

## TERMS AND CONDITIONS OF PURCHASE OF GOODS AND SERVICES AND CAPITAL EQUIPMENT

Leviton Manufacturing Co., Inc. ("Leviton") and its affiliates (i.e., Leviton or the Leviton affiliate) is listed in the accompanying Purchase Order or agreement, and referred to herein as "Buyer" or "Leviton".

**Notice - By accepting or shipping any part of this Purchase Order, or by performance of the Services by Supplier, Supplier agrees to the following terms and conditions (the "Agreement"):**

**1. Terms of Agreement; Order of Precedence.**

Unless otherwise agreed to in writing and signed by all relevant Parties, these terms and conditions of Purchase ("T&Cs") contain the only terms and conditions which govern the purchase by Leviton or its affiliates, or by Leviton on behalf of its affiliates, of goods, services or capital equipment (hereinafter referred to as "**Products**" and/or "**Services**") described on a Purchase Order and sold by Supplier. Leviton and Supplier are sometimes herein referred to singly as "**Party**" or collectively as "**Parties**." This Agreement supersedes all previous and contemporaneous agreements and understandings between the Parties and the Parties' agreement is expressly limited to these T&Cs. Notwithstanding the foregoing, if any terms and conditions contained in a Purchase Order conflict with the T&Cs, the applicable term or condition of this Agreement will prevail and such contrary or different terms will have no force or effect. Except for such contrary or different terms, the terms and conditions of all Purchase Orders are incorporated by reference into this Agreement for all applicable purposes hereunder. Without limitation of anything contained in this paragraph, any additional, contrary or different terms contained in any Confirmation or any of Supplier's invoices or other communications, and any other attempt to modify, supersede, supplement or otherwise alter this Agreement, are deemed rejected by Buyer and will not modify this Agreement or be binding on the Parties unless such terms have been fully approved in a signed writing by authorized representatives of both Parties. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Products and/or Services covered herein, the terms and conditions of such contract shall govern this transaction.

**2. Ordering.** Ordering of Products shall be by Purchase Orders on Leviton's order forms and change orders thereto (collectively the "**Purchase Documents**"). All orders shall be deemed accepted by Supplier unless Leviton receives a written objection thereto within 5 days after Supplier's receipt of such orders. No variation in any of the terms, conditions, deliveries, prices, quality, quantity, and specifications of Buyer's Purchase Orders, irrespective of the wording of Supplier's acceptance, will be effective without Buyer's written consent. The shipment by Supplier of any part of an Order shall be Supplier's agreement to all provisions of the Purchase Order without variation or exception.

**3. Order Changes and Cancellation.** Leviton may, without incurring liability for additional or increased costs: (a) change the delivery destination for the Product(s); and/or (b) change or cancel the Purchase Orders, in whole or in part. Upon receipt of notice to cancel, Supplier shall,

unless the notice directs otherwise, immediately discontinue the work under the Purchase Order and the placing of orders for materials, facilities and supplies for the work under the Purchase Order, and shall make every reasonable effort to procure cancellation of all such existing orders or contracts upon terms satisfactory to Leviton. Supplier shall thereafter do only such work as may be necessary to preserve and protect work already in progress. Leviton reserves the right at any time to make changes in any one or more of the following: (a) specifications, drawings and data incorporated in this order where the materials to be furnished are to be specially manufactured for Leviton; (b) methods of shipment or packing; (c) place of delivery; and (d) time of delivery. If any such changes cause an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price for the material or delivery schedule, or both, as long as Supplier provides prior notice to and receives approval from Leviton for such adjustment. Any claim by Supplier for adjustment under this paragraph shall be deemed waived unless asserted in writing within 10 days of notification of the change. If Buyer terminates a Purchase Order for any reason, Supplier's sole and exclusive remedy is payment for the Product or Services received and accepted prior to that termination. Price increases or extensions of time for delivery shall not be binding on Leviton unless agreed to in writing, signed by Leviton. In the event that Buyer becomes aware of any patents, copyrights, trademarks, trade names or any other intellectual property rights of a third party that Buyer reasonably believes the Product(s) infringe upon, Buyer may change or terminate such Purchase Order (s) in whole or in part without incurring liability and shall receive a refund if payment has already been made. The option in the foregoing sentence, regardless of whether it is invoked, is not a waiver of any other terms and conditions of this Agreement. In the event an Order is cancelled, and the Product has already been labelled with Leviton Marks (as defined below), then Supplier must remove Leviton Marks prior to reusing, reselling or otherwise disposing of the Products.

For purchases of capital equipment, either Party may from time to time request a change to the Qualification Date or other scope related change (a "Change"). Each proposed Change will be submitted in writing by the Party requesting the Change to the other Party. If a Change is submitted by Supplier, Supplier shall submit with its notification to Leviton (or upon Supplier's receipt of Leviton's written notification of the Change, Supplier shall promptly submit to Leviton) Supplier's estimate of the impacts of the Change, including the estimated budgeted cost and estimated schedule impacts associated therewith, if any, that Supplier believes would be necessary or appropriate as a result of the Change. Within a reasonable time after Supplier provides to Leviton Supplier's estimate, Leviton shall determine the extent to which the Change affects

Supplier's ability to perform, or the time or cost of doing so, or any other obligation under the Purchase Order, and, to such extent, Supplier may be entitled to an equitable and reasonable compensation adjustment (either up or down) and/or a change to the Qualification Date. Not all Changes will result in an increase in the amount owed to Supplier, and, in certain instances, a Change may result in a decrease in the amount owed to Supplier.

4. **Pricing.** No increase in pricing of Products or Services is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer. In the event Supplier charges a different buyer a lower price for the Product), or for similar products in the market, or if the cost of components or raw materials decrease, Supplier must immediately apply the lower pricing to Leviton's Products. Unless otherwise specified in the Purchase Order, the price includes all packaging, transportation costs to the delivery point indicated in the Purchase Order or in the applicable agreement, insurance, customs duties, tariffs, fees, and applicable taxes.

The prices set forth herein include all taxes, impositions, or charges in effect on the Effective Date of this agreement. In the event Supplier shall be finally relieved from paying any such taxes, impositions, charges, or increases, or which is later refunded or returned to Supplier at any time and for any cause, shall be refunded or credited to Buyer by Supplier as promptly as possible after deduction by Supplier of any reasonable expenses incurred in preventing collection of such taxes, impositions, charges, or increases or in obtaining or securing such refunds or returns and in making such reimbursement to Buyer, and after paying and discharging all tax liabilities to which Supplier may be subjected by reason of its having been relieved from paying such taxes, impositions, exactions, charges, or increases or having secured such refunds or returns. Supplier shall be under no obligation to contest the validity of any tax, imposition, charge, or increase or to prosecute any such claims for refunds or returns. However, in the event Supplier does not elect to contest such taxes, impositions, exactions, charges, or increases, or to prosecute such claims for refunds, Buyer shall be entitled to an assignment on mutually acceptable conditions of all Supplier's rights to take such actions and Supplier will cooperate with buyer at Buyer's expense, as needed to secure such refund.

5. **Packaging Charges.** Leviton allows no charge for boxing, packing, crating or additional line items on Supplier's invoice, unless agreed to in writing.

6. **Buyer's Routing Guide.** For domestic shipments, Supplier shall adhere to Buyer's Transportation Routing Guide ("**Routing Guide**"). Buyer reserves the right to modify, supplement, or change the Routing Guide at any time. If Supplier does not ship the Products in accordance with the Routing Guide, then Buyer will not be obligated to pay for the cost of transportation to Buyer's facility, unless Supplier receives prior written authorization. At no time does Buyer authorize "shipping and handling" or other similar miscellaneous fees to be added to the invoice.

7. **Expedited Shipping Requests.** If, and to the extent that, Purchase Orders from Leviton request a shipping date on an expedited basis (inside of the established lead time), Supplier shall advise Leviton within 2 business days after receipt of such Purchase Order as to whether it can comply therewith, but in any event will

use its best efforts to ship such orders as expeditiously as possible.

8. **Timely Delivery.** (a) Time is of the essence for all deliveries of Products and Services. Supplier shall use its best efforts to timely deliver Products as set forth in the Purchase Documents, it being understood that Leviton expects and anticipates a timely delivery rate of not less than 100% in respect of all Product Orders. If less than 98% of deliveries are made on a timely basis, or if deliveries are not made as specified in the Purchase Order, then Leviton reserves the right to cancel any Purchase Order or any unfilled portion thereof. Leviton reserves the right to cancel or postpone deliveries of any of the material which is not shipped to Leviton's specified place of delivery at the time specified therefore. (b) If applicable, Supplier shall provide the Services to Buyer as described and in accordance with the Purchase Order. Capital equipment shall not be deemed to have been accepted until such time as it is delivered, installed, and/or qualified and accepted pursuant to Section 12.

9. **Qualification Date.** The "Qualification Date" is the date set forth in the Purchase Order (or otherwise indicated in writing by Leviton) as the date on which capital equipment purchased by Leviton from Supplier is actually ready to run, installed, started-up, de-bugged, ready to run and ready for commercial use by Leviton at its designated facility, in each case as specified in the Purchase Order as Delivery Date—Our Plant. In specific cases where supplier is not responsible for installation, start-up and debugging, the "Qualification Date" is the date set forth in the Purchase Order as the date on which the Capital Equipment shall have been delivered to Leviton at its designated facility.

10. **Quality Expectation.** Supplier understands that Leviton expects that Supplier shall maintain the quality of Products ordered hereunder such that defects in respect thereof shall not exceed 20 parts per million for components or finished goods.

11. **Inspection.** Leviton has the right, but not the obligation, to inspect Product.

12. **Final Acceptance of Capital Equipment.** Leviton shall perform such tests and/or inspections as are necessary to determine that the capital equipment has been delivered (and, if applicable, installed) in accordance with the drawings, samples, and or specifications as provided by Leviton or as represented by Supplier to Leviton. After successful acceptance testing/inspection (including Supplier as satisfying its lockout/tag out obligations, if applicable) of all capital equipment and any associated work, Leviton shall pay the amount then due ("Final Acceptance"). Leviton shall not unreasonably withhold such Final Acceptance.

13. **Incoming Non-Conforming Products.** An administrative fee for each non-conforming Product as determined by Leviton will be automatically charged back to the Supplier. Non-conforming Products are goods that do not conform, in all material respects, to the specifications, standards, drawings, samples, descriptions, quality requirements, performance requirements, and/or fit, form and function requirements furnished, specified or approved by Leviton for the Products, and as specified in the Purchase Order. The charge back rate will be \$500 for each defective material report (DMR) written plus additional charges, such as sort, rework, returned freight, and line down. Charges will be set-off as debits on the next payment due. Leviton

reserves the right to reject or accept any non-conforming Products. Rejected non-conforming Products shall be returned at Supplier's expense, including transportation charges, subject to the requirements of Sections 12 and 13.

14. **Rectifying Non-Conformance.** Supplier has the following options (subject to Leviton's written approval) with respect to Products deemed by Leviton to be defective, or found to be non-conforming: (a) Send replacement parts immediately; (b) Provide personnel to sort the defective material; (c) Use a local temp agency specified by Leviton plant to sort the defective material; (d) Use a Leviton plant-approved third party to rework the material; or (e) Leviton may sort, rework, and undertake any other non-value-added activity at a minimum rate of \$100.00 per hour. If non-conforming Product is returned by Leviton to Supplier within one year of the date of delivery to Leviton, then Supplier shall give Leviton an appropriate credit or refund therefor.

15. **Compliance with Purchase Order.** The Parties recognize that Leviton has made, and will make, a significant investment in time and monies in an effort to build a business based upon sales of the Products, and that the reliable and timely delivery of Products by Supplier to Leviton is critical to the success of Leviton's business plans. Therefore, in addition to such other rights and remedies available to Leviton hereunder, if due to Supplier's fault, Supplier fails to perform in accordance with the Purchase Order (for example, untimely delivery, failure to deliver Purchase Order quantity, non-conforming Products, and the like), then Supplier shall be liable (and/or reimburse Leviton, as the case may be) for all actual liabilities, damages, costs and expenses incurred by Leviton, if applicable, in connection with such non-performance, including without limitation, the cost of expedited delivery as may be requested by Leviton and/or the cost of acquiring substitutes for Product(s), if any. Leviton agrees to discuss any situation that might incur liabilities with Supplier to determine appropriate course of action. Delivery or payment for Products shall not constitute Leviton's acceptance of the Purchase Order. Leviton reserves the right to reject all or any portions of a shipment containing defects or non-conformances after a reasonable opportunity to inspect.

16. **Liquidated Damages for Capital Equipment.** Time is of the essence with respect to the meeting the Qualification Date. Supplier acknowledges that its failure to successfully deliver and complete the Capital Equipment by the Qualification Date will have a material adverse impact on Leviton's business and operations. If Supplier fails to meet the requirements of Leviton on or before the Qualification Date, then Supplier agrees to pay to Leviton, as liquidated damages, for such failure and not as a penalty, an amount determined as follows (the "Liquidated Amount"):

Liquidated Amount Per Day

One half of one percent of the contract price (.005). Liquidated damages begin to accrue one week after the Qualification Date and are capped at 5% of Purchase Order contract price. The foregoing Liquidated Amount will be paid to Leviton by Supplier, calculated per day (or a prorated portion of such amount for partial days) as described above. The Parties acknowledge that (i) the amount of loss or damages likely to be incurred by Leviton are incapable or difficult to precisely estimate, and (ii)

liquidated damages calculated as provided in this Section are intended to compensate Leviton for the delay by Supplier and are reasonable in light of the anticipated harm to Leviton caused by any failure described in this Section. Supplier shall pay any liquidated damages to which Leviton is entitled within thirty (30) calendar days upon Leviton's written demand. At Leviton's discretion, payment of the Liquidated Amount shall be made in the form of a one-time payment by Supplier or the Liquidated Amount may be deducted by Leviton against any amounts due to Supplier from Leviton, and Supplier acknowledges and agrees to such deductions.

17. **Training.** Supplier shall furnish Buyer at no cost to Buyer such training, technical/ engineering support for new product design, and/or development as Buyer may reasonably request. With respect to Capital Equipment, The purchase price of the Capital Equipment includes, at no additional cost to Leviton: (i) onsite training of Leviton personnel for general operations of the Capital Equipment as requested by Leviton for at least one (1) week of operator and/or maintenance training, including instruction manuals; (ii) promptly following acceptance of the Capital Equipment, a specialized training class at Leviton's facility with an emphasis on Leviton's requirements; and (iii) maintenance training.

