

TERMS AND CONDITIONS TO TRU TECH PURCHASE ORDERS

1. **Background.** Tru Tech Systems, Inc. ("Buyer") develops, manufactures, markets, and sells various high precision CNC grinding systems and grinding units, along with parts and components related thereto, and performs precision grinding services, heat treat services, cleaning, cutting, flattening and other services for a variety of industries, including aerospace, electronics, and the medical industries. The Seller (as identified in the related quote or in the Purchase Order) is interested in selling Buyer those goods and/or services as more fully described in Seller's quote or Buyer's Purchase Order (the "Work", "products", or "services", as applicable). These Terms and Conditions shall be deemed incorporated into Buyer's Purchase Order for the Work whether or not specifically referenced therein. Unless otherwise expressly agreed in writing, all purchases are subject to these Terms and Conditions.
2. **Offer and Acceptance.** This document, together with the Buyer's Purchase Order and any additional writings signed by Buyer, represents a final, complete and exclusive statement of the agreement between the parties and may not be modified, supplemented or explained in any way. Written acceptance of this Purchase Order, or commencement of performance of any Work pursuant to the Purchase Order, will constitute acceptance of the Purchase Order. Such acceptance is limited to and constitutes Seller's acceptance of these Terms and Conditions exclusively. All terms and conditions proposed by Seller that are different from or in addition to these Terms and Conditions are expressly rejected by Buyer. No purported oral agreement or other understanding that attempts in any way to modify these Terms and Conditions will be binding upon Buyer. Any reference on the face of the Purchase Order to Seller's quote or other prior communication does not imply acceptance of any term, condition or instruction therein, but is solely to incorporate the description or specifications of the products or services to be supplied to Buyer, and only then to the extent that such description or specifications are not in conflict with the description or specifications on the face of the Purchase Order.
3. **Prices.** All prices shall be stated in the Purchase Order are firm and not subject to escalation. Seller represents and warrants that the prices set forth in the Purchase Order are at least as low as those currently being quoted by Seller to commercial users for the same products or services, in like quantities, under similar circumstances. If no price is stated for any product or service, the price for that product or service shall be the lowest price currently quoted or charged by Seller for that product or service, but in no event higher than the price most recently quoted or charged to Buyer by Seller for that product or service.
4. **Taxes.** Unless otherwise provided in the Purchase Order, the prices specified include all federal, state and local taxes that Seller is required by law to collect from Buyer and from which Seller cannot obtain an exemption. Such taxes shall be separately stated on Seller's invoices and shall be paid by Seller, unless an exemption is available. The foregoing includes, and Seller shall pay, all excise, sales, use, transfer or other taxes, in connection with the sale or delivery of the Work to Buyer.
5. **Terms of Payment.** Unless Buyer has otherwise agreed in writing, payment terms shall be net forty-five (45) days from the later of the date Buyer receives Seller's invoice or the date on which Buyer accepts the Work as satisfactory. All amounts due Seller shall be considered net of indebtedness or obligations of Seller to Buyer. Buyer may set off against or recoup from any amounts due or to become due to Seller, any amounts due or that become due from Buyer however and whenever arising.
6. **Quantities.** Unless Buyer has otherwise agreed in writing, Seller must deliver the exact quantities specified, if applicable. Buyer reserves the right to reject incomplete deliveries and to return at Seller's risk and expense excess quantities delivered.
7. **Packaging and Shipment.** All products provided as part of the Work, if any, shall be packaged, marked, and otherwise prepared for shipment by Seller in suitable containers in accordance with sound commercial practices. Seller shall mark on all containers all necessary handling, loading, and shipping instructions, including but not limited to: Buyer's Purchase Order number; Buyer's item number and bar code; and description of product contained and quantity therein. An itemized packing list shall be included with each shipment on the outside of shipping container stating the same information. Bills of lading and delivery slips must also include Purchase Order number and description of product. No additional charges of any kind, including charges for boxing, packaging or cartage, import or export duties, inbound freight charges, excises or other extras will be allowed, and all are included in the price as specified on the Purchase Order, unless specifically agreed otherwise in writing and in advance by Buyer.
8. **Delivery.** Buyer's sale schedules are established in part in reliance upon the delivery information specified in the Purchase Order. The date specified (if any) is the date of arrival at Buyer's facility. All deliveries shall be FOB destination. Time and place of delivery are of the essence in the performance of this Purchase Order. Any provision for delivery in installments shall not be construed as making the obligations of Seller severable. If delivery cannot be made at the specified time and place, Seller shall promptly notify Buyer of the earliest possible date for conforming delivery. Notwithstanding such notice, and unless otherwise agreed by Buyer in writing, Seller's failure to effect conforming delivery shall entitle Buyer to revoke any acceptance, to cancel this order without liability to Seller, to receive a full refund on any amounts paid, to purchase substitute products or services elsewhere, to return at Seller's risk and expense all or any part of a nonconforming delivery and to hold Seller accountable for any loss or additional costs incurred. Buyer's receipt or acceptance of all or part of a nonconforming delivery shall not constitute a waiver of any claim, right or remedy Buyer has under this Purchase Order or under applicable law.

9. **Title and Risk of Loss.** Title to and risk of loss for products purchased which conform to this Purchase Order shall pass to Buyer upon receipt and acceptance at Buyer's premises. Title to and risk of loss for nonconforming products and for all property provided to Buyer by Seller shall remain with Seller.
10. **Inspection and Rejection.** Buyer may inspect and test all products and services at reasonable times before, during and after manufacture or provision. All products and services shall be received subject to Buyer's inspection, testing, approval and acceptance at Buyer's premises. Products or services rejected by Buyer as not conforming to the Purchase Order may be returned to Seller at Seller's risk and expense and shall not be replaced by Seller without Buyer's written authorization.
11. **Warranties.** In addition to any other express or implied warranties, Seller warrants that all Work delivered hereunder will be merchantable, new, suitable for the uses and purposes intended, of the grade and quality specified, free from all defects in design, material and workmanship, will conform to all samples, drawings, descriptions and specifications furnished, and will be free of liens, claims and encumbrances. Seller further warrants, to the extent the Work includes services, that such services shall conform with the highest standards of care, skill and diligence appropriate to the nature of the services rendered, that all personnel furnishing such services shall be qualified and competent to perform the service assigned to them, and that the recommendations and performance of such personnel shall reflect their best professional knowledge and judgment. These warranties shall survive any delivery, inspection, acceptance, payment, performance or resale of the Work and shall extend to Buyer and Buyer's customers, if applicable. These warranties shall be construed as conditions as well as warranties and shall not be deemed to exclude Seller's standard warranties or other rights or warranties which Buyer may have or obtain. At its expense and option, Seller shall replace or repair any products not conforming to the foregoing warranties and shall correct all software products not performing substantially in accordance with applicable product specifications, and re-perform any services not meeting the warranties provided herein. If after notice Seller fails promptly to replace or repair any such product or to correct any such software product, or re-perform any defective services, Seller shall promptly refund to Buyer the full purchase price paid by Buyer for all such products and/or services. The rights and remedies provided herein shall be cumulative with any other rights and remedies existing as a matter of law or equity.
12. **Intellectual Property; Non-Infringement.** Seller acknowledges and agrees that all intellectual property provided to Seller by Buyer, as well as the terms of this Purchase Order and the existence and content of the relationship between the Seller and Buyer, shall be treated as confidential, and shall not be used or disclosed by Seller except as required in the course of performing this or other Purchase Orders for Buyer. Seller represents and warrants that the Work delivered hereunder does not infringe any United States or foreign patent, trademark, trade secret or copyright, or any proprietary, intellectual property, industrial property, contract or other right held by any third party. Buyer will have title to and the right of immediate possession of any pattern, tools, jigs, dies, equipment or materials furnished or paid for by Buyer (collectively, "Property"), and Seller must not use such Property while in its possession for any work other than that of Buyer. If Seller purchases Property with Buyer's funds or is reimbursed by Buyer, Seller shall execute a Bill of Sale and any and all other documents necessary to transfer title free and clear of any liens to Buyer. While in Seller's possession, Property will be held by Seller as a bailee and must be maintained in good and usable condition at no further cost to Buyer. Any material furnished by Seller and paid for by or charged to Buyer will be owned by Buyer and held by Seller as a bailee and Seller shall assume the risk for any damage or loss thereto. Seller shall indemnify and hold Buyer, its agents and employees, harmless against all claims, demands, liabilities, costs and expenses, based upon or arising out of the use, storage or handling of the Property until returned to Buyer's possession. Seller shall sign, or hereby authorizes Buyer to sign on its behalf, any documents deemed reasonably necessary by Buyer, to be filed with Federal, State or local officials to record Buyer's title and interest in any Property furnished or paid for by Buyer.
13. **Confidentiality.** Any information (i) provided to the Seller by the Buyer, (ii) prepared or derived from such information, or (iii) developed or provided by Seller in connection with this Purchase Order, are confidential and may not be used by Seller or be furnished or communicated by Seller to any third parties for any purpose outside of this Purchase Order, without the prior written consent of Buyer. Seller shall store all information related to this Purchase Order in a safe place and shall restrict access to such information to its employees who have a need to know such information for the purposes of performing Seller's obligations hereunder. Seller shall not acquire any rights in any information provided by Buyer to Seller. Seller shall return and deliver or cause to be returned or delivered to Buyer all tangible information provided by Buyer including all copies thereof, upon written request by Buyer. Seller shall be responsible for any breach of the terms hereof by its officers, directors, employees or agents.
14. **Changes.** Buyer may, at any time and from time to time, by notice to Seller, make changes in specifications, designs, drawings, method of packing or shipments, quantity ordered, destinations and delivery schedules and Seller shall immediately comply therewith. If any such change causes a material increase or decrease in Seller's cost or the time for performance, an equitable adjustment shall be made to the price or delivery schedule, or both. No change, modification or revision of this Purchase Order by Seller shall be binding upon Buyer unless in writing and signed by Buyer's duly authorized representative.
15. **Compliance with Laws.**
- A. Seller shall comply with all applicable governmental laws, ordinances, codes, rules, regulations, programs, plans and orders in the performance of this Purchase Order. At Buyer's request, Seller shall provide appropriate certificates of compliance.

