

*Global Purchasing Terms and Conditions for
TIDI Products, LLC
Posey Products, LLC
Changshu YuShan Protection Products Company, Ltd.(China)
Posey S. DE R.L. DE C.V.(Mexico)*

1. Acceptance and Governing Provisions.

These Global Purchasing Terms and Conditions (the "Terms") are used in connection with any Order (including without limitation electronically transmitted orders (EDI), instructions previously provided to SELLER in writing, purchase agreements, drawings, exhibits and schedules included with such documents (collectively the "Order")). The Agreement comprises the entire agreement (the "Agreement") between the PURCHASER specified in the Order (the "PURCHASER") and the SELLER specified in the Order ("SELLER") concerning PURCHASER's purchase of the goods specified in the Order (the "Products"). The Agreement is expressly conditioned upon and limited to SELLER's unqualified acceptance of the terms, provisions, obligations and duties identified in the Agreement. The rights of the parties shall be governed exclusively by the Agreement. SELLER's commencement of work on the Products subject to the Order, shipment of the Products, or acceptance of payment under any Order shall be deemed acceptance unless a rejection of the Agreement is received by PURCHASER within five (5) business days after delivery of the Agreement to SELLER. SELLER shall not vary in any degree the Agreement in any acceptance, acknowledgment, confirmation or any other communication containing additional, inconsistent, or different terms and conditions and any attempt to do so is hereby expressly objected to and rejected. Such attempted variances shall not operate as a rejection by SELLER of the offer made in the Agreement and the Agreement shall be deemed accepted by SELLER without such additional, inconsistent, or different terms and conditions. PURCHASER's acceptance of Products or signature acknowledging receipt of Products, shall not be deemed to be an acceptance of any additional, inconsistent, or different terms proposed by SELLER. No prior course of dealing, trade usage, or verbal agreement modifies, adds to, or the Agreement unless it is in writing and signed by PURCHASER. PURCHASER may revoke an Order or the Agreement upon written notification to SELLER any time before acceptance of the Products. Such revocation shall be effective upon receipt by SELLER. Capitalized terms used but not defined herein but shall have the meaning as set forth in the applicable Order. PURCHASER is not obligated to any minimum purchase or future purchase obligations unless expressly set forth in the Order signed by PURCHASER.

2. Change Orders. PURCHASER reserves the right at any time to make changes to the Order (a "Change Order"), including without limitation changes to: (i) specifications, drawings, and data incorporated in the Order if the Products to be furnished are to be specially manufactured for PURCHASER; (ii) methods of shipment or packing; (iii) place of delivery; (iv) time of delivery; or (v) amount of Products. All such Change Orders must be in writing. If any such Change Order causes an increase or decrease in the cost of or the time required for performance under the Agreement, an equitable adjustment shall be made in the price or delivery schedule, or both. SELLER agrees to accept any Change Order subject to this paragraph, subject to negotiation of the equitable adjustment. SELLER shall perform under the Order as changed by the Change Order while negotiation or other determination of the equitable adjustment is taking place. Notwithstanding the foregoing, any claim by SELLER for adjustment under this paragraph shall be deemed waived unless provided to PURCHASER in writing within five (5) business days from delivery of the Change Order to SELLER. SELLER shall immediately notify PURCHASER in writing of any potential deviations from such specifications, drawings, or approved samples and of any potential process deviations that may change the performance or appearance of the Products. No such substitution, change, modification or deviation by SELLER will be permitted without the prior written consent of PURCHASER, which may be withheld for any reason. If SELLER proposes any substitution or deviation, SELLER guarantees that the substitution is equal in quality, capacity, durability, ease of maintenance, and ease of installation to the Products originally specified. Failure of SELLER to comply with any of the requirements set forth above shall entitle PURCHASER, in addition to any other rights or remedies, to cancel the Agreement and be relieved of any and all liability for losses or damages arising therefrom.

3. Delivery, Delay, and Anticipation. Time is of the essence under the Agreement. SELLER shall deliver the Products: (i) in the quantities specified in the Order, (ii) within the time specified in the Order, (iii) in accordance with the specifications, drawings, or approved samples, and (iv) at the prices specified on the Order, in each case as reasonably but conclusively

determined by PURCHASER. SELLER shall meet PURCHASER's time requirements for delivery of Products specified in the Order one hundred percent (100%) of the time. If shipment is delayed beyond the last date on which shipment by the method contemplated herein would result in delivery guaranteed on or before the required delivery date herein, SELLER shall make shipment by the most expeditious method of transportation available. Any additional cost of such method of shipment shall be borne by SELLER. SELLER understands that any delivery delay will cause PURCHASER's work to be disrupted and delayed, and SELLER shall be responsible and liable to PURCHASER for any losses, damages, or expenses sustained as a result of such failure to deliver. In the event of SELLER's inability to timely deliver Products, PURCHASER may, at its option, obtain the Products from an alternative source and SELLER shall be liable for any increased costs. PURCHASER shall have no liability to pay for any Products in excess of the quantities set forth in the Order.