18. **Intellectual Property License.** Leviton and its affiliates have certain valuable intellectual property, and own all right, title and interest in and to its trademarks and trade names, and any closely related variations, including any and all common law rights. If Supplier is labelling the Product with the Leviton logo or name, including a logo or name of any of Leviton's affiliates, Leviton hereby grants to Supplier a limited, non-exclusive, royalty-free license for the term of this Agreement to use the name "Leviton," or the name of its affiliates that are purchasing Products from Supplier, the logo of Leviton or its affiliates, and any trademarks or trade names or other intellectual property owned by Leviton or its affiliates (collectively the "**Leviton Marks**") solely on Product(s); provided that: (a) Leviton's packaging and branding guidelines are followed; (b) samples of such use are first furnished to Leviton; and (c) Leviton first approves such use in writing. Supplier shall not be required to further furnish such samples after obtaining such approval if Supplier's continued use of the Leviton Marks conforms to such approval. Any variation by Supplier from such approved use must be submitted to Leviton for written approval. Except for the limited rights expressly granted to Supplier hereunder, all rights with respect to the Leviton Marks, and other intellectual property owned or used by Leviton are reserved to Leviton and shall not be used by Supplier without Leviton's prior written consent.

19. **Use of Marks.** Permitted uses of the Leviton Marks under this Agreement shall inure exclusively to the benefit of Leviton for trademark and all other purposes. Supplier shall not at any time or in any manner use the Leviton Marks on or in connection with sales of Product(s) (whether on the Products themselves, packaging, promotional matter or otherwise) to persons or entities other than Leviton.

20. **Works Made for Hire.** If this Purchase Order includes the creation and delivery of one or more copyrightable works ("Works"), whether some, all, or no elements of the Works were supplied by Leviton, Supplier

acknowledges and agrees that all of the Works developed hereunder shall be deemed "works made for hire" under U.S. Copyright law and shall be the sole property of Leviton, and upon Leviton's reasonable request, Supplier shall execute, and shall cause its employees and subcontractors, if any, to execute, any and all documents necessary to effect the foregoing. To the extent that any of the Works are not deemed a "work made for hire," Supplier does hereby, and shall cause its employees and subcontractors to, assign, transfer, and convey to Leviton, its successors, and assigns the entire right, title and interest in and to all such Works, and any copyrights, patents, trademarks or other intellectual property rights relating thereto.

21. **Material Furnished to Supplier.** All material, drawings, plans or specifications supplied by Leviton to Supplier or specifically paid for by Leviton, including but not limited to tooling, fixtures and templates, shall be: (a) the property of Leviton; (b) subject to removal at any time upon demand by Leviton, without additional cost; (c) used only in filling orders from Leviton; (d) kept separate from other materials or tools; and (e) clearly identified as the property of Leviton. At Leviton's request, Supplier shall insure such inventory of Leviton's property with loss payable to Leviton, with an insurer reasonably satisfactory to Leviton without a deductible or self-retention, as reasonably set by Leviton for the full replacement value of such property. Supplier assumes all liability for loss or damage, with the exception of normal wear and tear, and agrees to supply detailed statements of inventory at monthly intervals, or as otherwise agreed upon. All Leviton proprietary information furnished to or received by Supplier shall be and remain Leviton's exclusive property and shall not be used by Supplier for the benefit of any person or entity other than Leviton. This includes, but is not limited to, product and business information of a confidential and proprietary nature such as, by way of example, manufacturing processes, proprietary design, tooling and process concepts, component and material requirements, specifications, quality testing issues and test results, pricing, as well as descriptive information concerning business plans and operations of or contemplated by Leviton.

22. **Printed Work.** If this is a Purchase Order for printed matter, then all artwork used in producing this or any future printing work is the property of Leviton. Upon completion of the job, Supplier will promptly return artwork. Supplier further agrees to deliver all or part of such material to Leviton promptly upon request and in case of loss or damage, to make replacement at Supplier's expense.

23. **Drawing/Design.** Leviton shall own all of the designs and drawings that relate to the Capital Equipment that Supplier has created or altered specifically for Leviton. Supplier shall provide Leviton with all design, utility, electrical, foundation, bill of materials, and all drawings necessary for Leviton to operate, maintain, repair and replace the Capital Equipment and major components thereof. The above items shall be provided to Leviton in electronic format.

Any changes, modifications, or redesign of the Capital Equipment or any of the related parts and/or machinery after delivery to Leviton must be documented by updated drawings and delivered to Leviton no later than 30 days from the date of the change.

Supplier guarantees that all parts manufactured by Supplier will remain available for replacement for a period of 10 years from the Qualification Date.

Upon request and when applicable, such as for equipment with rotating parts/spindles, Supplier will provide Leviton with a documented Vibration Signature Analysis on or before the Qualification Date for each rotating part/spindle.

24. **Performance Warranty.** If applicable, Supplier shall perform any and all Services diligently and in a good and professional manner, using good quality materials, equipment and workmanship, sufficiently trained personnel to complete the Services in a safe and timely manner, and in accordance with generally recognized industry standards for similar services, which does not unduly interfere with the operation of Leviton. Supplier also agrees to abide by any safety guidelines provided to it, if performing Services at one of Buyer's or Buyer's affiliates' facilities. If Buyer gives Supplier notice of noncompliance pursuant to this Paragraph, Supplier shall, at its own cost or expense, promptly repair or re-perform the applicable Services.

25. **Product Warranty.** (a) Supplier warrants to Leviton that all materials are and shall be of merchantable quality new (not used or reconditioned), are and shall be free from defect in materials and workmanship, meet the Product specifications, and shall be fit for the particular purpose for which they are ordered or to be used by the consumer. Supplier hereby relieves Leviton of all duty, without exception, to inspect Product. Further, all Products will be free and clear of all liens, security interests or other encumbrances, and not infringe or misappropriate any third party's patent or other IP rights. Notwithstanding any usage of trade or course of dealing between the Parties, Supplier's liability for breach of any warranty, express or implied, shall include: (1) replacement or repair of defective materials (including labor costs for removal of defective Products and replacement of new Products, at Leviton's option); (2) refund of the purchase price; and (3) any general, special or consequential damages proximately caused by the breach of warranty. There are no exclusions, limitations or disclaimers of warranty. Warranty shall run to affiliates, subsidiaries, successors, assigns, customers and users of Leviton's products. (b) Supplier agrees to promptly replace or refund any product found to be defective within the warranty period indicated in a Sourcing Agreement ("**Warranty Period**"), without any charge to Leviton. If no warranty period is listed for the Product in a Sourcing Agreement, the Warranty Period is at least 3 years from the end customer install date, or the Supplier warranty applicable to the Product, whichever is longer. Supplier will be responsible for all transportation costs associated with the repair of the product. If epidemic failure (systemic issue related to hardware or software) is found, as provided in Section 27 below, Supplier agrees to repair or exchange the product at their expense, including all costs associated with the repair or exchange. Supplier agrees to repair product out of warranty at the request and expense of Leviton. (c) All warranties will survive the termination of this Agreement. For all costs and damages incurred by Leviton due to claims related to Supplier's breach of warranty, Leviton shall be entitled to a set-off for such costs and damages as a debit against future payments due.

26. **Capital Equipment Warranties.** Supplier makes at least the following warranties with respect to Capital

Equipment (including spare parts and related components) delivered to Leviton: (a) Supplier warrants that all Capital Equipment will (i) strictly conform to the specifications, drawings, samples or descriptions furnished by Leviton to Supplier or by Supplier to Leviton (in each case as agreed upon by Leviton and Supplier); (ii) be of good quality and of good material; and (iii) be free from defects in material and workmanship and; (b) Supplier acknowledges and agrees that Supplier knows of Leviton's intended use and expressly warrants that the Capital Equipment covered by these T&Cs that has been selected, designed, manufactured, and/or assembled by Supplier, will be fit and sufficient for the particular purposes intended by Leviton; and (c) Supplier warrants that it has clear title to the Capital Equipment and that the Capital Equipment shall be delivered free of liens and encumbrances.