- B. Seller shall obtain all permits or licenses required in connection with the manufacture, sale, shipment and installation of the products ordered hereby and/or the performance of the services.
- C. If in connection with the Work to be delivered under this Purchase Order, Seller is required to comply with Occupational Safety and Health Act's hazardous communications standard (48 Fed. Reg. 53280(1983)), Seller agrees to provide Buyer with copies of the applicable Material Safety Data Sheets at the time of delivery to Buyer's premises of the products or services ordered hereunder which require such compliance, and any updates of such sheets required to be delivered by Seller to Buyer under such laws and regulations and/or upon request.
- D. Seller will indemnify, defend, and hold harmless Buyer, its agents, employees, customers, and users of its and their products against all suits, actions or proceedings, at law or in equity, and from all claims, demands, losses, judgments, damages, costs, expenses, or liabilities, including reasonable attorneys' fees, resulting from or arising out of any failure of Seller or Seller's employees, agents, and subcontractors to comply with any applicable laws and regulations.
- F. Seller agrees to provide all information necessary for Buyer to comply with all applicable laws and regulations, including, without limitation, related legal reporting obligations, in the country of destination. Seller agrees to provide all documentation and/or electronic transaction records to allow Buyer to meet customs related obligations, any local content and origin requirements, and to obtain all tariff and trade program duty avoidances and/or refund benefits, where applicable. Seller further agrees to assume, and to indemnify Buyer against, all financial responsibility arising from Seller's failure to comply with these requirements and/or to supply Buyer with the information required to meet legal reporting obligations, including, without limitation, any fines, penalties, forfeitures, or counsel fees incurred or imposed as a result of actions taken by the importing country's government. The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Seller's suppliers and export credits, to the extent transferable to Buyer, are the property of Buyer. Seller will provide all documentation and information and take any necessary steps to obtain refunds or drawback of any duty, taxes or fees paid, and to receive export credits from, the government of the country of origin or export country. Seller will provide Buyer with all documentation and information required by applicable law necessary to determine admissibility, timely release, customs clearance and entry of the Work into the destination country. Seller will advise Buyer if the importation or exportation of the product requires an import or export license and will assist Buyer in obtaining any such license, but will not be required to incur any costs without reimbursement by Buyer. Seller warrants that the information regarding the import or export of the product supplied to Buyer is true and correct, and that all sales covered by the Purchase Order will be made at not less than fair value under the anti-dumping laws of the countries to which the product is exported.
- G. Seller represents that it does not, and shall not, utilize slave, prisoner, child, or any other form of forced or involuntary labor, as defined by applicable law, in connection with the supply of products or services to Buyer under the terms of this Purchase Order.
- H. Seller will, and will ensure that its subcontractors will, not act in a manner or take any action that will, or could be reasonably expected to, render Buyer liable for a violation of the FCPA, the U.K. Anti-Bribery Act, and any other similar act, law, directive, rule or regulation which prohibits the offering, giving or promising to offer or give, directly or indirectly, money or anything of value to any official of a government, governmental entity or agency, political party or instrumentality to assist Seller or Buyer in obtaining or retaining business or to gain an unfair business advantage.
- I. During the term of the Purchase Order, Buyer's customer may ask or require Buyer to disclose the country of origin of the raw materials or components of Buyer's product or services, including, without limitation, the location of the mines from which the minerals were extracted which were used to form such raw materials. At Buyer's request, Seller shall provide all relevant information and reporting as may be requested (including, without limitation, information related to Seller's suppliers) to enable Buyer to completely and accurately make its disclosures, and will take any other actions reasonably required by Buyer to comply with this Section. By way of example (but not by way of limitation), the requirements of this Section would include the disclosure to Buyer of information necessary to enable Buyer's customer to comply with the Conflict Minerals disclosure mandate under section 1502 of the U.S. Dodd Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) and regulations promulgated thereunder, potential legislation or regulations enacted by other countries or states pertaining to conflict minerals, as well as for social policies that Buyer, or Buyer's customer wishes to pursue. If further guidance on compliance with section 1502 is provided by governmental or regulatory sources from and after the date hereof, Seller acknowledges and agrees that this section will be automatically and without any action required by Buyer modified to require compliance with such additional guidance.

