



Custom Threading, Inc.

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**CUSTOM THREADING, INC.
GENERAL PURCHASE ORDER
CONDITIONS**

TERMS AND

1. **Applicability.** This purchase order is an offer by Custom Threading, Inc. (the "**Buyer**") for the purchase of the goods and/or services specified on the face of this purchase order (collectively, the "**Product**") from the party to whom the purchase order is addressed (the "**Supplier**") in accordance with and subject to these terms and conditions (the "**Terms**"). (The Terms, together with the terms and conditions written on the face of the purchase order shall be referred to as the "**Contract**"). This Contract, together with any documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to the Contract, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the Contract. Each party acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of the other which is not set out in the Contract. THE CONTRACT EXPRESSLY LIMITS SUPPLIER'S ACCEPTANCE TO THE TERMS OF THE CONTRACT. THESE TERMS PREVAIL OVER ANY TERMS OR CONDITIONS CONTAINED IN ANY OTHER DOCUMENTATION AND EXPRESSLY EXCLUDE ANY OF SUPPLIER'S GENERAL TERMS AND CONDITIONS OF SALE, ANY TERMS IN ANY OTHER DOCUMENT ISSUED BY SUPPLIER IN CONNECTION WITH THIS CONTRACT AND/OR WHICH MAY BE IMPLIED BY TRADE, CUSTOM, PRACTICE OR COURSE OF DEALING. THE TERMS OF THIS CONTRACT SHALL APPLY NOTWITHSTANDING THAT THE TRANSACTION HEREIN IS NOT SUBJECT TO THE UNIFORM COMMERCIAL CODE. These Terms apply to any repaired or replacement Product provided by Supplier. Buyer is not obligated to any minimum purchase or future purchase obligations under this Contract.
2. **Acceptance.** This Contract is not binding on Buyer until Supplier accepts the Contract in writing. If Supplier does not accept the Contract in writing within _____ days of Supplier's receipt of the Contract, this Contract will lapse. Buyer may withdraw the Contract at any time before it is accepted by Supplier in writing.
3. **Delivery Date.** Supplier shall deliver the Product in accordance with the terms of this Contract in the quantities and on the date(s) specified in this Contract or such other date as agreed in writing by the parties (the "**Delivery Date**"). **Time for such delivery of the Product is of the essence.** If Supplier fails to deliver the Product in full on the Delivery Date, Buyer may terminate the Contract immediately by providing written notice to Supplier and Supplier shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Supplier's failure to deliver the Product on the Delivery Date. Buyer has the right to return any Product delivered prior to the Delivery Date at Supplier's expense and Supplier shall redeliver such Product on the Delivery Date.
4. **Quantity.** If Supplier delivers less than the quantity of Product contracted, Buyer may reject all or any of the Product. If Supplier delivers more than the quantity of Product contracted, Buyer may reject all or any excess Product. Any such rejected Product shall be returned to Supplier at Supplier's risk and expense. If Buyer does not reject the Product and instead accepts the delivery of Product at the increased or reduced quantity, the Price for the Product shall be increased or reduced (respectively) on a pro-rata basis.
5. **Delivery Location and Shipping Terms.** All Product shall be delivered to the address specified in this Contract (the "**Delivery Location**") during Buyer's normal business hours or as otherwise instructed by Buyer in writing. Delivery shall be made DDP Delivery Location (in accordance with INCOTERMS), unless a different INCOTERMS mode of delivery is mutually agreed in writing by the parties. Supplier shall provide Buyer all shipping documents, including the commercial invoice, packing list, air waybill/bill of lading, and any other documents necessary to release the Product to Buyer within 7 days after Supplier delivers the Product to the transportation carrier. The Contract number must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence and any other documents pertaining to the Contract.
6. **Traffic Routing.** If Buyer specifies routing, any losses resulting from deviation from Buyer's routing instructions will be charged to Supplier's account and may be set off against monies due to Supplier under this Contract.
7. **Equal Employment Clause.** This Contract incorporates by reference the following clauses: 41 CFR § 60-1.4(a), 41 CFR § 60-300.5(a), 41 CFR §60-741.5(a) and 29 CFR Part 471, Appendix A to Subpart A. Contractors/vendors must abide by non-segregation regulations at 41 CFR § 60-1.8 and any applicable affirmative action obligations as required by 41 CFR § 60-1.40(a)(2). Supplier and its subcontractors shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a). **These regulations prohibit discrimination against**

qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

8. **Blanket Purchase Orders.** In the event that Buyer issues a blanket purchase order to Supplier, Buyer shall have no liabilities or obligations to Supplier of any kind for actions taken or costs incurred by Supplier in reliance on such blanket order, other than to accept Product specifically identified by Buyer for purchase in individual written releases issued by Buyer from time to time under such blanket order. All annual or other forecasts of expected purchases received from Buyer are non-binding, unenforceable estimates only, may vary, and should not be relied upon by Supplier in any manner, unless specific inventory was agreed by both Buyer and Supplier for Buyer's liable cost.

9. **Title and Risk of Loss.** Title passes to Buyer upon delivery of the Product to the Delivery Location in accordance with DDP (INCOTERMS 2010), unless a different INCOTERMS mode of delivery is mutually agreed in writing by the parties in which case title shall pass in accordance with such mode of delivery. Supplier bears all risk of loss or damage to the Product until delivery of the Product to the Delivery Location consistent with DDP (INCOTERMS 2010), unless a different INCOTERMS mode of delivery is mutually agreed in writing by the parties in which case risk of loss shall be allocated in accordance with such mode of delivery.

10. **Packaging.** All Product shall be packed for shipment according to Buyer's instructions and, in any event, in a manner sufficient to ensure that the Product are delivered in good and undamaged condition. Buyer shall not (unless it agrees otherwise in writing) be required to return any packaging material. Any return of such packaging material shall be made at Supplier's expense.

11. **Amendment and Modification.** No change to this Contract is binding upon Buyer unless it is in writing, specifically states that it amends this Contract and is signed by an authorized representative of Buyer.

12. **Inspection and Rejection of Nonconforming Product.** The Buyer, customers & regulatory authorities has the right to inspect the Product on or after the Delivery Date. Buyer, at its sole option, may inspect all or a sample of the Product, and may reject all or any portion of the Product if, as a result of such inspection, Buyer determines the Product is nonconforming or defective. If Buyer rejects any portion of the Product, Buyer has the right, effective upon written notice to Supplier, to: (a) rescind the Contract in its entirety; (b) accept all or any portion of the Product at a reasonably reduced price; or (c) reject all or any portion of the Product and require replacement of the rejected Product. If Buyer requires replacement of the Product, Supplier shall, at its own expense, promptly, no later than _____ days, replace the rejected Product and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective Product and the delivery of replacement Product. If Supplier fails to timely deliver replacement Product, Buyer may replace them with Product from a third party and charge Supplier the cost thereof and terminate this Contract by way of written notice on Supplier immediately. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Supplier's obligations and shall be without prejudice to the Buyer's rights under the Contract, and Buyer shall in any event have the right to conduct further inspections.

13. **Price and Most Favored Customer.** The price of the Product is the price stated in the Contract (subject to the terms below) (the "**Price**"). If no price is included in the Contract, the Price shall be the price out in Supplier's published price list in force as of the date of the Contract and notified in writing to Buyer prior to the date of the Contract (subject to the terms below). Unless otherwise specified in the Contract, the Price includes all packaging, transportation costs to the Delivery Location, insurance, customs duties and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer. Supplier represents and warrants that the price for the Product is the lowest price per unit charged by Supplier to any of its external buyers for similar volumes of similar Product. If Supplier charges any other buyer a lower price per unit, Supplier must forthwith notify Buyer in writing, Supplier must apply that price to all Product under this Contract. If Supplier fails to meet the lower price, Buyer, at its option, may terminate this Contract without liability by way of written notice on Supplier immediately.