4. **Shipping, Packaging, and Risk of Loss.**

Unless otherwise specifically stated elsewhere in the Agreement, the shipping terms for all Products purchased hereunder shall be F.O.B. Destination at TIDI's address. TIDI shall have the right to route all shipments. All Products shall be suitably packed, marked with PURCHASER's Order number, and shipped in accordance with shipping instructions specified and otherwise in accordance with the requirements of common carriers so as to obtain the lowest transportation cost. Packing slips must be included with all shipments showing order number, type of Product, quantity, and whether the Order has been shipped partial or complete. The Order number must be shown on each item, packing slip, and invoice. No charge shall be made to PURCHASER for boxing, packing, crating, carting, drayage, or storage unless separately itemized on the Order. Additional expenses, charges, or claims incurred as a result of deviation from the specified route, noncompliance with other shipping instructions, or improper description of the shipment in shipping documents shall be assumed by SELLER. SELLER must mail, fax, or electronically mail to PURCHASER's issuing office on the day of shipment a bill of lading or other notice of shipment or shipping receipt that describes the material and sets forth the order number and car number, if carload shipment, and any invoice (in duplicate).

5. **Inspection, Acceptance, and Rejection.** All Products purchased hereunder (and work-in-process relating thereto) shall be subject to inspection and testing by PURCHASER, (or a governmental agency when Products are being produced under a government contract), at its sole discretion, at any reasonable time

and from time to time before, during, or after manufacture and delivery. If any inspection or test is to be made on the premises of SELLER, SELLER shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties without any additional charge. Notwithstanding prior inspections, all Products are subject to final inspection and approval at PURCHASER's plant or other place designated by PURCHASER, and notwithstanding any payment that may be made, no Products are deemed accepted until such final inspection and approval. PURCHASER's inspection before, during, or after manufacture and delivery shall not constitute a waiver of the right of subsequent rejection by reason of any undiscovered or latent defect. If any Products or services are rejected, PURCHASER shall have the right, at its sole option, to (i) obtain substitute Products or services and charge the SELLER any difference in cost in obtaining them; (ii) request SELLER correct the defect or nonconformity at no additional cost; (iii) correct the defect or nonconformity itself and charge SELLER for the cost incurred in doing so; (iv) return the Products to SELLER at SELLER's risk and expense at the full invoice price plus transportation charges and expenses for unpacking, examining, repacking and reshipping; or (v) request that SELLER remove at its expense any Products that PURCHASER designates as non-conforming within thirty (30) business days from receipt of notice and credit PURCHASER for full invoice price. If SELLER does not remove such non-conforming Products within thirty (30) business days, PURCHASER may dispose of such non-conforming Products at SELLER's expense and debit any outstanding obligation of PURCHASER to SELLER accordingly. Products supplied in excess of the exact quantity in the Order may be returned to SELLER at SELLER's expense in addition to PURCHASER's other rights. In the event PURCHASER receives Products with defects or nonconformities that are not apparent on examination, PURCHASER reserves the right to require replacement, payment of damages, and any other remedy available in the Agreement. Nothing contained in the Agreement shall relieve in any way SELLER from the obligation of testing/inspection and quality control. SELLER shall not replace Products returned as defective unless so directed by PURCHASER in writing.

6. **Warranties.** SELLER warrants that the Products shall (i) be free and clear of all liens and encumbrances, good and merchantable title thereto being in SELLER; (ii) be free from any defects in design, material, or workmanship (latent or otherwise); (iii) conform to specifications, drawings, data, and samples, (whether furnished by PURCHASER or SELLER) and any other representations made by SELLER; (iv) be fit for the use intended by PURCHASER; (v) comply and

have been produced, processed, packaged, labeled, delivered, and sold in conformity with all applicable federal, state, and local laws, codes, rules, regulations, orders, and ordinances, (vi) be manufactured in accordance with current good manufacturing processes including without limitation ISO 13485, Canadian Medical Device Regulation SOR/98/282, European Medical Device Directive 93/42/EEC (each as applicable). These representations and warranties shall survive inspection, acceptance and subsequent use of resale or other disposition of the Products or services, as well as payment therefore by PURCHASER, and shall also run to PURCHASER's successors, assigns, customers and users of PURCHASER's products that contain, incorporate or embody Products purchased under the Agreement. PURCHASER objects to any provision limiting its rights or remedies under applicable law. SELLER AGREES TO INDEMNIFY PURCHASER AGAINST ANY AND ALL LIABILITY, LOSS, DAMAGE, EXPENSE, INCLUDING REASONABLE ATTORNEYS' FEES, SUSTAINED BY PURCHASER FOR FAILURE OF THE PRODUCTS AND/OR SERVICES TO REASONABLY CONFORM TO THE ABOVE WARRANTIES. THIS INDEMNITY IS IN ADDITION TO ANY OTHER REMEDIES AVAILABLE TO PURCHASER AT LAW OR IN EQUITY. THE WARRANTY PERIOD IS THE LONGEST OF (i) THREE YEARS FROM THE DATE PURCHASER ACCEPTS THE PRODUCTS, (ii) THE WARRANTY PERIOD COVERED BY APPLICABLE LAW, OR (iii) THE WARRANTY PERIOD OFFERED BY PURCHASER OR PURCHASER'S CUSTOMERS TO END-USERS OF THE PRODUCTS.

