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PURCHASING TERMS AND CONDITIONS (effective 3/1/14):

Each purchase order ("Order") is placed subject to the following terms and conditions "Terms", which may not be varied except as expressly set forth in the Terms below:

- 1) **Offer; Acceptance; Terms of Order.** This Order is an offer to Seller by Buyer for the purchase of goods and/or services ("Supplies"). This Order does not constitute an acceptance of any offer or proposal made by Seller and supersedes all prior agreements, orders, quotations, proposals and other communications regarding the Supplies covered by the Order. Any reference in this Order to any offer or proposal made by Seller is solely to incorporate the description or specifications of Supplies in the prior offer or proposal, but only to the extent that the description or specifications do not conflict with the description and specifications in this Order. Seller's written acceptance, Seller's commencement of any work under this Order or any other conduct by Seller that recognizes the existence of a contract with respect to the subject matter of this Order constitutes Seller's acceptance of these terms and conditions only. **This order is limited to and conditional upon Seller's acceptance of these Terms exclusively.** Any modification of these Terms must be expressly stated in the Order or made in the manner required under Section 13. Buyer is RoboVent, unless a different affiliate or subsidiary or joint venture of RoboVent is identified as the purchaser in an Order. The Terms are available at www.robovent.com/purchasingtermsandconditions. Any additional or different terms and conditions proposed by Seller, whether in Seller's proposal form, acknowledgement form, invoice or otherwise, are unacceptable to Buyer, are expressly rejected by Buyer, shall not become part of this Order, but shall not operate as a rejection of this Order if Seller accepts Buyer's offer by commencement of work, shipment of the Supplies, or by other means acceptable to Buyer, in which case this Order shall be deemed accepted by Seller without any additional or different terms or variations whatsoever. THE TERMS OF THIS AGREEMENT ARE EXCLUSIVE.
- 2) **Prices.** The price of Supplies (unless otherwise expressly provided in the Order) is DDP (Delivery Duty Paid) at Buyer's facility in Sterling Heights (or such other facility or destination as specified in the Order), and includes storage, handling, packaging, freight, insurance, transportation, duties, taxes (except for any value added tax (VAT) imposed by a non-USA jurisdiction, which must be shown separately on Seller's invoice for each shipment) and all other expenses, costs and charges of Seller, unless Buyer agrees otherwise in writing in this Order. Payment will be made against correct invoices and documentation on the payment terms specified in this Order.
- 3) **Shipment; Delivery.** Seller shall ship and deliver Supplies in accordance with Buyer's instructions and specifications, as set forth in the Order. Every shipment must be accompanied with a packing list specifying Buyer's Order number, Buyer's item number, quantity ordered and quantity shipped and such other information as Buyer may reasonably request. All Orders must be shipped and delivered in full by Seller unless specified otherwise by Buyer in the Order. Buyer reserves the right to reject any partial deliveries. Time and quantities are of the essence under an Order. Seller agrees to 100% on-time delivery of the quantities and at the times specified by Buyer, as set forth in an Order. Failure to meet agreed delivery and quantities shall be considered a breach of the Order, and Buyer shall have the right, in addition to any other remedies under applicable law, to refuse and cancel without cost to it and charge Seller with any loss or damage incurred as a result of Seller's failure to make delivery within the time specified. Seller will at all times keep Buyer fully informed concerning the status of this Order.
- 4) **Payment.** All Seller invoices must be submitted electronically via email to rpg.accountspayable@robovent.com. If invoices are not submitted electronically, it may delay payment until such invoices are submitted electronically. All Seller invoices shall be paid via Electronic Funds Transfer (EFT) net 30 days from the later of the date of electronic receipt of correct invoices and related documentation, or the date of Buyer's receipt of the Supplies. Discounts offered by the Seller to the

Buyer shall be allowed if payment is made on or before the payment date associated with such discount(s).

