MIER MACHINE AND TOOL, LLC

Precision Injection Molds • Tooling • Machining

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PURCHASE ORDER TERMS AND CONDITIONS

These Purchase Order Terms and Conditions (the "Terms") apply to and are incorporated into every purchase order ("Purchase Order" or "PO") issued by Mier Machine and Tool, LLC ("Mier," "Buyer," "we," or "us") to the supplier of goods or services identified on the Purchase Order ("Seller," "you"). "Goods" means the materials, components, tooling, and other items ordered, and "Services" means any work, processing, or services ordered, including outside processing performed on Mier or customer-furnished tooling or material. "Affiliates" means entities under common ownership or control with Mier.

1. Acceptance of Terms

A. Seller accepts these Terms by acknowledging the Purchase Order, commencing performance, delivering any of the Goods, or accepting payment, whichever occurs first. These Terms, together with the Purchase Order and any addenda, constitute the entire agreement between the parties for the purchase described and supersede any prior understandings.

B. Any acceptance by Seller is expressly limited to these Terms. Mier rejects and objects to any additional or different terms proposed by Seller in any quotation, acknowledgment, invoice, or other document, and no such terms become part of the contract even if Mier accepts or pays for the Goods, unless expressly agreed in a writing signed by an authorized representative of Mier. No change to these Terms is otherwise effective.

2. Packing and Shipment

A. Unless otherwise stated on the Purchase Order, prices include all charges for packing, boxing, crating, preservation, and storage, and no additional charge for such items will be allowed. Seller shall pack, mark, and ship in accordance with the Purchase Order, the requirements of carriers, and good commercial practice to ensure the Goods arrive undamaged and, where applicable, protected against corrosion and moisture.

B. The Purchase Order number shall appear on all packages, packing slips, invoices, certifications, and correspondence. Each shipment shall include a packing slip identifying the Purchase Order number, part number, description, and quantity.

C. When applicable, Seller shall furnish a certificate or marking of country of origin and a current Safety Data Sheet (SDS) for any hazardous material, with or before the first shipment, and shall comply with all applicable transportation and labeling requirements for hazardous materials.

3. Delivery

A. **Time is of the essence** in the performance of every Purchase Order. Seller shall deliver the exact quantities on the dates specified. Mier may reject or return, at Seller's expense, any Goods delivered in advance of schedule or in excess of the quantity ordered, or may hold them at Seller's risk and expense.

B. If Seller fails or anticipates failing to meet a delivery date, Seller shall promptly notify Mier and, at Mier's election and Seller's expense, ship by the most expeditious means to meet the schedule. Seller shall bear any resulting premium transportation costs.

C. Title to and risk of loss for the Goods pass to Mier upon Mier's acceptance following delivery at the destination stated on the Purchase Order, notwithstanding any prior payment, inspection, or transfer of possession.

4. Payment Terms

A. Payment terms are net thirty (30) days, calculated from the later of Mier's receipt of a complete and conforming shipment or Mier's receipt of a correct and undisputed invoice. Cash-discount periods, where offered, are calculated from the same date.

B. Mier may withhold payment for any Goods or Services that are nonconforming, or set off against amounts owed to Seller any amounts owed by Seller to Mier, without waiving any other right or remedy. Payment does not constitute acceptance of nonconforming Goods.

5. Excusable Delays

A. Neither party is liable for delay or failure of performance caused by events beyond its reasonable control and without its fault or negligence, including acts of God, fire, flood, epidemic or pandemic, war, terrorism, and government action. The affected party shall give prompt written notice and use diligent efforts to resume performance.

B. A delay is not excusable for Seller to the extent it results from Seller's own financial condition or labor disputes, or from the act, omission, or delay of Seller's suppliers or subcontractors, unless that sub-tier delay itself arises from an event that would be excusable and the affected Goods or materials could not be obtained from another source in time to meet the schedule. If an excusable delay affecting Seller continues or is expected to continue for more than fifteen (15) days, Mier may cancel the affected portion of the Purchase Order without liability and procure substitute Goods or Services elsewhere.

6. Changes

A. Mier may, by written notice, make changes to the Purchase Order, including changes to drawings, designs, specifications, quantities, method of packing or shipment, and place or time of delivery. If any such change increases or decreases the cost of, or time required for, performance, an equitable adjustment will be made to the price or delivery schedule, provided Seller submits a written claim within thirty (30) days after receiving the change. Nothing in this section excuses Seller from proceeding with the Purchase Order as changed.

B. Seller shall not change the design, composition, materials, manufacturing location, or process of any Goods, nor change or substitute any sub-tier source of special processes, without Mier's prior written approval. Approval is evidenced only by a revised Purchase Order issued by Mier.