7. **Indemnification.** SELLER shall defend, indemnify and hold harmless PURCHASER, its parent, subsidiaries, and affiliates, and the respective directors, officers, employees, and agents, and their successors, assigns, and customers (whether direct or indirect) of any of the foregoing, (collectively the "Indemnified Parties") against any and all liabilities, losses, damages, and expenses (including reasonable attorneys' fees and other costs of defending any action) that any of the Indemnified Parties may sustain or incur as a result of any and all claims, demands, suits, actions, fines, penalties, or charges of any nature whatsoever, including but not limited to, claims based on negligence, breach of warranty, personal injury or death, strict liability in tort, or under any other theory of law, as a result of (i) violation of any law, ordinance, rule, or regulation by SELLER or its officers, directors, shareholders, employees, agents, customers, representatives, successors, assigns, or invitees; (ii) death, personal injury, property damage, or any other injury, damage or claim arising out of the actions of SELLER or its employees, agents, representatives, customers, successors, assigns, or invitees in satisfying

the Agreement; (iii) SELLER's breach or nonperformance of all or any portion of the Agreement; or (iv) any actions arising out of or resulting in any way from any delay in delivery, defect or deficiency in the Products or by the negligence or fault of SELLER in performing its duties under the Agreement. SELLER shall fully indemnify and hold harmless the Indemnified Parties as set forth above, whether any negligence or other fault of the Indemnified Parties contributed to, or is claimed or alleged to have contributed to, the claim, action, damage, loss, cost, liability, or expense. SELLER's obligation to indemnify PURCHASER shall survive the termination, cancellation, expiration, or completion of the Agreement and the Supply Agreement.

8. **Intellectual Property Infringement Indemnity.**

Except as provided in subsection (b) below, SELLER warrants that the sale or use of Products furnished hereunder will not infringe or contribute to infringement of any patent, copyright, trademark, trade secret, or other proprietary right, or subject the Indemnified Parties to royalties in the United States or elsewhere. In addition:

(a) SELLER hereby agrees to defend, indemnify and hold harmless the Indemnified Parties against any and all claims, demands, losses, suits, causes of action, damages, injuries, costs, expenses and liabilities whatsoever, including reasonable attorney's fees, arising out of any actual or alleged direct or contributory infringement of or inducement to infringe, any United States or foreign patent, trademark, copyright or other intellectual or industrial property right or for the actual or alleged misuse or misappropriation of a trade secret by reason of the manufacture, use, sale, license, or import of the Products or services supplied by SELLER under the Agreement.

(b) The preceding subsection shall not apply if the infringement directly and solely results from a detailed design or specification supplied by PURCHASER to SELLER, if SELLER has not participated in or contributed to the development of such design or specification in any way.

9. **Proprietary Rights:**

(a) SELLER shall consider all information furnished by PURCHASER to be confidential and shall not disclose any such information to any other person or make any use whatsoever of any designs, inventions, copyrighted material, drawings, data, patents, trade secrets or other information (collectively "Confidential Information") furnished to SELLER by PURCHASER hereunder, unless (i) SELLER obtains written

permission in advance from PURCHASER to do so; (ii) such information is in possession of SELLER prior to disclosure by PURCHASER; (iii) such information is publicly disclosed by PURCHASER or otherwise a matter of public or general knowledge; (iv) such information is lawfully received by SELLER from a third party without restriction on disclosure or use; or (v) such information is required by law to be disclosed. SELLER shall not advertise or publish the fact that PURCHASER has contracted to purchase Products or Services from SELLER, nor shall any information relating to any order be disclosed without PURCHASER's written permission. Notwithstanding the foregoing, the confidentiality obligations contained herein shall remain in effect indefinitely with respect to any Confidential Information which constitutes a trade secret under applicable law. Upon PURCHASER's request, all such Confidential Information furnished to SELLER by or on behalf of PURCHASER shall be returned to PURCHASER together with all copies of such Confidential Information. Any and all materials, documents, drawings and other similar information created by SELLER pursuant to the provision of Products and services hereunder will be fully disclosed by SELLER to PURCHASER and will be deemed to be PURCHASER's sole and absolute property. The terms of this Section shall survive the termination, cancellation, expiration, or completion of the Order.

(b) No knowledge or information disclosed to PURCHASER by SELLER which in any way relates to the Products, shall, unless otherwise specifically agreed in writing by PURCHASER, be deemed to be confidential or proprietary information, and PURCHASER shall acquire all such knowledge and information free from any restrictions (subject to SELLER's patent rights), as part of the consideration for the Agreement.