- 5) **Warranty**: Buyer shall have the right to inspect and test the Supplies at destination before acceptance or payment. Seller hereby warrants to Buyer and any purchaser from Buyer that the Supplies are of good quality, material and workmanship and free from defects, latent or patent; conform in all respects to applicable drawings, samples, specifications, descriptions as furnished or approved (where and to the extent furnished by Seller) by Buyer ; are merchantable and free of defects in design (to the extent Seller or any of its subcontractors or suppliers designed or participated in the design of the Supplies in whole or in part, even if the design has been approved by Buyer); have been selected, designed (to the extent Seller or any of its subcontractors or suppliers designed or participated in the design of the Supplies in whole or in part, even if the design has been approved by Buyer), manufactured or assembled by Seller based upon Buyer's intended use and are fit and sufficient for the purposes intended by Buyer, and are free of all liens, claims and encumbrances whatsoever. Seller further warrants that goods sold hereunder shall not infringe any patent, trade mark, design and other industrial property rights of a third party in any country. The foregoing warranties are in addition to any warranties provided under applicable law. Unless otherwise set forth in an Order, the duration of each warranty provided by Seller to Buyer for the Supplies will end on the later of the date of expiration of any warranty period provided by applicable law for the Supplies. Seller's warranty shall also survive any inspection, acceptance or payment. Buyer may, without prejudice to any other available remedy, return to Seller or require Seller to repair or replace (in each case, at Seller's expense) defective goods or parts thereof.
- 6) **Compliance with Laws**. Seller, and any Supplies supplied by Seller, shall comply with all applicable laws, including rules, regulations, orders, conventions, ordinances or standards, that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of the Supplies, including laws relating to environmental matters, hiring, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health or safety, and motor vehicle safety. This Order incorporates by reference all clauses required by these laws. All materials used by Seller in the Supplies or in their manufacture shall satisfy current governmental and safety constraints on restricted, toxic and hazardous materials as well as environmental, electrical and electromagnetic considerations that apply to the country of manufacture, sale or destination. Before and at the time the Supplies are shipped, Seller will give Buyer sufficient warning in writing (including appropriate labels on all Supplies, containers and packing, together with disposal and recycling instructions, material safety data sheets and certificates of analysis) of any hazardous material that is an ingredient or part of the Supplies, together with any special handling instructions that are needed to advise carriers, Buyer and their employees how to take measures to prevent bodily injury or property damage while handling, transporting, processing, using or disposing of the Supplies, containers and packing.
- 7) **Remedies**. The rights and remedies reserved to Buyer in this Order shall be cumulative with and additional to all other or legal or equitable remedies. At Buyer's request, Seller will reimburse Buyer for any incidental or consequential or other damages caused by nonconforming Supplies; recoverable damages include, among other matters, attorneys' fees and other professional fees, settlements and judgments incurred by Buyer and other costs associated with Buyer's administrative time, labor and materials.
- 8) **Indemnification**. To the fullest extent permitted by law, Seller will defend, indemnify and hold harmless Buyer, Buyer's successors, assigns and customers, dealers and users of the products sold by Buyer against any and all claims, damages, liabilities, or expenses (including attorneys' fees and other professional fees, settlements and judgments) arising out of or resulting in any way from any defective Supplies, or from any negligent or wrongful act or omission of Seller, or Seller's agents, employees or subcontractors, or any breach or failure by Seller to comply with any of Seller's representations or other terms and conditions of this Order (including any part of these Terms). Seller's obligation to defend and indemnify under this Section will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise except for claims that arise as a result of the sole negligence of Buyer.
- 9) **Work on Buyer's Premises**. If Seller performs any work on Buyer's or Buyer's customer's premises or utilizes the property of Buyer or Buyer's customer, whether on or off Buyer's or Buyer's customer's

premises: (i) Seller will examine the premises to determine whether they are safe for the requested services and will advise Buyer promptly of any situation it deems to be unsafe; (ii) Seller's employees, contractors and agents will comply with all regulations that apply to the premises and may be removed from Buyer's premises at Buyer's discretion; (iii) Seller's employees, contractors and agents will not possess, use, sell, transfer or be under the influence of alcohol or unauthorized, illegal or controlled drugs or substances on the premises; and (iv) to the fullest extent permitted by law, Seller will indemnify and hold Buyer and Buyer's Customer (and their respective officers, directors, employees, agents, successors and assigns) harmless from and against any and all liability claims, demands or expenses (including attorney's fees and other professional fees, settlements and judgments) for damages to the property of or personal injuries to Buyer, its customer, their respective employees or any other person or entity if the claims arise from or in connection with Seller's work on the premises or Seller's use of Buyer's or Buyer's customer's property, except for any liability, claim or demand arising out of the sole negligence of Buyer or Buyer's customer.