14. **Payment Terms.** Supplier shall issue an invoice to Buyer on or any time after the completion of delivery and only in accordance with the Terms. Buyer shall pay all properly invoiced amounts due to Supplier within 30 days after Buyer's receipt of such invoice, unless a different time period is specified by Buyer in the Contract, except for any amounts disputed by Buyer in good faith. All payments hereunder must be in US dollars, unless a different currency is specified by Buyer in the Contract, and made by bank transfer or such other means of payment as Buyer chooses from time to time. In the event of a payment dispute, Buyer shall deliver a written statement to Supplier providing reasonable

particulars of such dispute. The parties shall seek to resolve all such disputes expeditiously and in good faith. Supplier shall continue performing its obligations under the Contract notwithstanding any such dispute.

15. **Record Retention, Inspection and Audit Rights.** Supplier shall maintain complete books and records, including inspection records, with respect to all goods and services, which records shall be in English and be available to Buyer during performance of this Contract and until the later of (i) 4 years after final payment; (ii) final resolution of any dispute involving the goods or services delivered hereunder; or (iii) the latest time required by applicable law or regulation. Supplier shall at any time, and after reasonable notice by Buyer, (i) grant to Buyer, Buyer's customers and/or to any applicable regulatory authority, unrestricted access to (or if Buyer so requests, provide to Buyer copies of) such books and records, wherever such books and records may be located (including third-party repositories); and (ii) provide Buyer, Buyer's customers and/or any such authority the right to access, and to perform any type of inspection, test, audit or investigation at Supplier's premises, including manufacturing and test locations, for the purpose of enabling Buyer to verify compliance with the requirements of this Contract or for any other purpose indicated by Buyer's customers or said authority in certification, manufacture, use and/or connection with the design, development or support of the goods or services. Supplier and its subcontractors shall furnish all reasonable facilities and assistance for the safe performance of the inspection, test, audit and/or investigation.

16. **Changes by Buyer.** Buyer may, at any time, in writing, make changes within the general scope of this Contract, in any one or more of the following: (a) applicable drawings, designs or specifications; (b) method of shipment or packing; (c) place or timing of delivery; (d) materials, methods or manner of production; or (e) quantity. If any such change causes an increase or decrease in the cost of or the time required for performance of this Contract, an equitable adjustment shall be made in the price or delivery schedule or both, and this Contract shall be modified accordingly. Any claim by Supplier for adjustment hereunder must be asserted within 20 days from Supplier's receipt of the change notice, but such period may be extended upon Buyer's written approval. However, nothing in this clause will excuse Supplier from proceeding with this Contract as changed or modified.

17. **Changes by Supplier.** Supplier shall notify buyer 180 days in advance of obsolescence or discontinuation of any materials, processes or products. Changes by Supplier to the goods, manufacturing processes, location of manufacturing facility, sub-suppliers and raw materials or construction thereof, will not be made without prior written approval from Buyer.

18. **Set-Off.** Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by Buyer to Supplier.

19. **Warranties.** Supplier warrants to Buyer that for the longer of (i) Supplier's standard warranty period and (ii) twelve (12) months from the Delivery Date, all Product will: (a) be free from any defects in workmanship, material and design; (b) conform to applicable specifications, drawings, designs, samples and other requirements specified by Buyer; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests and/or other encumbrances of whatsoever nature; and (f) not infringe and/or misappropriate any third party's patent and/or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Product by Buyer. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the Product with the foregoing warranties. If Buyer gives Supplier notice of noncompliance with this Section, either (a) Supplier shall, at its own cost and expense, promptly (and in any event no later than _____ days after such notice), replace or repair the defective or nonconforming Product and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming Product to Supplier and the delivery of repaired or replacement Product to Buyer, or (b) at the option of Buyer, Buyer may reject all or any defective or nonconforming Product and Supplier shall refund Buyer in respect of such Product and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming Product to Supplier.