(c) Any and all technical and other knowledge or information developed, obtained or learned by SELLER as a result of this PURCHASER/supplier relationship and all technical and other information furnished by PURCHASER or jointly developed by PURCHASER and SELLER shall be or remain PURCHASER's property and SELLER shall maintain in confidence and safeguard all Confidential Information. SELLER agrees to use any Confidential Information only for conducting business with PURCHASER in a manner contemplated by the Agreement.

10. **Work on PURCHASER's Premises:** If SELLER's performance of the Agreement involves or results in the presence of SELLER or its agents on PURCHASER's premises or on the premises of PURCHASER's customer(s), SELLER shall take all necessary precautions to assure that its work and other

activities are carried out in a safe and proper manner and SELLER shall defend, hold harmless and indemnify PURCHASER against any and all liability arising out of such work and SELLER's presence on the premises. SELLER shall also maintain such public liability, property damage, and employer's liability and workers' compensation insurance as will protect PURCHASER from risk and from any claims under any applicable workers' compensation acts. SELLER shall sign PURCHASER's standard independent contractor agreement if requested by PURCHASER, before performing any work on the PURCHASER's premises. Any and all information or materials (whether they relate to manufacturing, marketing, products, or anything else) to which SELLER or its agents are exposed while on PURCHASER's premises shall be considered Confidential Information.

11. **Insurance.** SELLER shall maintain insurance coverage in amounts not less than the following: (i) Workers' Compensation - statutory limits for the state or states in which the Agreement is to be performed or evidence of authority to self-insure; (ii) Employer's Liability - \$1,000,000; (iii) Commercial General Liability (including Products, Completed Operations, and Blanket Contractual Liability) - \$2,000,000 per person, \$2,000,000 per occurrence Personal Injury, and \$2,000,000 per occurrence Property Damage or \$2,000,000 per occurrence Personal Injury and Property Damage combined single limit, and (iv) Automobile Liability including owned, non-owned, and hired vehicles - \$2,000,000 per person, \$2,000,000 per occurrence Personal Injury and \$2,000,000 per occurrence Property Damage or \$2,000,000 per occurrence Personal Injury and Property Damage combined single limit. At PURCHASER's request, SELLER shall furnish to PURCHASER certificates of insurance setting forth the amounts of coverage, policy number(s), and date(s) of expiration for insurance maintained by SELLER. Such certificates will provide that PURCHASER shall receive thirty (30) days' prior written notification from the insurer of any termination or reduction in the amount or scope of coverage. SELLER's purchase of appropriate insurance coverage or the furnishing of certificates of insurance shall not release SELLER of its obligations or liabilities under the Agreement.

12. **Payments, Terms, Prices, Security Interest.** Unless otherwise specified on the face of the Order or in the Supply Agreement, payments shall be due net sixty (60) days from the date all Products and/or services are received by PURCHASER. SELLER agrees that PURCHASER may, at any time, without prior notice to SELLER, set off the amount of any liability due to SELLER in connection with the Agreement against any liability of SELLER due to PURCHASER or any subsidiary of PURCHASER. PURCHASER shall not be

billed at prices higher than those stated in the Agreement, and no additional charges of any kind shall be imposed, unless authorized by a Change Order. SELLER represents that the prices charged for the Products and services under the Agreement are the lowest prices charged by SELLER to PURCHASERs of a class similar to PURCHASER under conditions similar to those specified in the Order and that these prices comply with applicable governmental regulations in effect at time of quotation, sale, or delivery. If PURCHASER makes any payment before PURCHASER's receipt of the Products or services ordered hereunder, SELLER hereby grants PURCHASER a security interest in such Products (including raw materials and work-in-process to become part of such Products), and all proceeds of any of them to secure performance of SELLER's obligations hereunder. SELLER agrees to execute and deliver such financing statements as PURCHASER may reasonably consider necessary or appropriate to perfect its security interest. If SELLER fails to execute and deliver such financing statements to PURCHASER within five (5) days of PURCHASER's request, SELLER hereby irrevocably grants to PURCHASER a power of attorney appointing any employee of PURCHASER designated by PURCHASER as SELLER's attorney, with full power to sign SELLER's name to such financing statement. All acts of such attorney are ratified and approved by SELLER. A photographic or other reproduction of this document may be filed as a financing statement in all states where permitted.

13. **Taxes.** PURCHASER shall not be liable for any federal, state, or local taxes, duties, customs, or assessments in connection with the sale, purchase, transportation, use, or possession of the Products ordered hereunder, except those expressly set forth in the Agreement, if any. All such taxes, if any, shall be stated separately in the Order. If not separately stated on the Order, SELLER shall be responsible for all such taxes, duties, customs or assessments.

14. **Non-Assignability.** SELLER shall not assign or sublet the work to be done hereunder without the prior written consent of PURCHASER, which may be withheld by PURCHASER for any reason, but this provision shall not restrict SELLER in the procurement of component parts or materials. PURCHASER reserves the right to assign or transfer the Order.

15. **Termination.**

(a) PURCHASER reserves the right to terminate any Order placed with SELLER, or any part hereof, without cause and for its sole convenience. In the event of such termination, SELLER shall immediately stop all work hereunder, and shall immediately cause any of its

suppliers or subcontractors to cease such work. SELLER shall not be paid for any work done by SELLER or its suppliers or subcontractors after SELLER's receipt of the notice of termination, nor for any costs incurred by SELLER's suppliers or subcontractors after this point. PURCHASER's liability for cancellation of any Order under this paragraph shall be limited to SELLER's out-of-pocket cost for work and materials applicable solely to the Order that have already been expended when notice of cancellation is received by SELLER, reduced by the fair market resale value of such work-in-process.

(b) If SELLER is in violation of any of the terms of the Agreement, SELLER shall be considered to be in default. Acts constituting SELLER default shall include (without limitation) late deliveries, deliveries of Product which are defective, or which do not conform to the Agreement, and failure to provide PURCHASER, upon request, of reasonable assurances of future performance. If SELLER is in default, PURCHASER may, at its sole option and upon notice to SELLER, (i) immediately terminate any Order under the Agreement or (ii) suspend acceptance of deliveries during the period of time SELLER remains in default. If PURCHASER terminates this an Order for SELLER default, PURCHASER shall have no liability of any kind to SELLER except for payment for conforming shipments previously accepted by PURCHASER. In the event of termination for SELLER default, SELLER shall be liable to PURCHASER for any and all damages sustained by reason of the default giving rise to the termination.

(c) In the event SELLER shall cease to exist, become insolvent, execute an assignment for the benefit of its creditors, or become the subject of bankruptcy, receivership, or insolvency proceedings, PURCHASER may, at its option, cancel the Agreement without any liability to SELLER except payment for conforming shipments previously accepted by PURCHASER. If PURCHASER terminates the Order under this paragraph, PURCHASER shall have no liability of any kind to SELLER except for payment for conforming shipments previously accepted by PURCHASER.

16. **Disclosures; Special Warnings and Instructions.** If requested by PURCHASER, SELLER shall promptly furnish to PURCHASER in such form and detail as PURCHASER may direct: (i) a list of all materials and compounds in the Products purchased hereunder and their sources; (ii) the amount of one or more materials/compounds; and (iii) information concerning any changes in or additions to such materials/compounds. Prior to and with the shipment of Products purchased hereunder, SELLER agrees to furnish to PURCHASER sufficient warning and notice in

writing, including appropriate labels on Products, containers, and packaging, of any hazardous material that is a material, compound, or a part of any of the Products, together with such special handling instructions as may be necessary to advise carriers, PURCHASER, and their respective employees of how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Products, containers, and packaging shipped to PURCHASER.

17. **PURCHASER's Property, Tools, Design Work, Drawings, Specifications and Technical Information.** Unless otherwise stated on the face hereof, PURCHASER shall have no obligation to furnish or pay for any design work, drawings, tools, or other equipment required for the performance of the Order; provided, however, that PURCHASER may, at its option, purchase any such items especially required by SELLER for the Order at the current value thereof on SELLER's books for income tax purposes, and any item so purchased shall be deemed to be furnished to PURCHASER hereunder. Any design, drawing, specification, photograph, tool, or other equipment, material, part, or any engineering and manufacturing information heretofore or hereafter furnished to SELLER by PURCHASER under this Section, whether or not separately itemized hereon, shall (i) be and remain PURCHASER's property, (ii) be conspicuously identified as such in SELLER's records and by physical marking thereon, (iii) be promptly delivered to PURCHASER upon request, (iv) be treated as Confidential Information, (v) not be used in processing or manufacturing Products for anyone other than PURCHASER, and (vi) while in the possession of SELLER shall be adequately insured at SELLER's expense for the benefit of PURCHASER against loss or damage by fire or other hazard. No change shall be made in any design, drawing, specification, tool, or other equipment furnished by PURCHASER under this Section without PURCHASER's express written consent. Any information that SELLER may disclose to PURCHASER with respect to the design, manufacturing, sale, or use of the items covered by the Agreement shall be deemed to have been disclosed as part of the consideration for the Order, and SELLER shall not assert any claim (other than a claim for patent infringement) against PURCHASER by reason of PURCHASER's use thereof.

18. **Force Majeure.** Neither party shall be liable to the other party for any damage as a result of any delay in delivery or failure to accept delivery due to any act of God, embargo or other governmental act, regulation or request, fire, accident, strike, slowdown or other labor difficulties, war, riot, delay in transportation, defaults of common carriers, or without limiting the foregoing, any

other delays beyond the other party's control that shall affect the other party's ability to receive or use the Products. In the event of such delay, the date of delivery shall be extended for a period equal to the time lost because of the delay.