16. Cancellation.

- A. Buyer may, by notice to Seller, cancel the whole or any portion of this Purchase Order in the event of:
 - (i) proceedings, voluntary or involuntary, in bankruptcy or insolvency, are initiated by or against Seller;

- (ii) the appointment, with or without Seller's consent, of any trustee or receiver for any substantial portion of Seller's assets;
- (iii) Seller initiates any proceeding for the assignment for the benefit of Seller's creditors; or
- (iv) Seller's breach of any provision contained herein that is not cured within 10 days following written notice.

In the event of any such cancellation, Buyer may procure, upon such terms and in such manner as Buyer may deem appropriate, products or services comparable to the Work covered by the Purchase Order so terminated, and Seller shall be liable to Buyer for any excess cost of such comparable products or services.

In the event of any such cancellation, Buyer may also require Seller to deliver to Buyer in the manner and to the extent directed by Buyer, any completed or partially completed products or services, and such delivery shall be credited against any prepayment by Buyer properly allocable to such products or services. Seller shall continue performance of this Purchase Order to the extent not canceled. Except to the extent specifically set forth herein, Buyer shall have no obligation or liability to Seller in respect of the canceled portion of this Purchase Order. Buyer's rights set forth in this Section 16 shall be in addition to Buyer's other rights in the event of Seller's default. In the event of any such cancellation all deposits or prepayments shall be deemed to have been held in trust for Buyer's benefit and shall be returned to Buyer promptly upon request.

- B. All of Seller's obligations set forth in this Purchase Order shall survive the cancellation, termination or completion of this Purchase Order.

- 17. **Assignment.** Seller shall not delegate or subcontract any duties or assign any rights or claims under this Purchase Order without Buyer's prior written consent, and any such attempted delegation, subcontract or assignment shall be void.
- 18. **Governing Law.** This Purchase Order and the rights and obligations of the parties hereunder shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of Michigan, United States of America, and the courts sitting in Macomb County, Michigan, or the U.S. District Court for the Eastern District of Michigan shall have exclusive jurisdiction and venue over any dispute arising hereunder. The United Nations Convention on Contracts for the International Sale of Goods will not apply.
- 19. **Authorization.** Seller represents and warrants that it has been duly authorized to execute, deliver and perform this Purchase Order, and the person signing on the Seller's behalf has the power and authority to do so.
- 20. **Indemnification.** Seller shall indemnify and hold Buyer harmless against any and all claims, losses, liabilities, damages, costs or expenses, including attorneys' fees and court costs, resulting from the death or injury to any person or damage to any property arising out of or in any way connected with the performance of this Purchase Order by Seller or the products and/or services provided hereunder, or with respect to matters and allegations that the products and/or services are defective, unfit or unsafe, or that the products or services do not meet applicable laws or regulations, and shall defend all actions and proceedings at its sole expense, resulting from the breach or alleged breach of any representation, warranty or agreement made by Seller in this Purchase Order, including, without limitation, Seller's obligations to deliver the Work pursuant to this Purchase Order and Seller's representations, warranties and agreements contained in this Purchase Order.
- 21. **Insurance.** Seller shall maintain with an insurance company or companies Comprehensive General Liability Insurance (including liability hereunder) in the minimum amount of \$1,000,000, naming Buyer as an additional insured. Seller shall also maintain all required workers' compensation insurance, automobile liability insurance, and errors and omissions insurance, as well as such other insurance coverage as Buyer may reasonably request. At Buyer's request, a certificate of such insurance shall be filed with Buyer and shall provide for not less than 10 days prior written notice to Buyer of cancellation or material change. Liability insurance limits shall not be construed to limit Buyer's right of indemnity hereunder.
- 22. **Set-Off.** Any amount owed to Seller by Buyer or any of Buyer's affiliates shall be subject to deduction for any set-off counterclaim or indemnification right arising out of this or any other Purchase Order to Seller from Buyer or any of Buyer's affiliates.
- 23. **Severability.** In the event that any one or more provisions contained in this Purchase Order shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The remedies contained herein are cumulative and in addition to any other remedies at law or equity. Buyer's failure to enforce, or waiver of a breach of, any provision of this Purchase Order shall not constitute a waiver of any other breach or of such provision.
- 24. **Entire Agreement.** These Terms and Conditions and the related Purchase Order are the complete and exclusive statement of the contract between Buyer and Seller with respect to Buyer's purchase of the Work. In case of a conflict between the terms and

conditions on the face of this Purchase Order and the terms and conditions contained herein, the terms and conditions on the face of the Purchase Order shall control.

25. **Work to be Completed on Buyer's Premises by Seller.** In the event that Seller is required, as a part of its fulfillment of the terms of this Purchase Order, to perform all or any aspect of the Work on Buyer's premises, Seller assumes entire responsibility and liability for (and shall indemnify and hold Buyer harmless from) any losses, expenses, damage, demands and claims in connection with or arising out of any injury or alleged injury (including death) or damage to property, sustained or alleged to have been sustained in connection with or to have arisen out of the performance of such Work by Seller, its employees, agents or contractors.
26. **Right to Audit.** Buyer shall have the right, at any reasonable time and upon reasonable advance notice, to send its authorized representatives to examine all of the Seller's documents and materials relating to Seller's obligations under this Purchase Order or relating to Seller's charges to Buyer, and to inspect Seller's facility. If requested by Buyer, Seller will provide Buyer with such financial reports and documentation as are reasonably necessary to enable Buyer to assess the Seller's ongoing ability to perform its obligations under the Purchase Order and for no other purpose, unless the Seller agrees otherwise in writing. Seller shall maintain all pertinent books and records relating to this Purchase Order for a period of four (4) years after completion of delivery of products or services pursuant to this Purchase Order.
27. **Miscellaneous.**
- A. Buyer's sole liability to Seller under the Purchase Order (including its termination, expiration or cancellation) is to pay for the products and services and to pay any specific termination related amounts described herein. IN NO EVENT SHALL Buyer BE LIABLE TO SELLER FOR ANTICIPATED OR LOST PROFITS, INTEREST, PENALTIES OR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES OR LIABILITIES IN CONNECTION WITH THIS ORDER, WHETHER FOR BREACH OF CONTRACT, TORT LIABILITY, LATE PAYMENT, PROPERTY DAMAGE, PERSONAL INJURY, ILLNESS, OR DEATH OR OTHERWISE.
 - B. The failure of either party at any time to require performance by the other party of any provision of this Purchase Order will in no way affect the right to require such performance at any time thereafter, nor will the waiver of either party of a breach of any provision of this Purchase Order constitute a waiver of any succeeding breach of the same or any other provision.
 - C. Seller and Buyer are independent contracting parties and nothing in this Purchase Order will make either party the agent or legal representative of the other for any purpose, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.
 - D. The rights and remedies reserved to Buyer in this Purchase Order are cumulative and additional to all other remedies available to Buyer in law or equity.
 - E. Seller's covenants, representations and warranties under this Purchase Order will survive any delivery, inspection, payment or acceptance and any completion, termination or cancellation of this Purchase Order.
 - F. If this Purchase Order covers products or services for Buyer's use in the performance of any contract, sub-contract, or purchase order in which the United States Government, or any agency or department thereof, is the principal contractor, then a Supplement A will be attached hereto and the additional terms and conditions set forth in Supplement A to this Purchase Order will also apply.
 - G. If this Purchase Order covers products or services to be delivered by Seller to or for the benefit of a facility of Buyer or one of its affiliates outside the United States, this Purchase Order shall also be subject to the specific terms and conditions published by Buyer for the country in which such facility is located.

Rev. Date: June 1, 2017