20. **General Indemnification.** SUPPLIER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BUYER AND BUYER'S SUBSIDIARIES, AFFILIATES, SUCCESSORS OR ASSIGNS AND THEIR RESPECTIVE DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES AND ADVISORS (INCLUDING ITS LEGAL COUNSEL) AND BUYER'S CUSTOMERS (COLLECTIVELY, "**INDEMNITEES**") AGAINST ANY AND ALL LOSS, INJURY, DEATH, DAMAGE, LIABILITY, CLAIM, DEFICIENCY, ACTION, JUDGMENT, INTEREST, AWARD, PENALTY, FINE, COST AND/OR EXPENSE, INCLUDING REASONABLE ATTORNEY AND PROFESSIONAL FEES AND COSTS, AND THE COST OF ENFORCING ANY RIGHT TO INDEMNIFICATION HEREUNDER AND THE COST OF PURSUING ANY INSURANCE PROVIDERS (COLLECTIVELY, "**LOSSES**") ARISING OUT OF OR OCCURRING IN CONNECTION WITH THE PRODUCT, AND/OR SUPPLIER'S NEGLIGENCE, WILLFUL MISCONDUCT AND/OR BREACH OF THE

CONTRACT. SUPPLIER SHALL NOT ENTER INTO ANY SETTLEMENT WITHOUT THE RELEVANT INDEMNITEE'S PRIOR WRITTEN CONSENT.

21. **Intellectual Property Indemnification.** SUPPLIER SHALL, AT ITS EXPENSE, DEFEND, INDEMNIFY AND HOLD HARMLESS EACH INDEMNITEE AGAINST ANY AND ALL LOSSES ARISING OUT OF OR IN CONNECTION WITH ANY CLAIM THAT THE RELEVANT INDEMNITEE'S USE OR POSSESSION OF THE PRODUCT INFRINGES OR MISAPPROPRIATES THE PATENT, COPYRIGHT, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHT OF ANY THIRD PARTY. IN NO EVENT SHALL SUPPLIER ENTER INTO ANY SETTLEMENT WITHOUT THE RELEVANT INDEMNITEE'S PRIOR WRITTEN CONSENT.

22. **Insurance.** During the term of the Contract and for a period of ____ years thereafter, Supplier shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in amounts customarily held in the industry with financially sound and reputable insurers. Upon Buyer's request, Supplier shall provide Buyer with a certificate of insurance from Supplier's insurer evidencing the insurance coverage applicable to this Contract and evidence that the premiums have been paid up to date. Supplier shall provide Buyer with 30 days' advance written notice in the event of a cancellation or material change in Supplier's insurance policy. Except where prohibited by law, Supplier shall require its insurer to waive all rights of subrogation against Buyer's insurers and each of the Indemnitees.

23. **Subcontractors.** If Supplier uses subcontractors for any part of the manufacture of the goods or performance of the services hereunder, Supplier shall be responsible and liable for all acts or omissions of its subcontractors. Supplier must obtain prior written authorization from Buyer to use subcontractors for any activity relating to the goods or services provided hereunder occurring on Buyer's premises. These Terms shall be applicable to all subcontractors and Supplier is responsible for enforcement. Supplier will maintain a contractor management program to ensure that subcontractors comply with the safety requirements of these Terms. The Supplier is responsible to flow down to its sub-suppliers all applicable Buyer requirements, including regulatory requirements where required.

24. **Work on Buyer's Premises.** IF SUPPLIER PERFORMS ANY WORK ON BUYER'S PREMISES OR UTILIZES THE PROPERTY OF BUYER, WHETHER ON OR OFF BUYER'S PREMISES, SUPPLIER AGREES THAT, IN PERFORMING SUCH WORK, SUPPLIER IS AN INDEPENDENT CONTRACTOR AND SHALL INDEMNIFY AND HOLD BUYER HARMLESS FROM AND AGAINST ANY LIABILITY, CLAIMS, DEMANDS OR EXPENSES (INCLUDING ATTORNEY'S AND OTHER PROFESSIONAL FEES) FOR DAMAGES TO THE PROPERTY OR INJURIES (INCLUDING DEATH) TO BUYER, ITS EMPLOYEES OR ANY OTHER PERSON ARISING FROM OR IN CONNECTION WITH SUPPLIER'S PERFORMANCE OF WORK OR USE OF BUYER'S PROPERTY, EXCEPT FOR SUCH LIABILITY, CLAIM, OR DEMAND ARISING OUT OF THE SOLE NEGLIGENCE OF BUYER. Supplier further agrees to perform the work in accordance with Buyer's safety rules and to maintain Worker's Compensation, Employer's Liability Insurance, Comprehensive Public and Contractual Liability, Bodily Injury and Property Damage insurance with limits reasonably acceptable to Buyer. Supplier agrees to furnish to Buyer evidence of such insurance within a reasonable time after requested by Buyer but prior to commencing any work at Buyer's premises.

25. **Compliance with Laws.** Supplier is in compliance with and shall comply with all applicable laws, regulations and ordinances, including, but not limited to, the Fair Labor Standards Act of 1958, as amended. Supplier has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the Contract. Supplier shall comply with all export and import laws of all countries involved in the manufacture, sale and/or purchase of Product under this Contract. Supplier assumes all responsibility for shipments of Product requiring any government import clearance. Buyer may terminate this Contract if any government authority imposes antidumping duties, countervailing duties or any retaliatory duties on or in respect of the Product.

26. **Buyer Furnished Property.** Tangible or intangible property of any nature furnished to Supplier by Buyer or specifically paid for in whole or in part by Buyer, and any replacements or attachments, are the property of Buyer and, unless otherwise agreed in writing by Buyer, will be used by Supplier solely to render services or provide goods to Buyer. Supplier will not substitute any property or take any action inconsistent with Buyer's ownership of such property. While in Supplier's custody or control such property (i) will be held at Supplier's risk; (ii) will be clearly marked or tagged to indicate Buyer's ownership; (iii) will be kept insured by Supplier at its expense for its replacement cost with loss payable to Buyer; (iv) and will be subject to removal at Buyer's written request, in which event Supplier will prepare such property for shipment and redelivery to Buyer in the same condition as originally received by Supplier, reasonable wear and tear excepted, all at Supplier's expense.

27. **Termination.** In addition to Buyer's rights of termination set out in this Contract, Buyer may terminate this Contract, in whole or in part, at any time with or without cause for undelivered Product on 30 days' prior written notice

to Supplier. In addition to any remedies that may be provided under these Terms, Buyer may terminate this Contract with immediate effect upon written notice to the Supplier, either before or after the acceptance of the Product, if Supplier has not performed or complied with any of these Terms, in whole or in part. If the Supplier becomes insolvent, files a petition for bankruptcy and/or winding up or commences or has commenced against it (and/or against any of its assets) proceedings relating to bankruptcy and/or winding up, receivership, administration, administrative receivership, reorganization and/or composition, arrangement or assignment for the benefit of creditors (and/or anything similar to any of the foregoing in any jurisdiction), then the Buyer may terminate this Contract upon written notice to Supplier immediately. If Buyer terminates the Contract for any reason, Supplier's sole and exclusive remedy is payment for the Product received and accepted by Buyer prior to the termination and which are not subject of any breach of warranty claim.

28. **Limitation of Liability.** BUYER'S AGGREGATE LIABILITY ARISING FROM OR RELATING TO THIS CONTRACT IS LIMITED TO THE AMOUNT PAID BY BUYER FOR THE PRODUCT. TO THE MAXIMUM EXTENT ALLOWABLE UNDER APPLICABLE LAW, BUYER SHALL NOT BE LIABLE UNDER THIS CONTRACT FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR PUNITIVE DAMAGES INCLUDING, WITHOUT LIMITATION, LOST REVENUES EVEN IF BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

29. **Waiver.** No waiver by any party of any of the provisions of the Contract shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Contract, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Contract shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

30. **Confidentiality.** All non-public, confidential and/or proprietary information of the Buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Supplier, 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 the Contract and/or otherwise is confidential, solely for the use of performing the Contract and may not be disclosed or copied or otherwise used unless authorized by Buyer in writing. Upon Buyer's request, Supplier shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to the Supplier at the time of disclosure; or (c) rightfully obtained by the Supplier on a non-confidential basis from a third party.