19. **Remedies Cumulative, Waiver.** The rights and remedies of PURCHASER set forth herein shall be in addition to any rights or remedies that PURCHASER may otherwise have. No waiver of a breach of any provision of this contract shall constitute a waiver of any other breach, or of such provisions.

20. **Compliance with Laws, Regulations and Statutes; Code of Conduct; Ethics.**

(i) SELLER, and any Products supplied by SELLER, will comply with all laws, regulations and statutes in the jurisdiction in which the Agreement applies including with all applicable laws, rules, regulations, orders, conventions, ordinances and standards, that relate to (a) the manufacture, labeling, transport, import, export, licensing, approval or certification of the Products, and (b) environmental matters, hazardous materials, hiring, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health or safety and motor vehicle safety. SELLER shall obtain all applicable permits and licenses required in connection with performing its obligations hereunder. All materials used by SELLER in the Products or in their manufacture will satisfy current governmental and safety constraints on restricted, toxic and hazardous materials as well as environmental, electrical and electromagnetic considerations that apply to the country of manufacture, sale or destination.

(ii) Compliance with Laws. SELLER covenants that it meets or exceeds the International Labor Organization minimum age standards or applicable national law, whichever is higher, and does not use forced labor. SELLER further agrees to comply with PURCHASER's Supplier Code of Conduct, as set forth at <http://www.tidiproductions.com/supplier-policies> and with all applicable local and national laws and regulations, including but not limited to the following: (1) SELLER shall not act in any manner or take any action that will render PURCHASER liable for any violation of any applicable anti-bribery legislation (including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010), which prohibits the offering, giving or promising to offer or give, or receiving directly or indirectly, money or anything of value to any third party to assist SELLER or PURCHASER in retaining or obtaining business, selling Products or performing Services under this Order. (2) if applicable, PURCHASER and SELLER shall abide by the requirements of 41 CFR §60-1.4(a), 60-300.5(a), and 60-741(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 or national origin. 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, national origin, protected veteran status or disability. If applicable, PURCHASER and SELLER shall abide by the requirements of 29 CFR Part 471, Appendix A to Subpart A. SELLER may not assign to perform any Services any person who cannot establish eligibility for employment according to the verification requirements of the Immigration Reform and Control Act of 1986, as applicable, or whom Seller suspects may not be authorized to work in the United States. (3) All Products and Services are manufactured and provided in compliance with all applicable labor standards and human rights laws, including the Fair Labor Standards Act (for Products made in the US) the California Transparency in Supply Chain Act, and provisions of the Dodd-Frank Act (conflict minerals rules). Without limiting the generality of the foregoing, SELLER certifies that materials incorporated into the Products comply with laws regarding slavery and human trafficking of the country(ies) in which they are doing business. (4) the Products do not contain any substances regulated under the Toxic Substances Control Act or as a substance of very high concern (SVHC) in Annex XIV of the EU Registration, Evaluation, Authorization of Chemicals (REACH) directive, unless explicit notification is provided to PURCHASER in advance. SELLER will provide PURCHASER the latest safety data sheets (SDS) for any chemical substances. (5) The Products are consistent with, and can be used in compliance with, the Occupational Safety and Health Act (OSHA). Services to be performed on PURCHASER's premises will be consistent with OSHA provisions and in compliance with PURCHASER's environmental, health and safety rules, which will be communicated to SELLER in writing. (6) The Products are not adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act. (7) All Products are produced and delivered in accordance with the Lacey Act, if applicable, and laws protecting the environment.

(iii) Ethics. SELLER acknowledges that it has reviewed its supply chain security procedures and certifies that in the countries in which SELLER is doing business SELLER does and shall (a) comply with laws prohibiting slavery and human trafficking, and (b) not use labor from persons of less than minimum working age. SELLER acknowledges that it and its personnel and its Affiliate's personnel have a responsibility to bring any concerns related to these policies to PURCHASER.

(iv) U.S. Federal Government Contract Requirements. If PURCHASER notifies SELLER that any Products will be used in performing work under a prime or higher tier-subcontract by the U.S. Government, SELLER shall comply with the following provisions of the Federal Acquisition Regulation (FAR), 48 CFR Part 52: (i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) if the subcontract exceeds \$5,000,000 and has a performance period of more than 120 days; (ii) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) if the subcontract is funded under the Recovery Act; (iii) 52.219-8, Utilization of Small Business Concerns (Jan 2013) if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities; (iv) 52.222-26, Equal Opportunity (Mar 2007); (v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sept 2010); (vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010); (vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496), if flow down is required in accordance with paragraph (f) of FAR clause (viii) 52.222-50, Combating Trafficking in Persons (Feb 2009); and (ix) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64. As used in the referenced FAR clauses "Contract" means the Agreement; "Contracting Officer" means the U.S. Government Contracting Officer; "Contractor" and "Offeror" means SELLER; "Prime Contract" means prime contract between PURCHASER and the Federal government; and "Subcontract" means any contract placed by SELLER or lower-tier subcontracts under the Agreement. SELLER further agrees to supply information requested by PURCHASER for compliance with Subcontracting Reporting Representations of FAR 52.204-10, and product country of origin requirements, including but not limited to: the American Recovery and Reinvestment Act (Public Law 111-5, Sec. 1605, 123 Stat. 115, 303 (Feb. 17, 2009) ("ARRA"); the Buy American Act 13-21.601.EXT-CORP-US (41 USC 10a-10d); Trade Agreements identified at 48 CFR 25.400; and "Buy America" requirements of 49 U.S.C. 5323j and 49 CFR Part 661. 16.3 NDAA Compliance (Applicable to Projects in which US Federal Funding or Contract is Involved). By furnishing Products and performing under the Agreement, Supplier represents and warrants that all such Products (1) are fully compliant with all applicable laws governing such Products in the countries in which they are used and exported to, including, but not limited to: (i) the US John S. McCain