7. Conformance of Goods; Deviations

A. Goods and Services must conform strictly to the Purchase Order, drawings, and specifications. If Seller knows or suspects that any Goods or Services do not or may not conform, Seller shall promptly notify Mier and shall not ship nonconforming Goods without first obtaining Mier's written deviation or waiver approval. Any such approval applies only to the specific items and quantity stated and does not waive any requirement for future deliveries.

8. Inspection and Rejection

A. All Goods and Services are subject to inspection and test by Mier and its customers at all reasonable times and places, including during manufacture, notwithstanding any prior payment or inspection. Final inspection and acceptance occur at destination unless otherwise stated.

B. Mier may reject any Goods or Services that do not conform. Rejected Goods may be returned to Seller at Seller's risk and expense for full credit or replacement, at Mier's option, and Seller shall bear all related transportation, inspection, sorting, and rework costs. Neither inspection, testing, acceptance, nor payment relieves Seller of responsibility for latent defects or nonconformity.

9. Quality System, First Article, and Corrective Action

A. Seller shall establish and maintain a quality management system appropriate to the Goods and Services, conforming to ISO 9001 or such other standard as the Purchase Order specifies. Seller shall promptly notify Mier of any suspension, revocation, or lapse of a required certification, and shall notify Mier in advance of any change to its quality system, manufacturing location, processes, or ownership that affects the Goods.

B. When required by the Purchase Order or the nature of the Goods, Seller shall perform and document a first-article inspection before initial production delivery and again after any change requiring re-verification.

C. Seller shall investigate the root cause of any nonconformance and provide timely, documented corrective action upon Mier's request.

D. **Notification of Escape.** If Seller discovers or has reason to believe that nonconforming Goods may have been delivered, Seller shall promptly notify Mier in writing, identifying the affected Goods, quantity, dates, and disposition, so that Mier and its customer can contain the nonconformance.

10. Warranty

A. Seller warrants that all Goods and Services will: (i) conform to the Purchase Order, drawings, specifications, and any samples; (ii) be new and free from defects in design (to the extent designed by Seller), material, and workmanship; (iii) be merchantable and fit for the intended purpose made known to Seller; and (iv) be delivered with good title, free of all liens and encumbrances.

B. These warranties survive inspection, test, acceptance, and payment, extend to the future performance of the Goods, and run to Mier, its successors, its customers, and the users of its products. A cause of action for breach accrues upon discovery of the breach. Seller's warranties remain in effect for the longer of any period stated on the Purchase Order or the period for which Mier warrants the corresponding item to its own customer, so that Seller's warranty is at least coextensive with Mier's downstream warranty obligations. In addition to other remedies, Mier may require prompt repair, replacement, or re-performance at Seller's expense, or return for credit.

11. Right of Entry and Source Inspection

A. Mier, Mier's customer, and regulatory and statutory authorities have the right of entry to Seller's and its sub-tier suppliers' facilities, at all reasonable times, to inspect the Goods, the processes, and the applicable quality records related to the Purchase Order. The right of entry does not constitute acceptance and does not relieve Seller of its obligations.

12. Certifications, Traceability, and Records

A. When required by the Purchase Order or by the nature of the Goods, Seller shall furnish with each shipment a Certificate of Conformance and applicable material, mill, chemical, physical, and test certifications, including full traceability of raw material to its heat, lot, or batch. Goods shall be traceable to the certifications throughout Seller's process.

B. Seller shall create and retain all quality, inspection, test, and material-traceability records related to the Purchase Order for a minimum of ten (10) years, or longer if specified, and shall make them available to Mier and its customer upon request. Records shall not be destroyed before the retention period without Mier's written authorization.

13. Counterfeit Part Prevention

A. Seller warrants that only new and authentic materials are used in the Goods and that the Goods contain no counterfeit, fraudulent, or suspect items. Seller shall purchase items subject to this section only from the original component or equipment manufacturer, or from a manufacturer-authorized distributor, and shall provide traceability documentation on request.

B. If any Good is found or suspected to be counterfeit, Seller shall promptly notify Mier, quarantine the affected items, and replace them at Seller's expense. Seller is liable for all costs arising from counterfeit items, and such items are not subject to any limitation of Seller's liability.

14. Mier-Furnished Property and Tooling

A. Any tooling, molds, dies, patterns, gauges, fixtures, material, or other property furnished by Mier to Seller, or paid for by Mier, or furnished by Mier's customer for use on the Purchase Order (including customer-owned molds sent to Seller for texturing, polishing, plating, heat treating, EDM, machining, or other processing), remains the property of Mier or its customer. Seller holds such property as bailee.

