

Standard Terms and Conditions of Sale

1. **Background.** For purposes of these Terms and Conditions, "PTI" refers to PTI Engineered Plastics, Inc., a Michigan corporation. PTI provides various products and services, including but not limited to a variety of injection molded parts, prototype tooling, production tooling, design services for manufacturing, engineering, cleanroom services, and other value-added services. PTI serves the medical, automotive, defense, aerospace and consumer industries. The purchaser (referred to herein as the "Customer"), as identified in the PTI Quotation or in the related Purchase Order, is interested in purchasing the products ("Products") and/or services ("Services") from PTI to the extent described in the Customer's Purchase Order or PTI's Quote, as applicable. These Terms and Conditions are an integral part of PTI's Quote and shall be deemed incorporated into Customer's Purchase Order whether specifically referenced therein.
2. **Offer and Acceptance, Agreement.** Customers' acceptance of PTI's Quote and/or PTI's acceptance of Customer's Purchase Order are limited to acceptance of the express terms and conditions contained herein. Once accepted, PTI's Quote or Customer's Purchase Order together with these Terms and Conditions, and any supplementary written information incorporated by reference herein, shall be the complete and exclusive statement of the party's agreement and supersedes any prior discussions, negotiations, agreements, and understandings. Any modifications proposed by Customer are not part of the parties' agreement in the absence of PTI's written acceptance thereof in a separate writing. Any terms or provisions in the Customer's Purchase Order which are in any way inconsistent with the Quote or those contained herein shall be null and void and the Terms and Conditions herein and those set forth in the Quote shall control. The acceptance of PTI's Quote or the issuance or placing of a Purchase Order by Customer shall constitute acceptance of these Terms and Conditions in their entirety.
3. **Purchase Price and Payment Terms.** The prices quoted by PTI for the Products and/or Services are in U.S. dollars. The amounts stated are exclusive of any taxes, freight, duty, and customs charges. All payments must be made in U.S. currency. The purchase price for the Products and/or Services shall be paid in accordance with the terms set forth on PTI's Quote. In the absence of such terms, the payments terms for Products shall be thirty (30) days from invoice date, and for Services the terms shall be one-half (1/2) due at commencement, and the balance paid upon completion of the Services, or if the Services will be performed in phases, then payment shall be made upon completion of each individual phase, in the amount attributable to such phase. If, in PTI's judgment, the financial condition of the Customer at the time the Products are to be shipped or the Services are to be performed, does not justify the terms specified, PTI reserves the right to change these terms or to require full payment or partial payment in advance. All sales are subject to the approval of PTI's credit department. Customer prices may be changed at any time to reflect current market conditions.
4. **Warranty.** The Parties represent and warrant to one another

as follows:

A. Customer warrants that there are no patents, copyrights or other proprietary rights which will or may be infringed by PTI designing or manufacturing the product, or by providing the Services that are the subject of PTI's Quote based on the specifications, prints, drawings and/or instructions provided or approved by Customer ("Customer's Design"). Customer shall defend, indemnify and hold PTI harmless from and against any and all expense, loss, royalties, damages, personal injury, property damage, and costs, including court costs and attorneys' fees, resulting from any claim that the Customer's Design infringes the intellectual property rights of any third party, or that the Customer's Design, or that any product manufactured pursuant to that design, was defective. PTI DOES NOT WARRANT IN ANY MANNER THE CUSTOMER'S DESIGN, INCLUDING THAT THE CUSTOMER'S DESIGN WILL BE FIT FOR THE PURPOSE INTENDED BY CUSTOMER (OR BY ITS CUSTOMER), AND ALL SUCH WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED.

B. Except as otherwise provided herein, PTI warrants that the Products will be free from defects in material and workmanship and that the Services will be provided in a careful and workmanlike manner, consistent with industry standards, and that the component, item or product designed by PTI will conform to the Customer's specifications (including Customer's Design) to the extent accepted by PTI in writing. PTI's obligation under this warranty shall be limited to the repair or replacement of Products, or the re-performing of the Services, to the extent of any proven defect or non-conformity, or at PTI's election, to the repayment or crediting of Customer with an amount equal to the purchase price of such defective Product or Service, whether such claims are for breach of warranty, breach of contract, or negligence. This warranty shall extend for six (6) months from date of delivery to the original Customer and shall apply only to those Products and Services which upon PTI's examination discloses to its satisfaction that the Product or Service in question was in fact defective. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON PTI'S PART. THIS WARRANTY SHALL NOT APPLY TO ANY PRODUCT WHICH HAS BEEN SUBJECT TO ACCIDENT, NEGLIGENCE, ALTERATION, ABUSE OR MISUSE OR WHICH IS PROVEN NOT TO BE DEFECTIVE. PTI MAKES NO WARRANTY WHATSOEVER IN RESPECT TO ACCESSORIES, PARTS, SERVICES OR COMPONENTS NOT SUPPLIED BY PTI, AND MAKES NO WARRANTY WHATSOEVER RELATIVE TO CUSTOMER'S DESIGN. Notwithstanding the foregoing, any parts or components purchased from, and Services provided to PTI by, any subcontractor or vendor of PTI shall only carry the subcontractor's or vendor's specific warranty, to the extent transferable to Customer. No representation or warranty expressed or implied, made by any sales representative or other agent or representative of PTI, which is not specifically set forth herein or in PTI's Quote, shall be binding upon PTI.

5. **Standards.** Many countries have adopted laws relative to standardization and product certification applicable to various products and services, including potentially certain Products and Services provided and sold by PTI. PTI warrants only that its Products and Services are compliant with standards required under laws of the United States, but it cannot and does not warrant conformity with the standardization and product certification requirements of any other country except to the extent set forth in a separate writing delivered to Customer by PTI. In the absence of such separate writing, Customer assumes the obligations for compliance with the laws of any other country to the extent such laws are applicable.
6. **Inspection and Rejection.** Final inspection of the Products purchased shall be made at Customer's premises unless otherwise agreed in writing. The Products rejected as not conforming to the Purchase Order, or as otherwise defective, shall be returned at Customer's initial expense, including transportation and handling costs, but subject to reimbursement by PTI upon confirmation of the defect claimed. Acceptance by Customer of shipment of the Products by PTI shall be deemed to have occurred no later than ten (10) days following receipt of such shipment by Customer or Customer's customer, unless a timely rejection has been made by that date. Final inspection of the Services shall be made at PTI's premises and are subject to "buy-off" by Customer, unless otherwise agreed in writing. Any Services rejected as not conforming to the Quote, the Purchase Order, or as otherwise defective, shall be re-performed by PTI upon confirmation of the defect claimed, as PTI's sole obligation related thereto. Acceptance by Customer of the Services shall be deemed to have occurred, unless a timely rejection has been made by Customer detailing the basis for such rejection.
7. **Shipment and Delivery.** Except as provided in Paragraph 6, above, as it relates to returned Products, shipment of the Products shall be F.O.B. PTI's facility. Customer shall be responsible for all delivery costs and shall bear the risk of any loss or damage in transit. Delivery dates of products and completion dates for Services, if specified by PTI, are estimates only and are not guaranteed and are not binding on PTI.
8. **Confidentiality and Non-Disclosure.** Customer and PTI each recognize that the other is the owner of certain confidential and proprietary information relating to the Products and/or Services and the development and application of the Services to manufacture products, which includes specifications, technological know-how and other types of information or data, including, if applicable, any patents or other intellectual property related thereto, to the extent labeled as such by the party producing or providing such information, or to the extent identified as such in writing at, or within ten (10) days after the time it is communicated; provided, however, the absence of such labeling or identification shall not affect the confidential or proprietary information thereof if a reasonable person would conclude that such information is confidential or proprietary (collectively, the "Technical Information"). Neither party shall, directly or indirectly, use, disclose, disseminate, or otherwise publish to any third-party any of the Technical Information of the other party. Each party shall protect from disclosure the other party's Technical Information to the same extent which it seeks to protect its own Technical Information from disclosure (but in no event will it exercise less than reasonable measures). The confidentiality obligations herein shall not apply to any Technical Information which (a) at the time of disclosure is in the public domain, (b) after disclosure becomes part of the public domain other than through a breach of a non-disclosure obligation, or (c) was received from a third-party who acquired such information through lawful means and without any breach of a non-disclosure obligation. Tooling and gages, if any, for which Customer is invoiced, shall remain property of PTI unless otherwise indicated and shall be maintained by PTI only as long as reasonable usage warrants, as determined by PTI.
9. **Patents.** PTI shall indemnify and save Customer harmless from any judgments for damages and their costs which may be rendered against Customer in any suit brought against Customer on account of the infringement of any United States patent by any products supplied by PTI hereunder, provided that Customer promptly notifies PTI of the commencement of any such suit and authorizes PTI to settle or defend such suit as PTI may see fit, and provided further that Customer renders every reasonable assistance which PTI may require in defending any such suit. This indemnity shall not apply to any Customer Design or if Customer has designed, approved or furnished the specifications for such Product, or if Customer has altered or modified in any way such Products, or to the extent the infringement claim is based on use of the Products in combination with other products or components not provided by PTI. In any such event, Customer shall defend, indemnify and hold PTI harmless from any claim of patent or other intellectual property infringement, as provided in Section 4A hereof.
10. **Taxes.** Customer shall be responsible for all taxes, duties, assessments and other governmental charges related to the sale and shipment of the Products and the provisions of the Services; provided, however, PTI shall be responsible for U.S. income taxes related to amounts received by PTI in connection with its sale of Products and/or Services to Customer.
- A. Due to implementation of tariffs and import duties, specifically those associated with materials, components, and packaging, a line item tariff surcharge on invoices will occur when tariffs or import duties are imposed by governmental authorities on imported materials required to manufacture parts. Buyer acknowledges and agrees that any such surcharge shall be the responsibility of the Buyer and shall be payable in accordance with payment terms.
11. **Termination.** The Purchase Order and these Terms and Conditions may be terminated in any of the following ways:
- A. By mutual agreement of PTI and Customer;
- B. By PTI, on thirty (30) days prior written notice, in the event that: (i) Customer breaches or otherwise fails to comply with any provision contained herein, and such breach is not cured within that time period; (ii) PTI reasonably believes that Customer's financial condition places it in a position of being unlikely to be able to meet its contractual obligations; (iii) Customer defaults under any other material contract to which it is a party; or (iv) Customer sells all or substantially all of its assets, a majority of its voting stock or merges with another entity.

C. By Customer, upon thirty (30) days prior written notice, in the event that: (i) PTI breaches or otherwise fails to comply with any provision contained herein, and such breach is not cured within that time period; (ii) Customer reasonably believes that PTI's financial condition places it in a position of being unlikely to be able to meet its contractual obligations; (iii) PTI defaults under any other material contract to which it is a party; or (iv) PTI sells all or substantially all of its assets, a majority of its voting stock or merges with another entity, unless PTI is the surviving corporation in any such merger.

12. **Cancellation.** All orders that have been accepted by PTI are considered final and binding and may not be cancelled, altered or terminated by Customer except upon terms and conditions acceptable to PTI, in its sole discretion, or as permitted by Paragraph 11C of these Terms and Conditions. Any deposit or advance payment made by Customer in connection with a cancelled purchase order may be applied by PTI to its contractual damages resulting from such cancellation. All Products that are the subject of a cancelled purchase order shall remain the sole and exclusive property of PTI. Customer will be responsible for payment of all material PTI purchases based on customer's firm PO release related to cancellation.

13. **Late or Non-Payment.** Payments not made within the time period required herein shall bear interest at the rate of one (1%) percent per month on the unpaid amount. If PTI finds it necessary to take action to collect any unpaid amounts, Customer shall be responsible for all costs and attorney fees incurred by PTI in connection therewith.

14. **Limitation of Damages.** PTI SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES ARISING FROM THE SALE, INSPECTION, HANDLING OR USE OF THE PRODUCTS, OR THE SERVICES PROVIDED HEREUNDER, OR ANY OTHER CAUSE RELATED THERETO, AND PTI'S LIABILITY HEREUNDER, IN ANY CASE, IS EXPRESSLY LIMITED TO REPAIRING OR PROVIDING REPLACEMENT PRODUCTS OR SERVICES OR, AT PTI'S ELECTION, TO THE REPAYMENT OR CREDITING OF CUSTOMER WITH AN AMOUNT EQUAL TO THE PURCHASE PRICE PAID BY CUSTOMER FOR THE DEFECTIVE OR NON-COMPLYING PRODUCTS OR SERVICES. IF CUSTOMER BRINGS ANY ACTION AT LAW OR EQUITY IN CONNECTION WITH THIS QUOTE OR CUSTOMER'S PURCHASE ORDER, NO CAUSE OF ACTION BY CUSTOMER SHALL INCLUDE A CLAIM, NOR MAY RECOVERY BE HAD AGAINST PTI FOR ANY PUNITIVE, INCIDENTAL, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, DAMAGES TO PROPERTY OR PERSONS (INCLUDING DEATH), FOR LOSS OF USE, LOSS OF TIME, LOSS OF PROFITS OR INCOME, OR OTHERWISE. PTI'S LIABILITY SHALL BE SPECIFICALLY LIMITED AS PROVIDED HEREIN.

15. **Labeling and Marking.** If Customer purchases from PTI any Products for resale by Customer and to which Customer, directly or indirectly, is to apply its own label (or its content), or that is required by law to bear certain markings, Customer shall ensure that the label contains the content and form as specified by PTI, and as may be supplemented or amended by PTI from time to time, or as otherwise required by applicable law, and that any markings required are applied by Customer. In the event

Customer fails to comply with this paragraph, or any other provision of the Purchase Order or these Terms and Conditions or otherwise fails to comply with any labeling or marking requirements existing as a matter of law, Customer shall defend, indemnify and hold PTI harmless from all costs, expenses, liability, damages, fines, penalties, judgments or losses arising with respect thereto.

16. **Trademark Usage.** PTI's guidelines on trademark and logo usage must be followed to maintain brand integrity. Requiring consistent use of the trademarks and logos in all graphic (print, electronic, etc.) applications will help to maintain the prestige of the brand and will assist in maintaining and growing customer and brand awareness. Subject to this Paragraph, Customer may use the trademarks, tradenames, logos and designations used by PTI for its Products and Services solely in connection with Customer's advertisement, promotion and sale of the Products, and in accordance with PTI's then-current trademark usage policies. Customer shall not remove or destroy or alter any copyright notices, trademarks or other proprietary markings on the Products, documentation or other materials related to the Products or Services. Such usage by Customer shall terminate immediately upon termination of its business relationship with PTI, or upon written request from PTI to cease such use. Any marketing materials released by Customer, including catalogs, advertisements, flyers and Websites, must comply with the foregoing. Note that any Products and Services described in PTI's materials, including on its website, may be the subject of other intellectual property rights reserved by PTI and are not licensed hereunder. PTI, and other brand names listed on PTI's Website, if any, are the worldwide trademarks or registered trademarks of PTI. Trademarks of other parties are identified wherever possible and PTI acknowledges their rights.

17. **Export Control.** Products and Services supplied by PTI may be subject to various export laws and regulations. It is the responsibility of the exporter to comply with all laws and regulations. Notwithstanding any other provision to the contrary, if federal, state, or local law requires export authorization for the export or re-export of any Products or Services or associated technology, no delivery can be made until export authorization is obtained, regardless of any otherwise promised delivery date. If any required export authorization is denied, PTI and PTI's supplier will be relieved of any further obligation relative to the sale and delivery of the Products and Services subject to denial without liability of any kind relative to Customer or any other party. The customer is responsible for compliance with all export control laws.

18. **Anti-Corruption.** Customer has not received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from a PTI employee or agent in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. If Customer learns of any violation of the above restriction, it will use reasonable efforts to promptly notify PTI's Legal Department.

19. **Government Clauses and Contracts.** Customer acknowledges that the Products and Services purchased hereunder are being purchased for commercial purposes only and are not the subject of any contract with a governmental body or agency thereof. Government Contract

clauses and any clauses essentially based upon Government Contract Regulations shall only apply to sales subject to a Government Contract and only to the extent set forth in a separate writing and agreed to by PTI. In the event the sale is subject to a Government Contract, as evidenced by a separate writing agreed to by PTI, the terms and conditions of such sale shall include, if any, only those Government Contract Clauses not inconsistent with terms and conditions of this Agreement, only to the extent required to be included in a Government Contract or Subcontract and only to the minimum extent necessary to carry out the purpose of the clause in question.

20. Force Majeure. Except for payment obligations of Customer hereunder, neither party shall be liable under this Agreement for delays in performance or failure to perform its obligations caused by circumstances beyond its control, including but not limited to, acts of God, wars, riots, strikes, fires, floods, labor disputes, accidents, global pandemics, and governmental restrictions.

21. No Right to Copy. Any Products that are sold by PTI and that are based on a design owned by or exclusively licensed to PTI, are subject, in every case, to the condition that such sale does not convey any license, or other right in the Customer to manufacture, duplicate, or otherwise copy or reproduce the Products through any means whatsoever, including but not limited to 3D printing. The customer agrees to take appropriate steps to assure compliance with the restrictions contained in this paragraph and any violation shall be deemed a material breach by Customer.

22. Miscellaneous. The following miscellaneous Terms and Conditions shall apply:

- A. No signature to the Terms and Conditions is required as a precondition of their enforcement. If signature is requested by PTI, these Terms and Conditions may be executed in counterparts (including counterpart facsimiles or electronic signatures) and each counterpart shall be deemed to be an original instrument, but all counterparts shall together constitute one agreement.
- B. In case any one or more of the provisions contained in these Terms and Conditions shall for any reason be held to be invalid, illegal or unenforceable in any respect that disability shall not affect any other provision herein and these Terms and Conditions shall be construed as if that provision had never been contained herein.
- C. Captions to paragraphs of these Terms and Conditions have been included solely for the sake of convenient reference and are entirely without substantive effect.
- D. These Terms and Conditions shall be binding upon, and its benefits shall inure to, the parties hereto and their respective heirs, representatives, successors, and permitted assigns.
- E. The Purchase Order and these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of the Michigan with the courts sitting in either Macomb County, Michigan or the United States District Court for the Eastern District

of Michigan having exclusive jurisdiction.

F. The Purchase Order and these Terms and Conditions embody the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, warranties, and statements, oral or written, are merged into these Terms and Conditions. Neither these Terms and Conditions nor any of its provisions may be waived, modified, amended, or terminated except by an instrument in writing signed by the party against which that enforcement is sought and then only to the extent set forth in that instrument.

23. Assignment. The customer may not assign its rights under the Purchase Order or these Terms and Conditions without the prior written consent of PTI. Any assignment made without PTI's written consent shall be null and void.