminate the applicable Order and any associated Orders without obligation to remit payment for Items not yet received; in such an event, upon Buyer’s request, Seller shall issue to Buyer a pro-rated refund of fees paid for the non-Conforming Items. This remedy is not exclusive and shall be in addition to any other remedy available at law, in equity, or under the Order. In addition to the costs of repairing or replacing such non-Conforming Items Seller agrees that, notwithstanding the provisions of any warranties, expressed or otherwise, negotiated with respect to Items purchased from Seller by Buyer or Buyer’s customers, Seller shall reimburse Buyer for labor and material cost, including overhead and general administrative expense reasonably incurred by Buyer and any other costs incurred by Buyer from its customers related to the non-Conforming Item.

In addition to the specified warranties of this section (6), the seller has not disclaimed any Uniform Commercial Code (UCC) warranties, and as such, all UCC warranties remain applicable and in force.

7. Changes.

Buyer may at any time make changes within the general scope of the Order in any one or more of the following: a) drawings, designs or specifications where the goods to be furnished are to be specially manufactured for Buyer; b) method of shipment or packing; c) place and time of delivery; d) amount of Buyer’s furnished property; e) quality; f) quantity; or g) scope or schedule of the Items. If any changes cause an increase or decrease in the cost, or the time required for the performance of any work under the Order, a mutually agreed upon equitable adjustment shall be made in the Order price or delivery schedule, or both, in writing. Any claim for adjustment related to obsolescence, scrap, and/or rework resulting from any change shall be limited to the materials in process at the time of the change and within the Seller’s normal manufacturing cycle needed to meet the Purchaser’s delivery schedule. Any Seller claim for

adjustment under this clause will be deemed waived unless asserted within thirty (30) days from Seller's receipt of the change or suspension notification, and may only include reasonable, direct costs that will necessarily be incurred as a direct result of the change. Notwithstanding the above or any other provision of the Order, Seller hereby agrees that any changes made to meet the specified performance requirements of the Order shall not entitle Seller to any adjustment in either price or delivery. During performance of the Order, Seller shall not make any changes in the design of Items to be furnished by Seller under the Order without advance written notification to and written approval of Buyer. The above requirement applies whether or not there is a cost impact associated with the change and regardless of the type of change involved, including product improvements.

8. Confidentiality.

- a) All tangible and intangible property, including, but not limited to, information or data of any description, tools, materials, drawings, computer software, know-how, documents, trademarks, copyrights, equipment or material furnished to Seller by Buyer or specially paid for by Buyer, and any replacement thereof, or any materials affixed or attached thereto, shall be and remain Buyer's property (hereinafter referred to as "Buyer Proprietary Information and Property"). Except to the extent specifically provided in the Order, Seller shall have no rights in any Buyer Proprietary Information and Property. Subject to the provision of Article 8 b) below, Seller may use Buyer Proprietary Information and Property only in the performance of work for Buyer and, upon Buyer's request, Seller will deliver all Buyer Proprietary Information and Property and all copies thereof to Buyer.
- b) Seller may not disclose Buyer Proprietary Information and Property to any person or entity without Buyer's prior written permission. If, with Buyer's prior written permission, Seller furnishes Buyer Proprietary Information and Property to any supplier or subcontractor of Seller for use in performance of Buyer's Orders, Seller shall (i) insert the substance of this Article in all orders to such supplier or subcontractor; and (ii) remain responsible hereunder for any breach by such supplier or subcontractor of this Article.
- c) Seller shall not disclose the making of any Order in any journal, magazine or other publication or any other medium or use Buyer's or any other Buyer affiliate's name or logo (including any trade mark) in any of its advertising or publicity material without Buyer's prior written consent, which may be withheld or given in Buyer's absolute discretion.