B. Seller shall: (i) use the property only to perform Mier's Purchase Order; (ii) keep it clearly identified as the property of Mier or its customer; (iii) keep it free of all liens, security interests, and encumbrances, and take no action inconsistent with Mier's or its customer's ownership; (iv) maintain it in good condition, at Seller's expense, ordinary wear excepted; and (v) not move it to another location or deliver it to any third party without Mier's prior written consent.

C. Seller bears the risk of loss of or damage to Mier-furnished property while it is in Seller's possession or control and shall maintain insurance covering it at full replacement value with Mier named as loss payee as its interest appears. Seller shall return the property in good condition promptly upon Mier's demand or upon completion, cancellation, or termination of the Purchase Order. Seller waives any artisan's, molder's, or other lien it might otherwise assert against such property.

15. Ownership of Work Product and Developed Tooling

A. All designs, drawings, data, inventions, tooling, fixtures, gauges, patterns, software, and other work product that Seller first makes, conceives, or develops specifically for Mier in performing a Purchase Order, together with all intellectual property rights in them, are the property of Mier. Seller hereby assigns them to Mier and, at Mier's expense, will execute documents and provide assistance reasonably necessary to perfect and record Mier's ownership.

B. Tooling built or acquired specifically for a Purchase Order and paid for by Mier is Mier's property, is subject to the Mier-Furnished Property section as though furnished by Mier and shall be delivered to Mier upon request. This section does not assign Seller's pre-existing intellectual property; however, Seller grants Mier a nonexclusive, royalty-free, irrevocable license to use any such pre-existing intellectual property to the extent necessary to use and exploit the Goods and work product.

16. Customer Flow-Down Requirements

A. Where Mier's customer imposes quality, specification, marking, process, or record requirements applicable to the Goods or Services and Mier communicates them to Seller (by the Purchase Order, drawing, specification, or reference), those requirements flow down to and bind Seller as though set forth herein, and Seller shall flow them down to its sub-tier suppliers. In the event of a conflict, the more stringent requirement applies.

17. Intellectual Property Indemnity

A. Seller shall defend, indemnify, and hold Mier and its customers harmless from and against any claim that the Goods or Services, or their normal use, infringe any patent, trademark, copyright, trade secret, or other intellectual property rights, and shall pay all resulting damages and costs, including reasonable attorneys' fees. This section does not apply to designs originated and furnished by Mier.

18. Chargebacks

A. Seller is liable for all reasonable costs incurred by Mier as a result of nonconforming Goods or Services or Seller's breach, including the costs of inspection, sorting, rework, retest, scrap, production downtime, premium transportation, and any chargebacks, penalties, or corrective-action costs assessed against Mier by its customer as a result of Seller's nonconformance.

19. Cancellation for Default

A. Mier may cancel all or any part of a Purchase Order, without liability, if Seller fails to deliver as scheduled, fails to perform any provision of the Purchase Order, so fails to make progress as to endanger performance, breaches any term or warranty, or becomes insolvent, has a receiver or trustee appointed, or makes an assignment for the benefit of creditors. Upon such default, Mier may procure substitute Goods or Services and charge Seller with any excess costs, in addition to any other remedy.

20. Termination for Convenience

A. Mier may, by written notice, terminate a Purchase Order or any part of it for convenience at any time, and such termination is not a default. For Purchase Orders for Services or specially produced Goods, Seller will be reimbursed for actual, reasonable, and substantiated costs incurred prior to termination, plus a reasonable profit on work performed to the date of termination; the parties will negotiate the amount and the disposition of work in progress. Seller shall submit any termination claim within thirty (30) days after the effective date of termination.

B. Mier's total liability for a termination for convenience shall not exceed the price of the terminated portion of the Purchase Order, and in no event shall Seller be entitled to anticipatory profit, unabsorbed overhead, or profit on work not performed. Seller's obligations under the warranty, intellectual property, ownership-of-work-product, furnished-property, and confidentiality provisions survive termination.

21. Compliance with Laws and Ethics

A. Seller warrants that the Goods and Services, and their manufacture and delivery, comply with all applicable federal, state, and local laws and regulations, including those governing occupational safety, the environment, hazardous materials, and, where applicable, export controls (including ITAR and EAR) and substance-restriction and reporting requirements (such as RoHS, REACH, and conflict-minerals rules). Seller shall furnish certificates or declarations of compliance on request.

B. Seller complies with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, and warrants that the Goods are produced without the use of forced, prison, indentured, or child labor and in compliance with applicable forced-labor laws, including the Uyghur Forced Labor Prevention Act.

C. Seller warrants that it has not offered or given, and will not offer or give any gratuity, kickback, or thing of value to any Mier employee or representative in connection with a Purchase Order. Violation is grounds for cancellation for default.