Supplier shall also be responsible for bringing to the attention of Leviton deviations or apparent errors in drawings, samples, and/or specifications that those with professional skills of the tool building trade can recognize. The foregoing warranties extend to future performance of the Capital Equipment and will survive inspection, tests, Final Acceptance, and payment, and shall continue for a period of at least two (2) years (or, if longer, Supplier's standard warranty period) from the Qualification Date ("Warranty Period").

During the Warranty Period, Supplier will, at no additional cost or charge to Leviton, perform all repairs and/or replacements of all defects in material, installation (if applicable) and/or workmanship to/on the Capital Equipment, either directly or by contract with duly qualified and responsible agents. Repairs and/or replacement shall be affected as soon as reasonably possible. Leviton agrees to provide Supplier with such reports, data, and/or defective components/parts, which may be necessary to assist Supplier to determine the extent of and to perform its warranty obligations. All replacements of defective material shall be delivered to the location of the Capital Equipment at Supplier's cost and expense. Supplier warrants that the work and material as provided and/or installed will comply with all laws, including the Occupational Safety and Health Act ("OSHA").

Supplier will respond to Leviton Maintenance requests during the Warranty Period within 2 business days. If Supplier fails to respond within 2 business days, Leviton retains the right to perform required maintenance at Supplier's cost and expense. Supplier agrees to pay and will be charged for parts and labor costs incurred by Leviton. Leviton maintenance labor rate is presently \$100 per hour.

27. **Epidemic Failure.** Epidemic Failure means the occurrence, at any time during the Warranty Period, of the repeat failure of a Product over time, having the same root cause, at a rate deemed by Leviton to be an Epidemic Failure. In the event of an Epidemic Failure during the Warranty Period that does not arise solely from Supplier's non-compliance with Buyer's specification, then (i) Buyer shall have the option of requiring Supplier to issue an immediate return material authorization ("RMA") related to such Product for the affected quantities of such Product; and (ii) the following costs and expenses incurred by Buyer

as a result of the Epidemic Failure shall be borne by Supplier: the costs of repair or replacement of the affected product, the shipping and transportation costs for the affected Product, costs to re-inspect or test 100% of the rejected lots of batches/sorting costs, and removal or reinstallation expenses, including and without limitation, labor costs or expenses, and any other reasonable expenses incurred by Leviton in connection with the Epidemic Failure.

28. **Product Recall.** If Supplier's Product is the subject of a Consumer Product Safety Commission ("CPSC") mandated product recall or is deemed to be a product hazard by a reputable testing laboratory (such as UL or ETL), or loses its certification or listing by such agency(s), Supplier shall bear all costs associated with compliance with the CPSC's product recall or any corrective action required by the testing laboratory.

29. **Root Cause Analysis.** In the event of an Epidemic Failure or Product Recall, as described in Sections 27 and 28 above, Supplier shall use its best efforts to (i) identify the root cause of any such product failure or non-conformance ("Defect") of any product supplied by Supplier to Leviton and (ii) propose a resolution, fix solution, or other acceptable and reasonable remedy to correct or eliminate the Defect. If Supplier refuses or unreasonably delays its response to a notification from Leviton of a Defect, then Supplier shall be liable to Leviton for all costs associated with the product failures, including the costs associated with replacing the defective products, including labor and shipping costs, and the costs of an independent laboratory hired by Leviton to examine the failed Products.

30. **Insurance.** Without limiting the obligations of Supplier under Section 31 below (Indemnification), Supplier shall maintain in effect with a U.S. insurer reasonably satisfactory to Leviton, beginning on or before the first shipment under a Purchase Order and until at least six (6) years after the last shipment under this order, for Products and Services, a minimum of US\$2,000,000 on an occurrence basis, US\$4,000,000 on an aggregate basis, and umbrella excess insurance of at least US\$5,000,000, and for Capital Equipment, a minimum of US\$5,000,000, in all instances with no deductible or self-retention in products liability. Supplier will notify Leviton at least 30 days in advance of any cancellation or material change in coverage. In addition, the policy must have an endorsement stating that Leviton Manufacturing Co., Inc. is named as an Additional Insured on the relevant policies, and with respect to Capital Equipment for at least two (2) years from the Qualification Date. An insurance certificate evidencing such insurance shall be delivered to Leviton at contract signing and automatically upon each renewal. If Supplier's employees or other representatives are required to be on Leviton's premises, Supplier shall carry and furnish Leviton, prior to delivering Products or commencing any work, with certificates of insurance for comprehensive general liability, automobile liability and workmen's compensation insurance. Such insurance shall have bodily injury limits of at least US\$1,000,000 per occurrence, US\$2,000,000 aggregate and property damage limits of at least US\$250,000 for Products and Services and US\$1,000,000 for Capital Equipment. The workers' compensation policy must contain a waiver of subrogation endorsement in favor of Leviton

Manufacturing Co., Inc., or the equivalent thereof if present on Leviton's premises outside of the U.S.

31. **Indemnification. (a) General Indemnification.** Supplier shall defend, indemnify, and hold harmless Leviton, its affiliates, officers, directors and employees against, and from all claims and litigation, liability, loss, damages, demands, judgments, or expense (including without limitation attorneys' fees, experts, and statutory and non-statutory costs) arising: (i) under any strict liability or negligence claims premised on either an actual or alleged defect in the Products or Capital Equipment; (ii) from a failure of the Products or Capital Equipment to perform or function consistent with Suppliers representations; (iii) from any damage to property or injury or death to persons, allegedly or actually caused by the Product(s), whether or not any defect was discoverable by Leviton; (iii) from any breach of Supplier's representations or warranties; (iv) from any violation of any U.S. Consumer Protection Legislation; (v) from any antitrust or unfair trade practices; (vi) from any civil, criminal, administrative or other action brought or taken by a government agency or entity, relating to the Product(s) or Capital Equipment, or any part thereof; or (vii) from damages or penalties of any sort arising from Supplier's failure to comply with any hazardous substances restrictions; (viii) out of injury to or death of any person or on account of damage to property, including the loss of use thereof or any other claim arising out of, in connection with or as a consequence of the performance of or the failure to perform Services (if applicable); or (ix) out of any claims against Buyer or its affiliates by Supplier, its employees or its workers. (b) **Intellectual Property Indemnification.** Supplier agrees to defend, indemnify and hold harmless Leviton, its affiliates, directors, officers, employees, agents, successors, assigns, customers and users of the Product(s) and Capital Equipment from and against any and all losses, expenses, damages, claims, suits and liabilities (including without limitation reasonable attorneys' fees, experts, and statutory and non-statutory costs, and incidental and consequential damages) arising: (i) as a result of the manufacture, use, possession, sale or resale of any of the Product(s), Capital Equipment, or if applicable, out of use of the Services or deliverables arising from the Services, infringing or allegedly infringing or misappropriating any patents, copyrights, trademarks, or trade names, trade secrets, or any other intellectual property rights, in any country; or, (ii) out of any misuse of the Leviton Marks (defined in Section 18) by any manufacturer, exporter of record or other subcontractor engaged by Supplier to fulfill Purchase Orders for Products sold by Supplier. In the event of infringement, Supplier may use reasonable commercial efforts to procure, at no cost to Leviton, the right to continue to use the Product(s). In the event that Supplier is unable or unwilling to procure such rights or suitably replace or modify such Product, or, Buyer believes that the Products are infringing, either Party shall have the right, upon written notice to the other Party, to terminate any outstanding Purchase Orders for the Products and return any remaining inventory for a full refund. (c) **Indemnification Procedure.** Upon discovery of a claim, Leviton will promptly notify Supplier, in writing, of any claim for which Leviton believes it is entitled to indemnification in sub-sections (a) or (b) above. Leviton will permit Supplier to control, in a manner not adverse to Leviton, the defense and settlement of any such claims

using counsel reasonably acceptable to Leviton. Supplier will not enter into any settlement or make admissions or concessions to claimants concerning infringement or validity of an asserted patent without prior written consent from Leviton, which shall not be unreasonably withheld.