9. Intellectual Property.

The Seller agrees to indemnify, defend, and hold harmless Buyer from all costs and expenses related to any suit, claim or proceeding brought against the Buyer or its customers based on a claim that any service, article or apparatus, material, equipment, part, device or process, or any part thereof included in the Items furnished hereunder, or any device or process necessarily resulting from the use thereof, constitutes an infringement of any patent, copyright, trademark, trade secret or other intellectual property right of any third party. Buyer shall notify

Seller promptly of any such suit, claim or proceeding and give Seller authority, information, and assistance (at Seller's expense) for the defense of same and Seller shall pay all damages and costs awarded therein. If use of said service, article or apparatus, material, equipment, part, device or process is enjoined, Seller shall, at its own expense and at its option, either procure for Buyer the right to continue using said article or apparatus, material, equipment, part, process or device, (or in the case of a service, Seller shall procure for Buyer the right to continue receiving such service) or replace same with a non-infringing equivalent. Where neither of the foregoing options is possible, Seller shall reimburse Buyer for all fees that it has paid for the impacted Items.

Any Intellectual Property created in the course of activity between Buyer and Seller is owned by the Buyer, unless specifically agreed to in writing by both parties.

10. Seller's Status.

It is understood and agreed that Seller and/or its employees engaged in the performance of the Order by Seller are not employees of Buyer and are not entitled to Buyer employee benefits or privileges or any payment from Buyer (other than as expressly provided for in the Order) and the Seller shall pay the salaries or expenses, applicable taxes, including Social Security and unemployment benefits of said employees. Seller shall also pay any expenses normally paid by an employer in connection with its employees assigned to Buyer's account. Seller and its employees are and shall be deemed to be independent contractors at all times during its performance of the work specified in the Order.

11. Compliance with Laws and Governmental Requirements.

Seller shall comply with all applicable state, federal, local, national and provincial laws, rules and regulations, including but not limited to any Ohio Supply Chain Regulations, the most current European regulation for Registration, Evaluation, Authorization (and Restriction) of Chemicals ("REACH"), the most current European Restriction of the use of certain Hazardous Substances Directive ("ROHS"), the most current European Waste Electrical and Electronic Equipment Directive ("WEEE"), and all applicable registration and licensing requirements under the export control laws of the United States and the laws of the countries in which Seller operates. Seller shall not disclose, transfer or export hardware or technical data controlled under the International Traffic in Arms Regulations ("ITAR") or the Export Administration Regulations ("EAR") to any non-U.S. person or firm, including non-U.S. persons employed by or associated with Seller, nor to any non- U.S. government, without first complying with all requirements of the ITAR or the EAR, including the requirement for obtaining an export license or other required authorization. Seller shall provide to the Buyer the USML category number and/or the Export Control Classification Number, as applicable, for products and technical data delivered under this Order. Seller shall comply with all United States Department of Commerce Safe Harbor requirements relating to the protection of personal data.

All manufacturers, exporters, and brokers of defense articles, defense services, or related technical data, as defined on the United States Munitions List (part 121 of the ITAR), are required to register with the U.S. Department of State's Directorate of Defense Trade Controls ("DDTC"). Certain Buyer entities are manufacturers of defense articles, and as such, certain Sellers of specifically designed parts, components, accessories and attachments are also considered manufacturers of defense articles under the ITAR. Therefore, in order to comply with the ITAR, Buyer's U.S. Sellers of defense articles under subcontract to Buyer must access: <http://www.pmddtc.state.gov/registration/index.html> and review the DDTC registration requirements.

Defense Priorities and Allocations System Regulation: The Order may contain rated order quantities certified for national defense use, and in such instances, Seller is required to follow all the provisions of the Defense Priorities and Allocations System regulation (15 CFR part 700) only as it pertains to the rated quantities.

12. Counterfeit Goods.

For the purposes of this Article, Goods consist of those parts deliverable under this contract that are the lowest level of separately identifiable items (e.g., articles, components, goods and assemblies). "Counterfeit Goods" means Goods or Items that have been misrepresented as having been designed and/or produced under an approved system or other acceptable method. Counterfeit Goods include, but are not limited to: (i) Goods or Items that are an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer ("OEM") item; (ii) an item that does not contain the proper internal or external materials or components or is not manufactured in accordance with the OEM design; (iii) Goods or Items that are used, refurbished, or reclaimed but that Seller represents as being new; (iv) Goods or Items that have not successfully passed all OEM required testing, verification, screening, and quality control but that Seller represents as having met those requirements; (v) a Good or Items with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM Good is a genuine Good or Item when it is not.