31. **Force Majeure.** Neither party shall be liable to the other for any delay or failure in performing its obligations under the Contract to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable ("**Force Majeure Event**"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, war, invasion, hostilities, terrorist acts, riots, strike, embargoes or industrial disturbances. Supplier's economic hardship or changes in market conditions are not considered Force Majeure Events. Supplier shall use all reasonable endeavors to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under the Contract. If a Force Majeure Event prevents Supplier from carrying out its obligations under the Contract for a continuous period of more than 30 days, Buyer may terminate this Contract immediately by giving written notice to Supplier.

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

33. **Relationship of the Parties, No Third-Party Beneficiaries.** The relationship between the parties is that of independent contractors. Nothing contained in the Contract 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 (nor shall hold itself out as having) authority to contract or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from this Contract. This Contract 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.

34. **Governing Law and Jurisdiction.** This Contract shall be governed by, construed and enforced in accordance with, and subject to, the laws of the State of Texas except to the extent that federal statutory or common law may pre-empt or overrule such laws. Any claim related to the performance of this Contract shall be submitted for a non-jury trial in the State District Courts of Harris County, Texas. The Parties agree that performance of the obligations contained in this Contract are to be considered performed in Harris County, Texas.

35. **Cumulative Remedies, Severability.** The rights and remedies under this Contract are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. If any term or provision of this Contract is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction.

36. **Notices.** All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth on the face of this Contract or to such other address that may be designated by the receiving party in writing from time to time. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission), electronic mail or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Contract, 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.

37. **Survival.** Provisions of this Contract which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Contract including, but not limited to, the following provisions: Set-off, Warranties, General Indemnification, Intellectual Property Indemnification, Insurance, Compliance with Laws, Confidentiality, Governing Law and Jurisdiction and Survival.

38. **Prevention of Counterfeit Parts.** Buyer requires Suppliers to provide only Product from original manufacturers or their authorized distributors chain. No Product can be acquired from independent distributors or brokers unless approved in writing by Buyer. When requested, Supplier shall provide documentation from the manufacturer that authenticates the traceability of the Product to the applicable manufacturer. Supplier shall notify Buyer immediately when Supplier becomes aware or suspect that Supplier has furnished counterfeit products. Supplier shall establish and maintain a counterfeit detection process that is similar to and meets the intent of SAE AS9100 for counterfeit parts avoidance, detection, mitigation, and disposition for the prevention and control of parts identified as counterfeit. Buyer reserves the right to seize and quarantine any and all suspected counterfeit Product it receives from Supplier. Suspect counterfeit Product will be surrendered to the appropriate Federal or State authorities for confiscation and/or destruction. If Product furnished by Supplier is determined to be suspect, unapproved, counterfeit, or fraudulent, Supplier agrees to reimburse Buyer for the full purchase price, as well as any shipping and third party testing charges incurred by Buyer. IF YOU ARE NOT CONFIDENT THAT YOUR PRODUCTS ARE AUTHENTIC, DO NOT SHIP THEM TO BUYER.

39. **Conflict Minerals.** Buyer is committed to sourcing minerals from conflict-affected and high-risk areas in accordance with Buyer's corporate policies, legal obligations and existing international standards, and Supplier agrees to provide Buyer with supply chain data as and when Buyer reasonably requests to enable Buyer and its customers to fulfill their legal obligations under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Specifically, on an on-going basis, Buyer will request data from Supplier concerning the so-called "conflict minerals" used in Supplier's products, the origin of such minerals in Supplier's supply chains, and whether trade in these minerals may support conflict in the Democratic Republic of the Congo (DRC) and its adjoining countries. Buyer expects Supplier to pass these data requests up Supplier's supply chain in order to determine the source of such minerals. Buyer may be required, and may require Supplier, to perform due diligence on the chain of custody of conflict minerals in the supply chain. In addition, Supplier may be required to make certifications to Buyer with respect to the use of conflict minerals. Buyer will evaluate and may terminate the ongoing business relationship with Supplier if Supplier's supply chain is determined to include the purchase of minerals that support conflict in this region, or if Supplier fails to timely provide relevant data or certifications upon Buyer's requests.