32. **Approvals, Licenses, Certifications and Representations.** Supplier shall: (a) secure and maintain at all times any and all approvals, licenses, registrations, or authorizations of any national, provincial, or municipal agency, department, bureau or other governmental entity, as may be necessary in order to sell and export the Products and to perform the Services, and shall be responsible for all applicable national, provincial, municipal and other governmental registrations, filings, examinations, and other administrative requirements of every nature as required in connection with its performance under this Agreement; provided that Leviton shall reasonably cooperate with Supplier in the fulfillment of such duties hereunder; (b) Comply with all rules, regulations and policies of Buyer, including security procedures concerning systems and data and remote access therefore, building security procedures and general health and safety practices and procedures; and (c) Maintain complete and accurate records in a reasonable format relating to the provision of the Services under this Agreement, including records of the time spent and materials used by Supplier in providing the Services. (d) If requested by Leviton, all Products must comply with the Restriction on the use of certain Hazardous Substances Directive (2002/95/EC) ("RoHS"), California Proposition 65, the European Directive on Waste Electrical and Electronic Equipment (2012/19/EU) ("WEEE"), Listing requirements of UL or other testing laboratories and all other applicable regulations. (e) Supplier shall comply with all domestic and international laws and regulations applicable to the Products and its import into certain countries, as agreed upon between the Parties. Specifically, Supplier agrees to provide accurate and true information relating to the Products to support Leviton's compliance with customs and trade regulations and U.S. trade agreement preference programs, including but not limited to country of origin information for the Products and its component materials, manufacturing and purchasing records, and global safety data sheets. Supplier shall not take any action that violates the U.S. Anti-Boycott laws and regulations (1977 amendments to the Export Administration Act (15 CFR Part 760) and the Ribicoff Amendment to the 1976 Tax Reform Act (26 USC § 999). (f) Supplier shall not directly or indirectly purchase materials to be incorporated in the Products sold to Buyer from entities or persons subject to economic sanctions or embargoes by the United States. (g) Supplier represents that all Product(s) are: (i) not misbranded or inaccurately labeled; (ii) not in violation of the U.S. Consumer Products Safety Improvement Act (15 U.S.C. §2051-2084); and (iii) in compliance with any applicable restrictions on hazardous substances.

33. **Equal Employment Opportunity. Leviton is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected**

**veterans or individuals with disabilities. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment and otherwise treat qualified individuals without discrimination based on their status as a protected veteran or individual with a disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.**

**34. No Child or Forced Labor; Reasonable Working Conditions.** The Parties hereto agree that the use of forced labor in the performance of this Agreement is prohibited. Supplier shall comply with all applicable environmental laws, health, and human safety laws, including without limitation, all laws prohibiting child labor, human trafficking, and slavery, including but not limited to the California Transparency in Supply Chains Act (Section 1714.43 of the California Civil Code and Section 19547.5 of the California Revenue and Taxation Code) and, if applicable, the UK Modern Slavery Act of 2015 and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c.9). Supplier represents and warrants that it does not utilize, and that its suppliers do not utilize, any child or forced labor in any of its manufacturing processes, including, but not limited, to mining, production, sewing, and harvesting. Moreover, Supplier affirms that neither it nor any of its sub-suppliers or sub-contractors source goods, parts, or components, in whole or in part, from the Xinjiang Uyghur Autonomous Region in China, in accordance with the Uyghur Forced Labor Prevention Act. The Parties recognize and agree that the use of forced labor, including involuntary servitude or slavery, involuntary prison labor, and human trafficking, is a violation of human rights and is prohibited under 19 U.S.C. § 1307. The use of labor that is attained using force, threat, restraint, penalty, or coercion, whether directed at the worker or another person, whether by the Supplier or by any of the suppliers of the Supplier, is a material breach of this Agreement. This prohibition applies to both any finished item and any of its component parts. Supplier shall compensate its employees fairly by maintaining reasonable employee work hours and by providing wages and benefits that comply with the national laws in which it does business. In addition, Supplier shall take precaution not to harm the environment in its manufacturing processes. The Parties agree that upon request from Buyer, Supplier shall supply to Buyer certified documents attesting that no forced labor was used at any time during the production of the goods being furnished under this Agreement. Supplier shall also secure and supply similar documents to the Buyer from all participants in the Supplier's supply chain. Supplier represents and warrants that in furtherance of its compliance obligations as set forth herein, it will, audit and inspect all subcontractors on a regular basis, and require them to certify their compliance with all applicable laws concerning forced labor and human rights in writing, on an annual basis. Supplier represents and warrants that in furtherance of its ongoing obligation to Buyer and to comply with the Agreement, and all applicable laws, it will make its books, records, and facilities available for audit and inspection by Buyer, but only to the extent required to confirm such compliance. Any audit and inspection shall be made only after

reasonable advance written notice has been provided to Supplier and may take place no more than twice per annum. Leviton or a representative may inspect the facility where the Products are made to assess compliance. If Supplier fails to comply with this provision, Leviton will take the corrective action as it deems reasonably appropriate.

**35. Anti-Bribery Compliance.** Supplier shall comply with the United States Foreign Corrupt Practices Act ("FCPA") laws and regulations, the United Kingdom Anti-Bribery Act ("UK ABA"), and other applicable anti-bribery and corruption laws and regulations. As such, Supplier agrees not to engage in improper business conduct, such as bribery and other activities, with the intent to improperly influence behaviors or obtain any benefit for Leviton. To that end, Supplier agrees that it has not and will not give, offer, promise, or transfer any payment or anything of value, directly or indirectly, to: (a) anyone working in an official capacity for a government, government entity, government-owned or government controlled company, or public international organization; (b) any political party, political party official, or political candidate; or (c) any third party acting on behalf of any of the foregoing in order to obtain, retain, or direct business; secure an improper advantage; or violate any applicable laws and regulations related to public or commercial bribery, extortion, kickbacks, or other unlawful or improper means of conducting business. Supplier also agrees that it will not take any action, directly or indirectly, to cause Leviton to be in violation of such laws and regulations. Supplier further agrees to notify Leviton immediately of: (a) any request Supplier receives to take any action; or (b) any action taken by Supplier that might place Supplier or Leviton in violation of these laws and regulations. If Leviton learns or reasonably believes Supplier has violated the FCPA, UK ABA, or other anti-bribery law applicable to Supplier, Leviton may, without prejudice to any other rights, terminate this Agreement, effective immediately, without any obligation to Supplier. Supplier acknowledges that it is a material condition of this Agreement that it comply with anti-corruption and bribery policy laws, and failure to do so may result in the immediate termination of this agreement and forfeiture of any monies otherwise due.