Seller warrants and certifies that Goods and Items delivered pursuant to this contract, unless otherwise specifically stated on the face of the Order, shall (i) be new, (ii) be and only contain materials obtained from the OEM or an authorized OEM reseller or distributor, (iii) not be or contain any Counterfeit Goods, and (iv) contain only authentic, unaltered OEM labels and other markings. Goods and Items shall not be acquired from independent distributors or brokers unless specifically authorized in writing by Buyer.

Seller shall maintain a method of item traceability that ensures traceability of the supply chain back to the manufacturer of all electrical, electronic, electromechanical, power transmission,

fluid power, machine tool and other parts (commercial or special) sold separately as Goods or Items or included in assemblies and subassemblies being delivered per this contract. This traceability method shall clearly identify the name and location of all of the supply chain intermediaries from the manufacturer to the direct source of the product for Seller, and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications. When requested by Buyer, Seller shall provide OEM documentation that authenticates traceability of the affected items to the applicable OEM.

Seller shall immediately notify Buyer in writing of the pertinent facts if Seller knows or has reason to believe that Counterfeit Goods have been delivered under the applicable Order.

In the event Goods or Items delivered under this contract constitute Counterfeit Goods, Seller shall at its expense promptly replace such Goods with genuine Goods conforming to the requirements of this contract. Notwithstanding any other provision of this contract, Seller shall be liable for all costs relating to the removal or replacement of Counterfeit Goods, including without limitation Buyer's or Buyer's customer's costs of removing such Counterfeit Goods, reinserting genuine Goods or Items, and any testing necessitated by the reinstallation of any Goods or Items after Counterfeit Goods have been exchanged. Buyer reserves the right to turn over suspected Counterfeit Goods to U.S. Governmental authorities for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation. The remedies available under this Article are in addition to any other remedies Buyer may have available to it in law or in equity, or in any other provisions in this contract.

In the event Buyer suspects that Seller may have provided Counterfeit Goods under any Order, Buyer shall immediately notify Seller in writing, and provide sufficient detail to enable Seller to promptly initiate its own internal investigation. Seller will cooperate fully with any investigation of Counterfeit Goods conducted by Buyer, and shall promptly provide all documentation and other information reasonably requested by Buyer.

This Article 12 applies in addition to any other quality provision, specification, or statement of work included in this contract addressing the authenticity of Goods and Items. To the extent such provisions conflict with this Article 12, this paragraph prevails.

Seller shall flow the requirements of this Article 12 to its subcontractors and suppliers at any tier for the performance under any Order.

13. Traceability.

Seller shall maintain a method of item traceability that ensures traceability of the supply chain back to the manufacturer of all electrical, electronic, electromechanical, power transmission,

fluid power, machine tool and other parts (commercial or special) sold separately as Goods or Items or included in assemblies and subassemblies being delivered per this contract. This traceability method shall clearly identify the name and location of all of the supply chain intermediaries from the manufacturer to the direct source of the product for Seller, and shall include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications. When requested by Buyer, Seller shall provide OEM documentation that authenticates traceability of the affected items to the applicable OEM.

14. Suspension.

Buyer may at any time, by notice to Seller, suspend performance of the work for such time as it deems appropriate. Upon receiving notice of suspension, Seller shall promptly suspend work to the extent specified, properly caring for and protecting all work in progress and materials, supplies and equipment Seller has on hand for performance. Upon Buyer's request, Seller shall promptly deliver to Buyer copies of outstanding purchase orders and subcontracts for materials, equipment and/or services for the work and take such action relative to such purchase orders and subcontracts as Buyer may direct. Buyer may at any time withdraw the suspension as to all or part of the suspended work by written notice specifying the effective date and scope of withdrawal. Seller shall resume diligent performance on the specified effective date of withdrawal of suspension. All claims for increase or decrease in the cost of or the time required for the performance of any work caused by such suspension shall be pursued pursuant to, and consistent with, Article 7 regarding "Changes".

15. Termination.

a) By written notice, Buyer may terminate the Order or any part hereof, for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder and shall promptly cause all of its suppliers and subcontractors to cease work. Subject to the terms of the Order, Seller shall be paid a portion of the Order price reflecting the actual costs incurred for the work performed prior to the notice of termination, plus reasonable charges Seller can reasonably demonstrate to the satisfaction of Buyer using its standard record keeping system, that have resulted from the termination. Seller shall submit its claim no later than sixty days, or within the time designated by Buyer's customer, after receipt of the termination notice. Seller shall make reasonably available to Buyer or Buyer's representative, any financial data, records and papers supporting its claim. Seller shall not be paid for any work performed or costs incurred which should have been avoided. In consideration of Buyer remitting any such payments, upon request by Buyer, Seller shall ship to Buyer any Items or portions of Items which have been produced up to the date of termination.

- b) By written notice, Buyer may terminate the Order in whole or in part: (i) if Seller fails or refuses to perform in accordance with any of the requirements of the Order (a "Default"), (ii) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller (whether voluntary or involuntary) under any federal or state law, or under any agreement, instrument, security interest, or similar arrangement, relating to bankruptcy, arrangement among debtor and creditors, reorganization, receivership or assignment for the benefit of creditors, or (iii) if Seller is added to the federal Excluded Parties List System ("EPLS") or any other government denial list. Any such termination will be without liability to Buyer except for completed Items delivered and accepted by Buyer, payment for which can be set off against damages incurred by Buyer. Buyer may require Seller to transfer title and deliver to Buyer any or all property produced or procured by Seller for performance of the work completed as of the termination and Seller shall be credited with the reasonable value thereof not to exceed Seller's actual incurred costs or the Order price, whichever is less. Seller will be liable for damages caused by or resulting from its Default including but not limited to excess costs of re-procurement. In the event of termination by Buyer in accordance with this Article 15 b), Coldwater Machine Company LLC shall have the right to enter Seller's premises at any time upon providing reasonable notice to Seller to recover any Coldwater Machine Company LLC owned property (including but not limited to equipment, tooling and drawings). If, after a termination pursuant to clause (i) of this Article, it is determined that Seller was not in Default, the termination shall be deemed a termination for convenience in accordance with Article 15 a) above. Buyer or its designee shall have the right to audit all elements of any termination claim and Seller shall make available to Buyer or Buyer's designee on request all books, records, and papers relating thereto. Termination of the Order pursuant to this Article shall be without prejudice to any other rights and remedies of Buyer under statute or common law.
- c) To the extent the Order is not terminated pursuant to Articles 15 a) or b), above, Seller shall continue performance.

16. Excusable Delays.

Neither party shall be in default for any delay or failure to perform hereunder due to causes beyond its control and without its fault or negligence; provided, that any delay or failure to perform caused by the default of a supplier of Seller at any lower-tier shall be excused only if (i) it is beyond the control of both Seller and such supplier and without the fault or negligence of either (for the avoidance of doubt, strikes, lock-outs and other similar disruptions shall not be considered as being beyond a party's control), (ii) the parts to be furnished are not obtainable from alternate qualified sources in sufficient time to permit Seller to meet the delivery schedule, and (iii) Seller furnishes prompt written notice to Buyer of the occurrence of any such cause that will or may delay Seller's performance. If delivery of any Item is delayed by any excusable

delay for more than one (1) month, Buyer may, without any additional extension, cancel all or part of any Order with respect to the delayed Item, and exercise any of its remedies in accordance with Article 15 a).

17. Indemnification.

Seller shall indemnify and hold harmless Buyer, its directors, officers, employees, agents and invitees from and against all liability, demands, claims, losses, costs, damages, and expenses, including but not limited to attorneys' fees, by reason or on account of (a) property damage, death, and personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with the performance of the Order that is occasioned by the actions or omissions of Seller or its suppliers or subcontractors at any tier and/or (b) Seller's breach of any of its obligations under these Terms and Conditions of Purchase and/or any Order.