National Defense Authorization Act for Fiscal Year 2019 effective August 13, 2018 (NDAA), and specifically, Section 889 of the NDAA. A copy of the NDAA is available at: <https://www.congress.gov/bill/115th-congress/house-bill/5515/text>; and (2) use NDAA-compliant chipsets and do not employ any SoC (System on Chip), or other components capable of processing software, from the banned Chinese companies.

(v) SELLER shall comply with all laws concerning improper or illegal payments and gifts or gratuities and agrees not to pay, promise to pay or authorize the payment of any money or anything of value, directly or indirectly, to any person for the purpose of illegally or improperly inducing a decision or obtaining or retaining business in connection with the Agreement, including, but not limited to the Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, et seq.

(vi) SELLER represents, warrants, certifies and covenants that it has established an effective program to ensure that the activities of its sub-tier suppliers regarding the Products sold or otherwise transferred to PURCHASER hereunder will be in compliance with this Section.

(vii) If PURCHASER determines that any of SELLER's representations, warranties, certifications or covenants contained in the Agreement is incomplete or untrue, PURCHASER shall have the right to immediately require SELLER to bring Products into conformity with its representations, warranties, certifications and covenants or, at PURCHASER's sole option, to terminate the Agreement without further compensation to SELLER. In addition, SELLER shall compensate PURCHASER for any damages suffered by PURCHASER as a result of any untrue or incomplete representation, warranty, certification or covenant of SELLER, or breach thereof hereunder by SELLER, and SELLER shall defend, indemnify, release and hold harmless PURCHASER, its directors, officers, employees, agents, representatives, successors and assigns, whether acting in the course of their employment or otherwise, against any and all suits, actions or proceedings, at law or in equity, and from any and all claims, demands, losses, judgments, damages, costs, expenses, or liabilities resulting from or in any way connected with SELLER's breach of any of the representations, warranties, certifications or covenants contained in the Agreement. SELLER agrees to include this clause in any subcontracts issued hereunder. The provisions of this Section shall survive any termination or expiration of the Agreement.

(viii) SELLER represents that the price it is charging is not in excess of the ceiling prices, if any, established by any government agency. If SELLER is notified that the

services or Products covered by the Agreement are ordered by PURCHASER under a United States government contract, SELLER agrees that federal statutes and regulations applicable to PURCHASER as a government contractor are accepted and binding on SELLER insofar as required by statute, regulation or the provisions of the government contract.

21. Governing Law and Dispute Resolution.

(a) If both parties are US residents, exclusive jurisdiction and venue for any action, suit, or proceeding concerning the Agreement or other documents related thereto shall be governed, enforced, and construed in accordance with the internal laws of the State of Wisconsin, without giving effect to any choice or conflict of law provision or rule (whether of the State of Wisconsin or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Wisconsin. Any legal suit, action, or proceeding arising out of or relating to the Agreement, or the documents related thereto shall be instituted in the United States District Court for the Eastern District of Wisconsin, Milwaukee Division, or the courts of the State of Wisconsin serving the Outagamie County. Each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. Each party waives its rights to a jury trial of any claim or cause of action based upon or arising out of the Agreement.

(b) If neither party is a Chinese entity and SELLER is not a U.S. entity, then any controversy or claim arising out of or relating to the Agreement including, but not limited to, its breach, existence, validity, legality, enforceability, interpretation, performance, nullity, termination or expiration, (a "**Controversy**") will be settled by binding arbitration; and notwithstanding its place of execution or performance, the Agreement will be governed by, and construed under and in accordance with, the Laws of the State of Delaware, USA, irrespective of any laws regarding choice or conflict of laws that direct the application of the laws of another jurisdiction. The place of arbitration will be Chicago, Illinois or New York, New York, under the Rules of Arbitration of the International Chamber of Commerce ("ICC"). Unless the parties agree to a single arbitrator, the arbitration will be heard and determined by three arbitrators, who will be appointed pursuant to the ICC Rules. The arbitration proceedings will be conducted in the English language. The award will be rendered in writing with the reasons detailed. The award may be in the nature of money damages, injunctive relief, or specific performance as decided by the arbitrator. Either party may initiate arbitration by notifying the other in writing. The arbitrator's ruling and award from such arbitration is final; the parties' consent to judgment upon the award; and the award may be entered in any court of competent jurisdiction.

(c) If either party is a Chinese entity, the laws of China govern the Agreement, irrespective of any laws regarding choice or conflict of laws that direct the application of the laws of another jurisdiction. The Controversy will be submitted to the China International Economic and Trade Arbitration Commission in Shanghai (“**CIETAC**”) for final resolution by arbitration in accordance with the rules and procedures of CIETAC. The CIETAC tribunal will consist of three (3) arbitrators. The parties will at all times comply with, and observe all requirements and rulings of, CIETAC made in relation to any Controversy submitted to CIETAC for resolution. Submission of evidentiary documents may be in copies without the need of notarization or apostille unless specifically ordered by the CIETAC tribunal. Any interim decisions or orders by the CIETAC tribunal will be binding, and sanctions may be given on failures of any party in implementing such interim decision or order. Any award or determination by the CIETAC tribunal is final and binding on both parties. The arbitration proceedings will be conducted in the English language.

(d) The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Agreement or the documents related thereto.

(e) It is the express intention of the parties that that present Agreement and all its related documents be drafted in English. PURCHASER and SELLER agree that in the event of any inconsistency or contradiction between the English version and any translation of these Terms and/or any relevant Order, the English version will always prevail. SELLER understands and fully accepts all documents referenced in these Terms, notwithstanding that some of them may only be available in English.

22. **Limitation of Liability.** EXCEPT AS OTHERWISE REQUIRED FOR FULL INDEMNITY BY SELLER FOR THIRD PARTY CLAIMS, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY, UNDER ANY CIRCUMSTANCES, FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LABOR COSTS OR LOST PROFITS) OR FOR ANY GENERAL, SPECIAL, INDIRECT, EXEMPLARY, PUNITIVE, OR OTHER DAMAGES OF ANY KIND OR NATURE WHATSOEVER ARISING HEREUNDER OR UNDER ANY OTHER AGREEMENT OR AGREEMENT BETWEEN SELLER AND PURCHASER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION, EXPIRATION, CANCELLATION, OR COMPLETION OF THE AGREEMENT OR THE SUPPLY AGREEMENT, HOWEVER ARISING. PURCHASER SHALL NOT SUFFER ANY LIABILITY WHATSOEVER TO SELLER FOR PURCHASER’S FAILURE TO PERFORM ITS OBLIGATIONS

HEREUNDER WHERE SUCH FAILURE IS DIRECTLY OR INDIRECTLY CAUSED BY OR CONTRIBUTED TO ANY EVENTS OR OCCURRENCES CONSTITUTING FORCE MAJEURE, AS SET FORTH HEREIN. SELLER SHALL BE RESPONSIBLE FOR, DEFEND, INDEMNIFY, RELEASE, AND HOLD PURCHASER HARMLESS FROM ANY AND ALL CLAIMS AND DAMAGES ALLEGED AGAINST PURCHASER BY ANY THIRD PARTY ARISING OUT OF ANY OF SELLER’S OBLIGATIONS CONTAINED HEREIN.

23. **Interpretation.** The Agreement shall not be construed against one party or the other based on which party drafted any portion or thereof.

24. **Electronic Transactions.** The parties intend that the Agreement can be electronically submitted and accepted, that the email addresses provided on the first page of the Agreement can be used to provide any required notice or communications under the Agreement, and that the electronic transactions provisions in Wis. Stat. Chapter 137 apply to the Agreement.

25. **Complete Agreement:** Except for any corresponding Supply Agreement between PURCHASER and SELLER, the Agreement is the full and final agreement of the parties and no written or oral communication between the parties before the execution of the Agreement will modify or amend the agreement. The Agreement may be modified only by a written document signed by both parties. In the event of a conflict between the Supply Agreement and the Agreement, the Supply Agreement shall control.

26. **Export Rules.** SELLER shall comply with all U.S. laws and regulations governing imports and exports.

27. **Independent Contractor.** Each of the parties to the Agreement is an independent contractor. Each party to the Agreement assumes full responsibility for the payment of all compensation, taxes, and charges for all persons engaged by it in the performance of work hereunder. The parties do not intend to create any agency, partnership, joint venture, or like relationship through the Agreement.

28. **Notification of any Change to Materials/ Processes/Services.** SELLER shall provide one hundred eighty (180) days advance written notice to PURCHASER if SELLER intends to modify or alter any materials, processes, or services purchased by PURCHASER as contemplated by the Agreement or any associated Supply Agreement (if any). Notification should be emailed to PCN@tidiproducs.com. If requested by PURCHASER, SELLER shall provide trial

materials for evaluation by PURCHASER. Before implementation of any modifications or alterations by SELLER, PURCHASER shall approve the specific modifications or alterations proposed by SELLER in its sole and absolute discretion, in writing.