**36. Supply Chain Security.** Leviton supports internationally recognized initiatives to secure the commercial supply chain (e.g. CTPAT, WCO SAFE Framework of Standards) so as to assure freight and/or merchandise is not compromised contrary to the law. Supplier shall inform Leviton of Supplier's status in any such recognized initiatives. Supplier must implement reasonable security control standards to ensure the integrity and correctness of merchandise and accompanying commercial documentation with regard to Leviton shipments. Supplier should address the following disciplines when delivering Products or Services to Leviton: (a) Procedures should be in place to protect against un-manifested material being introduced into the supply chain; (b) Physical & Access Security: Supplier's facilities should be safeguarded to resist unlawful entry and to protect against outside intrusion. Adequate measures should be considered for positively identifying employees, visitors and vendors, and to prevent unauthorized access to information technology systems; (c) Personnel Security: Supplier, in accordance with all applicable laws, should conduct employment screening of prospective employees to include periodic background

checks and application verifications; (d) Education and Training Awareness: A security awareness program should be provided to employees covering cargo integrity, determining and addressing unauthorized access and communications protocols for notifying policing agencies when suspected or known illegal activities are present; and (e) Conveyance Security: Supplier should implement reasonable steps to protect against the introduction of unauthorized personnel and material in conveyance (e.g. containers, trucks, drums, etc.) destined to Leviton. If, as a result of facilitating a shipment to Leviton, Supplier suspects a supply chain security breach or concern after dispatch from its facility, Supplier is obligated to notify Leviton immediately. Supplier shall cooperate with Leviton's supply chain security efforts and allow periodic on-site reviews by its third-party security consultant to verify such compliance.

37. **Conflict Minerals.** As of the time of the issuance of any Purchase Order, Supplier represents that: (a) the Products do not contain any conflict minerals, which are defined as (i) gold or (ii) tantalum, tin, or tungsten (derivatives of columbite-tantalite (coltan), cassiterite, and wolframite); or (b) if the Product does contain conflict minerals, Supplier has notified Leviton and received written approval to proceed with fulfillment of the Purchase Order. If Leviton determines that any representation or certification made by Supplier pursuant to this provision is inaccurate or incomplete in any respect, then Leviton may terminate this Agreement immediately.

38. **Compliance with Law.** In addition to the laws and regulations specifically provided for in this Agreement, Supplier shall comply with all applicable laws, regulations and ordinances, and shall maintain all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under a Purchase Order or related agreement. Supplier shall comply with all export and import laws of all countries involved in the sale of the Products under this Agreement or any resale of the Products by Supplier. Supplier assumes all responsibility for shipments of Products requiring any government import clearance. Buyer may terminate this Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on the Products. Supplier certifies by its execution of this Agreement that it shall comply with the following federal regulations, to the extent applicable, 48 CFR 52.204-25 (Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment) and will not in performance of this Contract, supply Buyer with any equipment, service or system that uses covered telecommunications equipment or services as a substantial or essential component of the items supplied to Buyer, or as critical technology thereof.

39. **Supplier Manual.** Supplier must comply with the requirements contained in Leviton's Supplier Conduct Guidelines Manual and its Code of Conduct, found at <http://www.leviton.com/sourcing> (and incorporated herein by reference).

40. **Inspection and Audit Rights.** Leviton has the right to audit and inspect, at any reasonable time and upon reasonable notice, Supplier's books, records, inventory, tooling, and plants, as related to the Product(s), to assure compliance with any applicable law, or the Product's specifications (such as quality records).

41. **Cancellation for Insolvency.** If Supplier becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors, then Buyer may terminate a Purchase Order and any related agreement upon 10 days' prior written notice to Supplier.

42. **Waiver.** The failure of either Party to require the performance of any term or condition of this Agreement or the waiver by either Party of any breach of the same shall not prevent subsequent enforcement of such term or condition nor be deemed a waiver of any subsequent breach. Any change in, addition to, renewal of, or waiver of the terms and conditions of this Agreement shall be binding upon either of the Parties only if in writing signed by its officer or other authorized agent.

43. **Confidentiality.** All non-public, confidential or proprietary information of Buyer 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 this Agreement is confidential, solely for the purpose of performing this Agreement and may not be disclosed or copied unless authorized in advance by Buyer in writing. Upon Buyer's request, Supplier shall promptly return or certify destruction of all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this section. This obligation shall not extend where such information:

- a. was in the public domain at the time it was disclosed or later becomes public knowledge at a future date, other than as a result of Supplier's breach of its obligations set forth herein;
- b. was in Supplier's possession or was known to it without restriction at the time of its disclosure as evidenced by competent written proof of Supplier;
- c. is shown to be developed independently by or for the Supplier without use of or reference to Leviton's confidential, proprietary information, as evidenced by written documentation in Supplier's possession; or
- d. becomes known to Supplier on a nonconfidential basis from a source other than Leviton without breach of an obligation of confidentiality (contractual, legal, fiduciary or other).

Unless otherwise agreed in writing, information in whatever form disclosed in any manner or at any time shall be deemed confidential unless excluded above.

44. **Remedies Not Exclusive.** All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by Buyer of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise. Acceptance of Product shall not waive any of the aforementioned remedies.

45. **Third-Party Beneficiaries.** This Agreement is intended to and shall confer upon Buyer's affiliates, who are entitled to purchase and/or receive Products or Services under this Agreement, any legal or equitable right, benefit or remedy of any nature whatsoever, by reason of this Agreement.

46. **Survival.** The provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this

Agreement, including, but not limited to, the following provisions: relating to payment, confidentiality, disclaimers, warranties, limitation of liability, indemnification, law and jurisdiction, severability, and this paragraph.

47. **Severability.** The holding of any provision of this Agreement to be void, invalid or unenforceable shall not affect the validity of the other provisions of this Agreement.

48. **Assignment.** Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement for the manufacture or supply of Products, Capital Equipment or the performance of Services without the prior consent of Buyer. If, with Leviton's prior consent, Supplier engages a third-party manufacturer, exporter of record or other subcontractor to fulfill its obligations under Buyer's Purchase Order, then Supplier shall communicate the name, address and role of such third party in writing (email is sufficient) to Buyer. Any updates or changes to such third-party list should be communicated to Buyer promptly in writing. Buyer may at any time assign or transfer any or all of its rights or obligation under this Agreement without Supplier's prior written consent to any affiliate. Any attempted transfer or assignment by Supplier will be void and constitute a material breach of this Agreement.

49. **Governing Law.** This Agreement shall be construed in accordance with and be governed by the laws of the State of New York, without regard to the conflict of laws provisions thereof. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. Each of the Parties irrevocably submits to the jurisdiction of the state and federal courts in the State of New York, Suffolk County, and agrees that such courts shall have personal jurisdiction over them for the purpose of any action or proceeding arising out of or relating to this Agreement. Nothing herein shall preclude Leviton (in its sole discretion) from bringing any claim or enforcing any judgement against Supplier in a court or tribunal of competent jurisdiction where Supplier is located. Delivery of process in any such dispute by a recognized commercial courier service to the last known business address of Leviton or Supplier shall be deemed sufficient to confer personal jurisdiction on any of said courts. Each of the Parties agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Party prevailing in any such litigation shall be entitled to its reasonable attorney fees and other costs and expenses from the other Party.

50. **Headings.** Headings used in this Agreement are for convenience only and shall not be considered in construing or interpreting this Agreement.

51. **Force Majeure.** Neither Party shall be liable for any delay or failure in performing its obligations under this Agreement arising out of circumstances beyond its reasonable control, including fire, floods, strikes, lockout, accident, sabotage or other similar causes which affect either Party, provided that the Party provides notice to the other in writing of the delay or non-performance event within 5 days of its commencement. Leviton may extend the delivery schedule to accommodate the delay or non-performance, in its sole discretion; however, should said event continue for a cumulative total of at least 30 days for Products and Services, or 15 days for Capital Equipment,

Leviton may cancel the unfilled portion of the Purchase Order effective immediately upon written notice to Supplier, without liability to Leviton.