18. Insurance.

Seller will maintain and carry sufficient liability insurance to cover its obligations under the Order, with reputable insurance carriers reasonably acceptable to Buyer. Seller will, if requested by Buyer, furnish certificates of insurance from its carrier(s) which shall provide that such coverage shall not be changed without thirty (30) days advance written notification to Buyer.

19. Proper Business Practices.

Seller shall in its performance under the Order, act in a manner consistent with the highest ethical standards in the industry, comply with all laws concerning improper or illegal payments and gifts or gratuities and agrees not to pay, promise to pay or authorize the payment of any money or anything of value, directly or indirectly, to any person for the purpose of illegally or improperly inducing a decision or obtaining or retaining business in connection with the Order. Further, in the execution of its obligations under the Order, Seller shall take the necessary precautions to prevent any injury to persons or to property. Seller shall comply with the principles contained within Buyer's Codes of Business Conduct and Ethics, which may be located at <http://www.coldwatermachine.com/CorporateGovernance.aspx>.

20. Quality Assurance.

The Seller shall implement and maintain a quality system conforming to the latest version of Buyer's Supplier Quality System. Seller will grant Buyer, its customer, and relevant regulatory agencies access to its facilities, and all relevant data, records and material in order to observe, evaluate and verify Seller's compliance with its quality obligations under the Order. Seller will further provide Buyer, its customer and relevant regulatory agencies with reasonable facilities and assistance for safe and convenient observation, evaluation and verification.

When specified as part of an Order, each shipment as specified by Buyer on the Order shall contain a Certificate of Conformance (C of C) and a Material Certification with authorized

signatures from Seller. Each Packing Slip must state that all Items contained in a shipment meet all requirements of the Order (including, without limitation specification requirements), reference Buyer's Order number, part number, engineering change revision level, serial number (if applicable), and quantity represented. Raw material certifications shall accompany shipments when the Order specifies that 'additional aerospace or equivalent requirements apply (per WPQR-9100)'. Seller's certification must identify the specific Aerospace Material Specification (AMS, AISI, etc.) requirement stated on the Order or engineering drawing. Exceptions to the certification requirement will be specified on the printed Shipping Document. The Material Certification must be attached to the shipping documents or incorporate sufficient information to match it with the pertinent Order and specific shipment.

21. Tools and Gauges.

Any tool, gauges or other materials furnished to Seller by Buyer in support of the Order (hereinafter referred to as "Buyer Furnished Property") shall remain the property of Buyer, be used exclusively in support of the Order, and shall be identified as the property of Buyer. Seller shall maintain and calibrate Buyer Furnished Property within calibration cycle requirements. All Buyer Furnished Property shall be returned following completion or termination of the Order along with all relevant documentation. Items are to be returned in the same condition in which they were furnished to Seller, reasonable wear and tear excepted, and Seller shall reimburse Buyer for the replacement cost of Buyer Furnished Property where such Buyer Furnished Property is lost or damaged beyond economic repair as determined by Buyer in its reasonable discretion.

22. Supplemental Terms and Conditions. Buyer may issue Orders to Seller from time to time for U.S. Government programs. If any Order is issued pursuant to a U.S. Government Prime Contract, the then current referenced "Federal and Defense Acquisition Regulation Supplemental Terms and Conditions" ("Supplemental Terms"), will apply to the Order, and the Supplemental Terms are hereby incorporated by reference and made a part of the Order.

23. Order of Precedence.

Except as provided otherwise in a written document executed by authorized representatives of Buyer and Seller, in the event of any conflict among the provisions of the Order and any other associated documentation, the following order of precedence shall apply in interpreting the Order: a) the text of a purchase order to which the Order applies, b) the Supplemental Terms, c) any special or supplemental terms and conditions incorporated by reference in such purchase order, d) these Terms and Conditions of Purchase, and e) other Order documents.

24. Disputes and Choice of Law.

The parties shall attempt to amicably resolve any dispute which arises under these Terms and Conditions of Purchase or any Order by engaging the appropriate representatives within each

party's company. The Order shall, in all respects, be interpreted, construed, and governed by and in accordance with the laws of the state of Ohio, disregarding any conflict of law provisions which may require the application of the laws of another jurisdiction.

