

FARADYNE MOTORS, LLC
TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE: Signing/returning an acknowledgement or delivery of any items ordered shall signify Seller's acceptance of this Purchase Order. No charge shall be binding upon Faradyne Motors, unless written and signed by Faradyne Motors.
2. DELIVERY: This is a destination contract. Conforming goods shall be delivered to Buyer's factory at the address indicated on the purchase order. Buyer shall have the right to receive delivery in accordance with Faradyne Motors shipping/receiving instructions, which buyer may revise with respect to undelivered quantities. Seller shall not ship the goods under reservation, and no tender of a bill of lading shall operate as a tender of the goods. Seller shall deliver the good on the date specified or by adhering to the shipping/releasing delivery instructions. Seller will pay additional freight charges due to its failure to follow shipping/releasing delivery instructions. If seller furnishes chemicals, it will provide all MSDS to Faradyne Motors before shipment. All deliveries must be accompanied by a packing list identifying the Purchase Order number, Faradyne Motors part number (if applicable), brief description and/or manufacturers part number(s), and quantity shipped.
3. TRANSPORTATION INSTRUCTIONS: Bill of Lading-Original, or comparable shipping document, must accompany invoice. Cartage-No charge allowed by Seller unless agreed in writing by Buyer. Routing-Prepaid or Collect as indicated on Purchase Order. Prepaid transportation charges appearing on Seller's invoice, must be supported by a paid freight bill, or equivalent. Premium Transportation-The Seller agrees to bear any premium transportation charges unless otherwise agreed. Insurance-The Seller agrees to bear the expense of any insurance.
4. TITLE, RISK OF LOSS: Title to the goods shall be on the Seller and risk of loss of or damage to the goods shall be on the Seller until Buyer has inspected and accepted the goods at Buyer's factory, at which time title shall pass and risk of loss or damage shall shift to Buyer.
5. WARRANTIES: Seller warrants that the goods will conform to the contract description, including any specifications, drawings, and schedules indicated as applicable to this Purchase Order; that the goods will be merchantable and of good material and workmanship; and that the goods will be fit for the purposes for which they are manufactured. If the goods do not conform to our stated specifications, Faradyne Motors may (a) rescind this Purchase Order as to such items (b) except such items as and be given an equitable reduction in price or (c) reject such items and be given replacements or a refund. If items are found within 1 year after acceptance not be as warranted, Faradyne Motors may return them for correction, replacement, refund, or credit. Remedies in this section are in addition to any others available to Faradyne Motors.
6. PATENTS: Seller warrants that the goods, and the production, sale, and use thereof, do not and will not infringe any patent right; that Seller at its own cost and expense defend any suit or action that may arise in respect thereto, provided that Seller is notified thereof; and that Seller shall indemnify Buyer against and save Buyer harmless from all liability, damages, losses, and expenses, including, without limitation, reasonable attorney's fees, that may be incurred by Buyer as a result of any such alleged or actual infringement.
7. REMEDIES: Buyer and Seller shall have all the remedies afforded by the Uniform Commercial Code and additional remedies provided in this Purchase Order.
8. PRICING/CASH DISCOUNTS: Unless this Purchase Order indicates otherwise, pricing cannot be changed without Faradyne Motors prior written consent. Cash discount periods will be computed from the latter of the date of delivery and acceptance of the items of material and work ordered, or the date of receipt of correct and proper invoices prepared in accordance with terms of this Purchase Order. No extras other than those noted on this order shall be paid by this Buyer unless otherwise agreed in writing before Seller proceeds with the order.
9. INSPECTION: Buyer shall have the right to inspect the goods at Seller's plant or Buyer's plant, prior to acceptance and payment.
10. PAYMENT: Buyer shall pay the price of the goods shipped per the agreed upon payment terms.
11. IMPRACTICABILITY: Buyer shall not be liable for any failure to take delivery of the goods when taking delivery is rendered impracticable by fire, embargo, strike, difference with employees, accidents, acts of God, or any circumstances beyond Buyer's control, either of the foregoing nature or of any other nature.
12. PROCEDURE UPON IMPRACTICABILITY: When either party is excused from performance by the Uniform Commercial Code or by force of paragraph 11, the other party shall have the rights given in section 2-615 and 2-616 of the Code and the procedure provided in those sections shall be followed.
13. COLLATERAL PROMISES: There are no representations or conditions, express or implied, except those herein contained, unless both parties agreed in writing.