52. **Public Announcement.** Supplier shall not publicly disclose, issue any press release or make any other public statement, including publication on its website, concerning the existence of this Agreement, Leviton's purchase of Product(s) or Services, or the subject Purchase Orders, without Leviton's prior written approval.

53. **Relationship of the Parties.** Nothing in this Agreement shall be deemed to constitute either Party as an agent, representative, employee, or create an agency relationship for any purpose.

54. **Resale Certification.** If this contract is marked "Resale", Buyer certifies that the property purchased hereunder is purchased for purposes of resale.

55. **Government Contract Provisions.** If this Purchase Order indicates that any items or services purchased hereunder are to be used in the performance of a contract for the U.S. Government, the North Atlantic Treaty Organization or any agency thereof, then any provisions of the Federal Acquisition Regulations or their successor or related provisions (FARs) which the Buyer is required to include in its subcontracts are incorporated herein by reference as if set forth at length. Should there be any conflict between the foregoing provisions of these General Conditions Of Purchase and those FARs applicable to this Purchase Order, then the latter shall govern. For purposes of application of said FARs, the term "Contract" shall refer to this Purchase Order, the term "Contractor" shall mean the Seller, and the terms "Government" and "Contracting Officer" shall mean the Buyer.

#### **Capital Equipment Specific Related Terms**

56. **Payment Terms.** All invoices shall be paid consistent with the following: 1% Net 30 or 2% 10, Net 60 after Final Acceptance (as that term is defined in Section 12. Any changes from these payment terms shall be shown on the face of the Purchase Order. Supplier agrees to provide Leviton with a performance bond or standby letter of credit, if requested, in an amount to cover any and all forward payments.

57. **Right To Return.** Supplier shall meet all performance criteria established for the Capital Equipment as of the Qualification Date. Should this not be accomplished, Leviton shall have the option of canceling the Order and returning the Capital Equipment and related materials (at Supplier's cost and expense), without penalty of any kind, and Supplier shall refund to Leviton all payments of the purchase price paid by Leviton in connection with the Order through the date of such cancellation.

58. **Lock out/tag out.** The Capital Equipment shall be "capable of being Locked Out" according to the requirements in OSHA's Standard entitled "Control of Hazardous Energy Sources ("Lock Out/Tag Out"), which can be found in 29 CFR 1910.147, as amended and updated. All sources of energy (e.g., Electrical, Pneumatic, Thermal, etc.) must be equipped with lockable energy isolating devices (e.g., valves, disconnect switches, sliding gates, etc.) that will enable complete isolation of the Capital Equipment. Written instructions shall accompany

the Capital Equipment, giving step by step details of how the equipment is to be locked out and how the lock out is to be removed. The instructions also shall identify any potential sources of stored energy and how the energy is to be dissipated when the Capital Equipment is isolated. Supplier shall attach placards on the Capital Equipment, which will identify Lock Out/Tag Out instructions. Leviton may provide an example of the Lock Out/Tag Out placard to Supplier. The Capital Equipment shall contain an "hour" meter reading device on its panel board. Final Acceptance is conditioned upon Supplier complying with its lock-out/tag out obligations.

59. **Manuals.** Supplier shall provide Leviton with two (2) sets (one hard copy and one in electronic format) of maintenance, repair, and operation manuals for all Capital Equipment, consisting of assembly drawings of standard components along with a list of electrical diagrams, pneumatic, hydraulic and lubrication diagrams, including setup procedures for all Capital Equipment and major components. All such manuals shall be delivered in English and the primary language of the country in which the Capital Equipment shall be delivered as advised by Leviton.

60. **Availability Of Spare Parts.** Supplier will have adequate levels of spare parts inventory within the country in which the Capital Equipment is to be delivered in order for Leviton to maintain the utilization of the Capital Equipment.

Leviton will identify all Capital Equipment, at time of Order, by a priority code 1, 2, or 3. The priority code will be two (2) unless otherwise specified on the Purchase Order. The priority code will determine the response time required for the delivery of the spare parts. As time is of the essence for the delivery of the spare parts, Supplier shall make a best efforts attempt to deliver the spare parts as defined by the below priority codes:

**Priority Code 1:** Spare parts are to be consigned at Leviton or available from the Supplier within 24 hours, 7 days a week.

**Priority Code 2:** Spare parts shall be available within 1-3 days.

**Priority Code 3:** Spare parts shall be available within three (3) weeks.

Supplier guarantees that spare parts will be delivered as set forth above. In the event that the spare parts are not delivered as set forth above, Leviton will be materially damaged. In view of the difficulty of estimating the damages, it is agreed that the Supplier shall be liable to Leviton, as the proper measure of liquidated damages, the sum of two percent (2%) of the price of the spare part per day for each and every day of delay beyond the delivery date, which sum Leviton may deduct from the purchase price of the spare parts. Leviton may sell back unused spare parts to the Supplier for up to one year beyond warranty period.

61. **Original Equipment Manufacturer (OEM) Information.** At least thirty (30) days prior to the Qualification Date, Supplier agrees to provide Leviton with

a bill of material and a recommended spare parts list. The recommended spare parts list should be based on the machine manufacturer's expertise and repair history of their own product line and include problematic, perishable and wear components. The bill of material shall include but not be limited to the list of OEM purchased part examples below. At the time Supplier provides the recommended spare parts list, it will also submit a quoted price list to Leviton for such parts. If better price can be found from an equivalent integrator on similar timeline for active new product not in clearance, then Supplier will split the difference with Leviton. The spare parts quote shall include individual part price, OEM information, OEM part number, vendor part number, physical description, function, lengths, diameters, normal and emergency lead time, point of stock origin, if an OEM part from vendor the fully-dimensioned drawings for the OEM part, and whether or not the item is stocked at the Supplier's or the vendor's warehouse.

Where possible, the Supplier agrees to source Capital Equipment components from the Preferred Manufacturers List provided by Leviton to Supplier.

62. **Electrical Standards.** Electrical controls and wiring contained in or connected to the Capital Equipment shall be assembled in accordance with:

NFPA-79 Electrical Standards for Metalworking Machine Tools and Plastic Machinery.

Main electrical supply to the Capital Equipment shall be installed in accordance with NFPA-70E Standard for Electrical Safety in the Workplace.

- (a) 120V electrical outlets and CPU/programming (e.g., laptop, computer, etc.) interfaces shall be located so that they are accessible without opening electrical cabinets on the Capital Equipment (e.g., exterior of cabinet or in a separate cabinet).
- (b) The main electrical supply disconnect switch will be installed in a separate cabinet/enclosure from that of the main controller cabinet (e.g., PLC, motor control, etc.) so that when locked out, there will be no energized live electrical components within the main controller cabinet.
- (c) Supplier will conduct a shock hazard analysis determining voltage exposure potential, boundary requirements, and the personal protective equipment necessary while working on live electrical components of the Capital Equipment. This information shall be placed on the Capital Equipment in the form of a label on the main electrical supply enclosure.

All electrical work shall comply with NFPA-70 – National Electrical Code – as well as all applicable local electrical codes. Should a conflict between the varying electrical standards set forth above arise, Supplier shall obtain the written advice and direction of Leviton.

63. **Control System Documentation.** Supplier shall provide Leviton with copies of the control system software on CD. This is to include, documented PLC software, Operator interface software, and Servo setup software. The software shall not be password protected and should

include both the runtime files and the source code where applicable.

64. **Escrowed Information.** If the Capital Equipment being sold to Leviton contains software or firmware required for its operation and/or maintenance, Supplier agrees to deposit the source code and related documentation in an electronic media form under control of its primary outside legal counsel ("Escrowed Information") for a period of ten (10) years with instructions that such Escrowed Information shall be delivered to Leviton (A) in the event Supplier ceases to conduct business in the normal course, or becomes insolvent, or make a general assignment for the benefit of creditors, or suffer or permit the appointment of a receiver of its business or assets, or shall avail itself of or become subject to any proceeding under any bankruptcy act (domestic or foreign), or any state relating to insolvency or the protection of the rights of creditors; or (B) in the event Supplier shall withdraw any of the products Leviton uses to support the use of Capital Equipment needed of Leviton.

65. **Supplier OSHA And Technical Standard Compliance.** Supplier agrees to comply with all laws and regulations, in existence at the time of the Purchase Order and at the Qualification Date, related to the delivery, operation, qualification, manufacture, and/or installation of the Capital Equipment and including, but not limited to, the following applicable OSHA Compliance and ANSI/ASTM Technical Standards:

(a) **EMERGENCY STOPS** - Supplier shall install an emergency stop system that will bring energized equipment to a zero energy or stopped state as fast as possible in a safe manner. A positive braking action is to be used to minimize machine driven surface travel to prevent or reduce personnel injury. Emergency Stop Operators must be clearly identifiable as such. pushbuttons are to have red jumbo mushroom heads and be labeled "EMERGENCY STOP". Life line cables are to be red plastic coated steel cables.

Emergency Stop Operators are to be located:

- within arm's reach (36-inch maximum distance) of any hazardous point on the machine. Ideally, the device will be located between the danger point and personnel.
- at each area of routine operator access.
- at areas of normal maintenance access (example: drive side of a machine inside a barrier guard where troubleshooting is performed).
- at main operator control panels.

(b) 29 CFR 1910.95 – Noise; Sound levels, measured using latest NMTBA Noise Measurement Technique will not exceed an OSHA equivalent level of 85 dba.

(c) 29 CFR 1910.144 - Color Coding; Red shall be the basic color for identification of stop functions controls, including emergency stop cords and push buttons and all other control operators whose actuation causes de-energization of the equipment. Yellow shall be the basic color for designating caution and for marking physical hazards such as: striking against stumbling, falling, tripping, and

"caught in between". For example, yellow will be the color of frames of open mesh and solid metal guards, low mounted components that are potential tripping hazards.

Note: Although, no longer required by OSHA, Supplier will continue to use the color orange to identify pinch points on slides, multi-spindle heads and fixtures.

(d). 29 CFR 1910.145 - Signs and Tags; Caution signs will be provided as required where tool change, machine start-up or a given machine maintenance operation may present a potential hazard if proper procedures are not followed. Caution sign design shall be in accordance with Sections 1910.145 (d) (1) and 1910.145 (d) (4) (I).

(e). 29 CFR 1910.212 - Machine Guarding; Supplier will provide machine safeguarding for all dangerous moving parts including:

- Point of Operation – where work is performed on the material (e.g., cutting, shaping, shearing, etc.).
- Power Transmission – all components of the mechanical system that transmit energy to the part of the machine performing work (e.g., flywheels, pulleys, belts, chains, gears, electrical, etc.). Drive belts and pulleys will be completely enclosed with 11-gage sheet metal guards. Exposed rotating shafts will be enclosed with non-rotating sheet metal safety sleeves.

Gears and sprocket-chain drives will be guarded with complete enclosures fabricated of sheet or expanded metal. All revolving collars and shaft couplings shall be cylindrical and so constructed as to present no hazard for bolts, nuts or setscrews. Non-rotate U-type guards made of metal will be used to guard revolving collars and couplings. Flywheels will be completely enclosed with guards having sufficient strength to retain the flywheels in the event of a shaft or wheel mounting failure.

- Other Moving Parts – all other parts that are in motion while the machine is operating (e.g., feed mechanisms, auxiliary parts, reciprocating, rotating or transverse moving parts, etc.)

This system will be built to OSHA, JIC, and AMT standards for metal working equipment.

(f) 29 CFR 1910.1200 Hazard Communication; To the extent that any Capital Equipment, products or other materials transferred under the Purchase Order contain hazardous materials, Supplier will provide all relevant information pursuant to OSHA regulations 29 CFR 1910.1200, as amended, if applicable, including a completed Material Safety Data Sheet (or SDS), and any other applicable law, rule or regulation, and mandated labeling information, or any similar requirements in any other jurisdictions to which Leviton informs Supplier the products are likely to be shipped.

66. **Schedules/Reports.** Supplier shall submit to Leviton, on an "as requested" basis, a report which will compare actual work completed with the original time schedule agreed to by Leviton and Supplier. This report shall contain enough information to provide Leviton an understanding of how far ahead or behind the project is and what it will take to get caught up if the project is behind. As time is of the essence for the delivery of the Capital Equipment, should Supplier miss any schedule deadlines, Supplier shall make every effort to return to schedule. Supplier shall put maximum pressure on subcontractors or Supplier for shipment of materials or work to be performed. Supplier shall allow Leviton's personnel to observe and be a part of such efforts to the extent that Leviton is satisfied that maximum effort is being made. All such efforts shall be at no additional charge to Leviton.

67. **Notices.** Any notices which either Party desires to give to the other shall be sent in writing, by certified or registered mail or by reputable overnight courier, to the other Party at its address specified in the Purchase Order. In the event of urgency, notice may be sent by fax or email, followed up by a certified mailing of hard copies.

68. **Termination Without Liability.**

(a) Leviton reserves the right to terminate these T&Cs and cancel all or any part of the Purchase Order, without liability, if Supplier

(i) repudiates, breaches or threatens to breach any of the terms of these T&Cs or the Purchase Order, including Supplier's warranties, (ii) fails to provide adequate assurances of performance, (iii) fails or threatens not to perform delivery of the Capital Equipment, or (iv) fails to make progress so as to endanger timely and proper completion or delivery of the Capital equipment contemplated by the Purchase Order, and does not correct

such failure or breach within ten (10) days (or such shorter period of time as commercially reasonable under the circumstances) after receipt of written notice from Leviton specifying such failure or breach. Upon any such termination by Leviton, the Supplier will promptly refund to Leviton any prepaid purchase price amount.

(b) Supplier may not suspend performance hereunder or under the Purchase Order or terminate or cancel these T&Cs or the Purchase Order for any reason except as permitted under these T&Cs.

69. **Tools, Materials And Data.** If any designs, sketches, drawings, blueprints, patterns, dies, molds, masks, software, models, tools, gauges, or special equipment should be made or procured by Supplier especially for producing the Capital Equipment covered by the Purchase Order and the cost of which is paid by Leviton, then immediately upon manufacturing or procurement, they shall become property of Leviton. Supplier shall maintain a current inventory list of all Leviton property. Any such item shall: (a) become and shall be identified/labeled as property of Leviton; (b) be held by Supplier on consignment at Supplier's risk; (c) be used exclusively for Leviton; and (d) be subject to disposition by Leviton at any and all times and upon demand they shall be returned to Leviton. Supplier shall establish procedures for the adequate storage, maintenance and inspection of the foregoing and shall maintain inspection and inventory records therefor which shall be available to Leviton upon request. Supplier hereby consents to and will cooperate with Leviton's filing of any necessary documentation to protect Leviton property.