25. Rights and Remedies of Buyer.

The rights and remedies of Buyer set forth herein shall be in addition to any other rights and remedies provided in law or equity and the failure or delay by Buyer to exercise any rights or remedies under the Order shall not operate as a general waiver thereof.

26. Non-waiver.

No failure by Buyer to assert its rights under any provision of the Order, or failure of Seller to perform any provision of the Order, shall be effective as a waiver thereof unless consented to in writing by an Officer of the Buyer; nor shall any such waiver constitute an advance waiver of any other provision or failure to perform.

27. Assignment and Subcontracting.

Seller shall flow the substance and obligations of the terms herein to its subcontractors. Seller shall remain fully responsible for any acts or omissions of such subcontractor(s) as if such subcontractor(s) is/are Seller. Any assignment or subcontract for a majority of the materials and/or labor by Seller of or under the Order shall be void unless acquiesced to by Buyer in writing. Notwithstanding the foregoing, Buyer may assign its rights under this contract to the successor-in-interest to all or substantially all of its business or product line to which this contract pertains. Any assignment in violation of this paragraph shall be void. This contract shall be binding upon the parties' respective successors and permitted assigns.

28. Headings.

Headings set forth in the Order are for convenience of reference only and do not alter the meaning, content, or enforceability of any Article hereof.

29. Severability.

In the event any provision of the Order is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions of the Order will not be affected and, in lieu of such invalid or unenforceable Article, there will be added automatically as part of the Order provisions as similar in terms as may be valid and enforceable under applicable law.

30. Entire Agreement.

The Order, with documents as are expressly incorporated by reference, is intended as a complete and exclusive expression of the parties' agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties. The Order may be executed in one or more counterparts, each of

which shall for all purposes be deemed an original and all of which shall constitute the same instrument. Facsimile signatures on such counterparts are deemed originals. No course of prior dealings or usage of the trade shall be relevant to determine the meaning of the Order even if the accepting or acquiescing party has knowledge of the performance and opportunity for objection. All provisions or obligations contained in the Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of the Order will survive and remain binding upon and for the benefit of the parties, their successors (including without limitation successors by merger) and permitted assigns.

31. Amendment.

The provisions of the Order may not be modified or amended except by a written instrument duly executed by both parties.

32. Human Trafficking Policy

Coldwater Machine has a culture of compliance and zero tolerance for corruption or unethical behavior. We maintain robust compliance and ethics policies that are aligned with our corporate values. Coldwater Machine Company strictly prohibits the use of human trafficking in all company operations and in our supply chain. This includes, but is not limited to, the following trafficking-related activities:

- * Procuring commercial sex acts in the performance of any work;
- * Using forced labor in the performance of any work;
- * Destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- * Using misleading or fraudulent practices during the recruitment of candidates/employees or offering of employment;
- * Using recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- * Charging candidates/employees recruitment fees;
- * Failing to provide return transportation or pay for the cost of return transportation upon the end of employment, for an employee who is not a United States national and who was brought into the United States for the purpose of work, if the payment of such costs is required, unless the employee is legally permitted to remain in the country of employment and chooses to do so, or if an appropriate agency has exempted this requirement;
- * Providing or arranging housing that fails to meet the host country housing and safety standards; and
- * If required by law or contracts, failing to provide an employment contract, recruitment agreement, or other required work document in writing and in a language the employee understands.

Coldwater Machine does not and will not permit its employees, subcontractors, vendors, suppliers, or other entities doing business with Coldwater Machine to engage in any form of human trafficking and the above activities.

Supply Chain Due Diligence and Safeguards: Coldwater's Purchasing Manager is responsible for making Coldwater's anti-trafficking policies known to suppliers and vendors and for tracking the trafficking-related requirements contained in Coldwater's contracts with the federal government. Where applicable, Coldwater includes the Federal Acquisitions Clauses regarding Human Trafficking (52.222-50 and 52.222-56) in all contracts with recruiting agents. Whenever subcontractors are required under these clauses to submit certification, Coldwater shall require submission prior to the award of the subcontract.