22. Taxes

A. Unless otherwise stated on the Purchase Order, prices include all applicable federal, state, and local taxes. Material purchased for use in manufacturing or for resale is generally exempt from sales and use tax, and Mier will furnish an exemption or resale certificate on request. Seller is responsible for its own income, payroll, and similar taxes.

23. Liability for Injury or Damage; Insurance

A. Seller shall indemnify, defend, and hold Mier and its customers harmless from and against all claims, damages, liabilities, losses, penalties, and expenses (including reasonable attorneys' fees) arising out of injury to persons or damage to property, or any product-liability claim, to the extent caused by the Goods or Services or by Seller's acts, omissions, or breach.

B. **Insurance.** Seller shall maintain, at its expense and with insurers reasonably acceptable to Mier: commercial general liability, including products/completed-operations and contractual liability, of not less than $1,000,000 per occurrence and $2,000,000 aggregate; workers' compensation at statutory limits with employer's liability; and, while holding Mier-furnished or Mier-owned property, all-risk property insurance at full replacement value. Except for workers' compensation, Seller's policies shall name Mier and its customers as additional insureds, be primary and non-contributory to Mier's own insurance, and include a waiver of subrogation in Mier's favor. Seller shall furnish certificates of insurance evidencing this coverage before the first delivery and shall give Mier notice before any cancellation or material reduction of coverage.

24. Confidential and Proprietary Information

A. All information Seller receives or accesses in connection with a Purchase Order ("Confidential Information"), including drawings, specifications, tooling data, and know-how, remains the property of Mier or its customer. Seller shall use Confidential Information only to perform the Purchase Order, shall not disclose it to any third party except to employees and sub-tier suppliers with a need to know who are bound to equivalent confidentiality, and shall return or destroy it on request. Seller acquires no right, title, or interest in any product or process information, know-how, or materials of Mier or its customer.

25. Remedies, Set-Off, and Waiver

A. All rights and remedies of Mier are cumulative and in addition to any others available at law or in equity. Mier may set off any amount owed by Seller to Mier or any of its Affiliates against any amount payable to Seller under any Purchase Order. Mier's failure to enforce any provision, or to require performance, is not a waiver of that or any other provision or of Mier's right to enforce it later. Seller shall indemnify Mier against all losses, damages, and expenses, including reasonable attorneys' fees, resulting from Seller's breach of these Terms, including breach of warranty.

26. Assignment

A. Seller shall not assign or subcontract any Purchase Order, or any right or obligation under it (including the right to payment), without Mier's prior written consent, and any attempted assignment without such consent is void. Mier may assign its rights and obligations. These Terms bind and benefit the parties and their permitted successors and assigns.

27. Order of Precedence

A. In the event of a conflict among the documents comprising a Purchase Order, precedence is given in the following order: (a) the face of the Purchase Order and any addenda; (b) these Terms; and (c) drawings, specifications, and other documents referenced in the Purchase Order. Notwithstanding the foregoing, where quality, safety, or regulatory requirements conflict, the more stringent requirement governs.

28. Addenda

A. Any addendum attached to or referenced in a Purchase Order is incorporated into and made a part of these Terms with equal force. If an addendum conflicts with these Terms in a way that cannot be reconciled, the addendum controls for that Purchase Order.

29. Survival

A. The rights and obligations that by their nature should survive completion, cancellation, or termination of a Purchase Order will survive, including those relating to warranty, inspection and rejection, quality and traceability records and their retention, intellectual property and ownership of work product, Mier-furnished property, confidentiality, indemnification, insurance, chargebacks, remedies and set-off, and governing law.

30. Notices

A. All notices under these Terms shall be in writing and delivered personally, by nationally recognized overnight courier, or by registered or certified mail, return receipt requested, to the party's address stated on the Purchase Order or to its last-known address, and shall be deemed given upon receipt. Notices to Mier shall be sent to Mier Machine and Tool, LLC, 18 Garfield Street, Auburn, NY 13021.

31. Governing Law, Disputes, and Venue

A. These Terms and each Purchase Order are governed by and construed in accordance with the laws of the State of New York, without regard to its conflict-of-laws principles. If a dispute arises, Seller shall continue to perform, including delivering the Goods, and if the dispute is resolved in Seller's favor the Purchase Order will be equitably adjusted. The exclusive venue for any dispute is the state courts located in Cayuga County, New York, or the United States District Court for the Northern District of New York, and each party consents to the personal jurisdiction of those courts and waives any objection based on venue or forum non conveniens. THE PARTIES EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY. In any action to enforce these Terms, the prevailing party is entitled to recover its reasonable attorneys' fees and costs.

By acknowledging or performing under a Purchase Order issued by Mier Machine and Tool, LLC, Seller agrees to be bound by these Purchase Order Terms and Conditions.