- 10) **Force Majeure:** Any delay or failure of either party to perform its obligations shall be excused if, and to the extent, that it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence, including without limitation, acts of God or of the public enemy, any preference, priority or allocation order issued by Government or any other act of Government, fires, floods, epidemics, quarantine restrictions, unusually severe weather and delays of a party's supplier due to such causes. For greater certainty *force majeure* does not include any strike, lock-out, labor dispute, or inability to obtain labor, utilities, services, transportation or raw materials. Seller's inability to perform as a result of, or delays caused by, Seller's insolvency or lack of financial resources is deemed to be within Seller's control. The change in cost or availability of materials or components based on market conditions or supplier actions will not constitute *force majeure*. Written notice of such delay (including the causes and anticipated duration of the delay) must be given to the other party as soon as possible after the occurrence.
- 11) **Changes.** Buyer shall have the right to make changes in this Order (for example, to drawings, designs, specifications, materials, samples or descriptions of Supplies, and/or to time and place of delivery or method of transportation) but no additional charge will be allowed unless authorized in writing by Buyer. In the event that Buyer and Seller are unable to reach agreement on any pricing adjustments to be made in connection with such changes, any difference in price or time for performance resulting from such changes will be equitably adjusted by Buyer based on a fair cost assessment, after receipt of documentation in such form and detail as Buyer may direct. In order for Seller to request a reasonable difference in price or time for performance as a result of a change, Seller must notify Buyer of its request in writing within ten (10) days after receiving notice of a change.
- 12) **Termination.** (a) Either party hereto shall have the right to terminate and cancel this Order in whole or in part if the other party shall breach any of the terms, conditions or provisions of this agreement, and shall fail to remedy such breach within five days after written notice thereof. (b) Buyer shall have the right to immediately terminate this agreement if Seller shall (1) become insolvent, commence or file any voluntary or involuntary proceeding or petition in bankruptcy in any court or (2) shall make any assignment for the benefit of creditors or (3) shall enter into any composition with its creditors or (4) if a receiver is appointed for any of the Seller's property or (5) if at any time or for any reason, Seller fails to provide adequate assurance of performance upon Buyer's request under UCC 2-609.
- 13) **Entire Contract; Amendment; Non-assignment.** (a) This Order constitutes the entire agreement between Seller and Buyer with respect to the matters contained in this Order and supersedes all prior oral or written representations and agreements. This Order may only be modified by a written amendment executed by authorized representatives of each party or, in the case of changes within the scope of Section 14, by a purchase order amendment issued by Buyer. (b) The failure of either party at any time to require performance by the other party of any provision of this Order shall in no way affect the right to require performance at any later time, nor shall the waiver of either party of a breach of any provision of this Order constitute a waiver of any later breach of the same or any other provision of this Order. (c) This order may not be assigned or delegated by Seller without Buyer's prior written consent. (d) Buyer may modify these Terms with respect to future Orders and Order amendments at any time by posting revised Terms to its internet web site as listed in Section 1 or at such other internet web site as is specified in writing by Buyer to Seller, and such revised Terms will apply to all Orders and Order

amendments issued thereafter. The Terms that are applicable to the Order or Order amendment shall be the version of the Terms that is in effect on the date of the Order or the Order amendment applicable to the Order, whichever date is later.

- 14) **Applicable Law.** Each Order and any claims relating to Supplies provided or to be provided under such Order will be governed by the laws of the State of Michigan and the United States excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980), as amended, and excluding any conflict of laws provisions that would require application of another choice of law.

[rev. 3/1/2014]

Sign below to signify your acceptance of the above terms and conditions:

Vendor Name

Authorized Signature

Print Name

Title

Date