14. WAIVER: No claim or right arising out of a breach of this agreement can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is in writing signed by the aggrieved party.
15. ASSIGNMENT-DELEGATION: No right or interest in this contract shall be assigned by either Buyer or Seller without the written permission of the other party and no delegation of any obligation owed, or of the performance of any obligation, by either Buyer or Seller shall be made without written permission of the other party. Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.
16. APPLICABLE LAW: This agreement shall be governed by the Uniform Commercial Code as enacted in Connecticut.
17. GOVERNMENT REGULATIONS: EQUAL OPPORTUNITY CLAUSE: In the performance of work under this order, Seller agrees to comply with all applicable federal, state, or local laws, rules, regulations, and ordinances. Any provisions, representations, or agreements that are set forth in 41 CFR Chapter 60 and that are required thereby to be included in this contract, including the Equal Opportunity Clause mandated by Executive Order 11246, are incorporated herein by reference.
18. FAIR LABOR STANDARDS ACT: Seller certifies that Goods shipped pursuant to this order were produced in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards of 1938, as amended, and of regulations and orders of the Administrator of the Wage and Hour Division issued under Section 14 thereof, Seller agrees to issue to Buyer a certificate so stating with respect to all Goods shipped pursuant to this order.
19. AFFIRMATIVE ACTION CLAUSES: All provisions of 41 CFR 60.741, as amended, pertaining to Affirmative Action for Disabled Veterans and for Veterans of the Vietnam Era are hereby incorporated by reference if this order is for \$10,000 or more. All provisions of 41 CFR 60.741, as amended, pertaining to Affirmative Action for Handicapped Workers are hereby incorporated by reference if this order is for \$2,500 or more.
20. PROPERTY OF BUYER: If this order includes tools, dies, molds, jigs, fixtures or inspection devices made especially for Buyer and charged to Buyer, they will be deemed Buyer's property and will be held and used by Seller for Buyer's exclusive benefit. Seller shall maintain, repair, and store such equipment at Seller's expense, and shall not deliver it to Buyer or dispose of it except on written instructions from Buyer. If this order requires that Buyer deliver drawings, parts or sub-assemblies to Seller, such material shall remain Buyer's property and shall be used exclusively for Buyer's benefit. Graphic arts material such as film, negatives, positives, engravings, electros and dies made by Seller for production of goods shall be property of Buyer and shall be surrendered to Buyer on request.
21. CHANGES AND TERMINATION: Buyer reserves the right to change quantities, schedules of deliveries, or specifications for its convenience upon giving Seller due notice thereof. Such changes shall be binding on Seller, but if a change causes a variation in cost of furnishing goods and/or in the time required to perform this Purchase order, an equitable adjustment in the price and/or delivery schedule shall be made. Faradyne Motors may terminate all or part of this Purchase Order without liability and may purchase substitute items elsewhere. Seller should be liable for Faradyne Motors' additional costs (beyond stated price) if Seller fails to deliver or perform services in accordance with specified delivery dates or adhere to the specified shipping/releasing delivery instructions.
22. INFORMATION: Seller shall assert no claim, other than a claim for patent infringement against Buyer with respect to any information that Seller shall have disclosed or may hereafter disclose to Buyer in connection with the goods or services to be provided hereunder. All such disclosures shall become confidential and shall be received free from all restrictions except restrictions provided under patent laws.
23. CONFLICT MINERALS: Supplier acknowledges that Buyer is required to comply with Section 1502 of the United States Dodd Frank Wall Street Reform and Consumer Protection Act the ("Dodd-Frank Act") and inter alia must file disclosures and reports with the United States Securities and Exchange Commission, related to the use of tin, tantalum, tungsten and gold ("Conflict Minerals"). Supplier represents and warrants that it will source and track the chain of custody of all Conflict Minerals contained in any products or materials provided by Supplier to Buyer in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (or such other internationally recognized due diligence standard as Buyer and Supplier may jointly agree upon). At Buyer's request (which may be as frequently as quarterly at Buyer's discretion), Supplier must execute and deliver to Buyer declarations in the form of the EICC-GESI Conflict Minerals Reporting Template as adopted by EICC-GESI from time to time, or (at Buyer's discretion) in any other form that Buyer reasonably requests. Supplier agrees and represents that all products and materials provided by Supplier to Buyer after December 13, 2014 shall be "Conflict Free" (as defined in the Dodd-Frank Act) and at Buyer's request from time to time Supplier shall execute and deliver to Buyer a written declaration to the same effect.
24. "This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability."