

TERMS AND CONDITIONS OF SALE

- ACCEPTANCE:** All quotations are valid for thirty (30) days unless otherwise stated. For the purpose of these terms and conditions, "Seller" is defined as including Basler Electric Company and its wholly-owned subsidiaries (including, but not limited to, Basler Plastics, LLC; Basler Electric Company (Singapore) PTE. LTD; Basler Electric (Suzhou) Co., Ltd.). The nature of our business is such that we handle for our customers a large number of orders, many of which specify terms and conditions which would add to, or differ from, those set forth herein. To negotiate individually with respect to these terms and conditions, which vary from customer to customer, would seriously interfere with our service to all our customers. Consequently, notwithstanding any terms or conditions which may appear on the Buyer's order, Seller Products are offered for sale only on the terms and conditions contained herein. The Buyer shall be deemed to have accepted these terms and conditions where one or both of the following has occurred: the Buyer issues a purchase order or otherwise transmits an order to Seller or the Buyer accepts deliver of Products that Buyer requested from Seller. The terms and conditions of this document shall govern irrespective of whether the Buyer accepts these conditions by a written acknowledgement, by implication or acceptance and payment of goods hereunder. Seller's failure to object to provisions contained in any communications from Buyer shall not be deemed a waiver of the provisions of this document and Seller expressly rejects any modifications to these terms and conditions suggested by Buyer unless expressly agreed to by the Seller in writing.
- COMPLIANCE WITH LAWS:** Seller, to the best of its knowledge and belief, is complying with all State and Federal laws, orders, and regulations applicable to the manufacture of the Products ordered. Buyer likewise agrees to comply with all State and Federal laws, orders, and regulations applicable to its obligations under these terms and conditions.
- PRICES:** All prices quoted are based upon current labor, raw material, and purchased parts prices and will be reviewed and are subject to change at the time of shipment unless otherwise agreed to in writing by Seller. Prices are Ex-Works (Incoterms 2020) Seller's manufacturing plant or shipping point, unless Seller otherwise specifies. Additional services are subject to charge at Seller's standard rates. Prices include ordinary domestic packing only, unless otherwise specified. International shipments are subject to additional shipping charges.
- TRANSPORTATION AND DELIVERY:** Unless Seller otherwise specifies, delivery will be made Ex-Works (Incoterms 2020) manufacturing plant or shipping point, title and risk of loss shall pass to Buyer at the point freight collect. Seller shall have the right to change means of transportation and to route shipment when specific instructions are not included with Buyer's order. When Buyer's shipping instructions are vague, such as "ship best way" or "ship cheapest way," Seller shall not accept nor be responsible for any claims for alleged excess transportation cost.
- SPECIFICATIONS:** All drawings, plans, specifications, additions, and change orders must be in writing furnished by Buyer subject to acceptance and approved by Seller.
- TERMS OF PAYMENT:** All orders are net thirty (30) days from date of shipment on approved credit by Seller unless specified differently on each individual order. If credit is not granted, Seller may require progress payments and/or cash in advance. Interest of 1-1/2% per month on billings will be charged on all past due accounts until paid. All expenses of collection shall be paid by Buyer, including costs and reasonable attorney's fees.
- CREDIT CARD SURCHARGES:** Purchases made by credit card will be subject to the greater of a surcharge of 3% or such surcharges as permitted by the credit card issuer or as permitted by applicable law. Any Buyer who believes that they have erroneously been charged such a surcharge should promptly contact the Seller.
- LIMITED WARRANTY POLICY:** Seller warrants that Products sold hereunder to be free from defects in material and workmanship. THESE EXPRESS WARRANTIES ARE THE SOLE WARRANTIES OF SELLER AND ANY OTHER WARRANTIES, EXPRESSED, IMPLIED-IN-LAW, OR IMPLIED-IN-FACT, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS, ARE HEREBY SPECIFICALLY EXCLUDED. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION OF THE EXPRESS WARRANTIES GRANTED IN THESE TERMS AND CONDITIONS. Seller's sole obligation under its warranty shall be, at its option, to either issue a credit or repair or replace any Product or part thereof, which is proved to be a warrantable item. Any adjustment of credits will be based upon original billing prices. Warranty period for BE1 multi-function product is seven (7) years, Warranty period for BE1 single function product is five (5) years and warranty period for all other products is eighteen (18) months from the date of shipment by Seller unless otherwise specified in other written communications from Seller. Notice of claimed breach of warranty must be given within the applicable period. No allowances shall be made to Buyer for any transportation, duties, brokerage fees, labor costs or parts adjustments or repairs, or any other work, unless said charges are authorized in writing, in advance, by Seller. SELLER SHALL IN NO EVENT BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF PROFIT. If any article is claimed to be defective in material or workmanship, Seller, upon notice promptly given will either examine the Products at its site, or issue shipping instructions for return to Seller. The warranty shall not extend to any Products or parts thereof which have been installed, used or serviced, other than in conformity with Seller's applicable specifications, manuals, bulletins, or instructions, or, if none, shall have been subjected to improper installation, misuse or neglect. The warranties shall not apply to any materials or parts thereof, furnished by Buyer, or acquired from others at Buyer's request and/or to Buyer's specifications or designs. THE FOREGOING LIMITATIONS ON SELLER'S LIABILITY IN THE EVENT OF BREACH OF WARRANTY, SHALL ALSO BE THE ABSOLUTE LIMIT OF SELLER'S LIABILITY IN THE EVENT OF SELLER'S NEGLIGENCE IN MANUFACTURE, INSTALLATION, SERVICE OR OTHERWISE, WITH REGARD TO THE PRODUCTS COVERED HEREBY; AND UPON THE EXPIRATION OF THE STATED WARRANTY PERIOD, ALL SUCH LIABILITIES SHALL TERMINATE. Seller warrants only those Products which are custom designed based upon Buyer's specifications, specifically for Buyer, to be fit for the particular purpose identified by Buyer, in writing, for a period set forth on the front page of this document or on our quote. In no event shall Seller be liable for special or consequential damages or loss of profit respecting said Products and Seller's sole obligation shall be to either issue a credit or to repair or replace said article or part thereof. Seller shall perform Services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Seller shall re-perform (or, at Seller's option, pay a third party to re-perform) any defective Services (including Services performed in conjunction with Products) at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original Services.
- UNAUTHORIZED USE:** If the Buyer or a third party uses the Products in such a way that is unauthorized, then Seller shall not be liable for any claims or losses that arise from such use. Buyer agrees to indemnify, hold harmless, and defend Seller from any such claims or losses, as well as any attorney's fees, court costs, or other costs that arise from such claims or losses. By accepting these terms, Buyer agrees that it has read and understands all instructions, warnings, manuals, supporting documentation, and all other documentation that relates to or instructs as to the proper operation, upkeep, and use of Products. Buyer agrees that it shall not install, upgrade, or operate the Products unless they have the skill and competency to do so. Buyer furthermore agrees that the installation of any aftermarket or third party parts in Products without the permission of Seller shall constitute an unauthorized use. The failure of Buyer to utilize to the fullest extent password protection capabilities that are contained within the Products (including, but not limited to, changing default passwords to unique passwords) shall be considered an unauthorized use. Furthermore, if the Product is moved or transferred to another jurisdiction without the Seller's authorization, any use in such jurisdiction shall be considered an unauthorized use.
- NUCLEAR USE:** Products produced and sold by Seller are commercial grade products and as such, Products produced and sold hereunder by Seller are not intended for use in connection with any nuclear facility or activity, unless specifically identified in writing by Seller. Seller disclaims all liability, if so used, for any nuclear damage, injury, or contamination and Buyer shall and does hereby agree to indemnify and hold Seller and its representatives and employees, its successors, assigns and customers, harmless, including damages, expenses, attorney's fees, and cost of defense or otherwise caused by or resulting from reason of such use.
- ORDER CHANGES:** Buyers shall have the right, by giving written notice to Seller, to make changes in the quantity, drawings, designs, or specifications for the Products to be manufactured. Upon receipt of any such notice, Seller shall notify Buyer as promptly as possible changes in price of, or the time required for performance of, the order

and an equitable adjustment shall be made in the contract price or delivery schedule, or both, prior to incorporating said changes into the manufactured Product. Seller reserves the right to accept or reject any requested changes by Buyer. In the event the order is quoted in foreign currency (other than USD), Buyer shall be liable for any foreign exchange rate losses charged to Seller that arise as a result of an order change, delay, or cancellation.

12. **CANCELLATION:** Orders are not subject to cancellation, complete or partial, without Seller's written consent. Any reduction in quantities ordered shall constitute a partial cancellation subject to this clause. Where Seller consents to cancellation, settlement will be made on the following basis: Buyer will pay to Seller, upon delivery, the full purchase price of all Products completed at the time Seller agrees to cancellation. Buyer will further pay to Seller a cancellation charge consisting of a percentage of the purchase price of all other Products equivalent to the percentage of completion thereof as determined by Seller's normal cost accounting methods. Buyer will also pay the full unamortized cost of materials, dies, tools, patterns and fixtures, made or contracted specifically for Buyer's order. Invoices for all cancellation charges are payable promptly upon presentation. If within sixty (60) days from the presentation of such invoice, Buyer does not instruct Seller as to the disposition of the material, etc. arising from the cancellation, Seller may sell the same, crediting buyer for the proceeds. Buyer will also pay the reasonable cost and expenses incurred by Seller in making a settlement hereunder and in protecting property in which Buyer has an interest. Where United States Government contracts are involved, cancellation shall be in accordance with the appropriate Government Procurement Regulation and contract provisions. Seller will defer manufacture or delivery of any Products only if and to the extent agreed to in writing.
13. **PARTIAL SHIPMENTS:** Seller reserves the right to make and to invoice for partial shipments of completed Products.
14. **CUSTOMER CREDITS AND DEFAULTS:** Accounts are opened only with firms or individuals on approved credit. The Seller reserves the privilege of declining to make deliveries whenever, for any reason, doubt as to the Buyer's financial responsibility develops, and shall not, in such event be liable for non-performance of contract in whole or in part. If Buyer shall fail to pay promptly, when due, any sum owing to Seller, or to perform any agreement under this order or under any other order, heretofore or hereafter placed with Seller or Buyer shall be adjudicated bankrupt or insolvent, or shall make an assignment for the benefit of creditors, or if there shall be instituted by or against Buyer any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt or insolvency law of any jurisdiction, or for the appointment of a receiver or trustee in respect of any of Buyer's property and if such proceeding shall be instituted against Buyer, and it shall not be dismissed within twenty (20) days, or if Seller shall reasonably believe that Buyer is unable to meet Buyer's debts as they mature, then, and in any such event, Seller may, in addition to exercising any or all other rights that Seller may have, require payment of Cash upon delivery, and Seller may, upon written notice to Buyer at any time, terminate all Seller's obligations under any one or more of such orders. Upon any termination pursuant to this clause, Buyer shall thereupon become obligated to pay to Seller the same sum in respect to each such order as if such order had been cancelled by Buyer with Seller's consent and consent and settlement had been made on the basis set forth in Paragraph 10 of these Terms and Conditions.
15. **TAXES:** Prices do not include any present or future Federal, State, or Local sales, use, excise, manufacturing, processing, gross receipts, or importation tax, or any other tax or charge, that is or may be imposed on the Products or services covered hereby or on subsidiary articles or material incorporated therein, unless otherwise provided in this section. Any such taxes or charges will be added to the invoices as separate items, unless appropriate exemption certificates are furnished to Seller. Any tariffs that may apply to this contract or order will be the responsibility of the Buyer unless indicated otherwise in the delivery terms or other terms of the order confirmation. The total price of Products may include any taxes as allowed by applicable law (including, but not limited to, the Hawaii general excise tax), and such taxes may be visibly listed as separate items on any invoices as allowed by applicable law. In the event that, subsequent to sale, review by any applicable taxing authority establishes any tax properly due and owing by Buyer was not paid by Buyer, including but not limited to the expiration or disallowance of any tax exemption certificate, Buyer shall indemnify, defend and hold harmless Seller from such tax.
16. **MANUFACTURING POLICY:** Production quantity under-runs will be held to a minimum consistent with accepted industry manufacturing practices.
17. **PATENTS:** Seller will defend any suit or proceeding against Buyer, insofar as it is based on a claim that any article or part thereof furnished by Seller hereunder constitutes an infringement of any patent of the United States, if Seller is notified promptly in writing by Buyer and Seller is given authority, information, and assistance from Buyer (at Seller's expense) for the defense or settlement of the same; except if such suit or proceeding shall result from (a) any such article or part was manufactured by Seller in accordance with any design, drawing, or specification that is furnished to Seller by or for Buyer, and that is not based on Seller's design, drawing, or specification, or (b) alleged infringement arises out of, or is based upon, the use of Seller's article with another article or material, or in a particular manner, not furnished by Seller. If any article or part furnished by Seller does infringe upon a patent, then Seller will, at Seller's expense, and at Seller's option, either (i) procure for Buyer the right to continue using such article or part; (ii) replace it with a non-infringing article or part; (iii) modify it so that it becomes non-infringing; or (iv) refund the purchase price and transportation costs upon return to Seller of the infringing article or part. The foregoing provision sets forth Seller's entire liability for, or resulting from patent infringement or claim thereof.
18. **FORCE MAJEURE:** Seller shall have no liability whatsoever, nor shall this order be subject to cancellation for delays and delivery due to an act of God, civil or military riot or commotion, strikes, labor disturbance, vandalism, fire, war, insurrection, transportation, terrorism, weather, unavailability of materials or supplies (provided such unavailability was not due to the lack of due diligence of the party claiming force majeure), federal, state, or municipal orders and directions, default of supplier or subcontractor or due to any other cause beyond Seller's control. In such an event or events causing delay for such cause, the specified delivery date shall be extended for a reasonable length of time, but not less than the period of delay.
19. **INDEMNIFICATION:** TO THE EXTENT ALLOWED BY LAW, BUYER AGREES TO INDEMNIFY AND HOLD HARMLESS SELLER IT'S DIRECTORS, OFFICERS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, ATTORNEYS' FEES, AND EXPENSES ARISING FROM THE NEGLIGENT ACT OR OMISSION OR WILFUL MISCONDUCT OF BUYER RELATED TO THIS AGREEMENT WHICH CAUSES THE DEATH OF, INJURY TO, OR DAMAGE TO THE PROPERTY OF, ANY PERSON.
20. **OWNERSHIP:** The Products may be covered by one or more patents, trademarks, copyrights, or other intellectual property rights in the United States and other countries. Through Buyer's purchase of the Products, Seller grants to Buyer, and Buyer accepts, a paid-up, royalty-free, non-exclusive, non-transferable license to use the purchased Products, under said patents and copyrights. Seller owns copyrights in any software that is embedded or loaded in the Products, and/or in software provided by Seller for use in conjunction with the Products (collectively "Accompanying Software"). Seller grants Buyer the right to perform and display copyrighted Accompanying Software in conjunction with the use or sale of the Products, but Buyer has no right to copy Accompanying Software except to make a single backup copy of each program for Buyer's exclusive use. Seller grants Buyer the right to use, but not reproduce, any drawings, prints, manuals, and specifications delivered by Seller with the Products to Buyer under a Purchase Order with the sole exception that the material can be copied for internal use for the sole purposes of using and maintaining such products. Seller may grant Buyer other licenses as to Accompanying Software for use in conjunction with Products, and Buyer's rights and duties under any such licenses shall be in addition to the terms of this license. By selling Products to Buyer, Seller does not convey any right, title or interest in Seller's intellectual property rights, including copyrights, trademarks, patents, and trade secrets, that cover the Products, other than any license expressly granted by this provision.
21. **TRANSFER OF PRODUCTS TO THIRD PARTY OR LOCATION OTHER THAN ORIGINAL SALE:** Buyer agrees that it shall be responsible for providing any third party or end user to whom Products are provided with all instructions, bulletins, product notices, warnings, documentation corrections, recommendations, and other similar materials for the Product that Seller has made available to Buyer. Buyer acknowledges that it is responsible for ensuring that Products have any necessary legal, regulatory or environmental approvals in the event that Products' end use is in a location other than the location where original delivery of Products is made. Buyer acknowledges that the Products and all components therein are subject to and must comply with all applicable United States' export control laws and regulations, including, but not limited to, the US

Export Administration Regulations (15 C.F.R. §§ 730–774); Buyer furthermore agrees to comply with all such export control laws and regulations. It is Buyer's responsibility to ensure that they have received proper authorization from the United States Department of Commerce, or other applicable entity, prior to the sale, export, transfer, re-export, disclosure, lease, or diversion of any Products to an area or third party that is subject to restrictions or sanctions under United States' or other applicable law. Buyer agrees to comply with United States' anti-boycott laws and regulations, as well as other similar applicable laws and regulations, when exporting Products. It is Buyer's responsibility to ensure the accuracy of any shipping information and Seller shall not be liable for any losses or claims resulting from incorrect shipping information or coordinates.

22. **GOVERNING LAW AND VENUE:** This agreement is entered into in the State of Illinois. The agreement resulting from this order, including all amendments, additions, and modifications thereto, is to be construed according to the laws of the State of Illinois without regard to Illinois' choice of law provisions. Each party irrevocably consents and agrees to the venue and jurisdiction of the Madison County, Illinois Circuit Court or the Southern District of Illinois District Court in any action arising out of or relating to the agreement resulting from this order. Both parties waive any objection to such jurisdiction and venue on the basis of inconvenient forum or any similar grounds.
23. **GENERAL:** If any such clause, sentence, word, provision, section, or other terms of this agreement are found or declared by law or legal proceedings to be unenforceable, void, or illegal, the remainder of said agreement shall remain in full force and effect and binding on the parties hereto. The terms and conditions herein contained shall, unless otherwise specifically agreed to by Seller in writing, be the sole terms and conditions governing any purchase and sales contract entered into between the Buyer and Seller. Stenographical and clerical errors are subject to correction. No modification or addition to or waiver of any of the terms and conditions hereof will be effective unless agreed to in writing by Seller.