

# WEIDMANN

## General Terms and Conditions of Purchase

### 1 General Provisions

The following General Terms and Conditions of Purchase (these “Terms and Conditions”) effective March 1, 2022, apply to all purchase orders for goods and services of any type, which are placed by Weidmann Electrical Technology Inc. (hereinafter referred to as “Purchaser”) with the recipient of the order (hereinafter referred to as “Supplier”) and shall supersede all printed terms and conditions set forth in any order confirmation used by the Supplier. Purchaser hereby objects to any terms and conditions appearing in Supplier’s purchase order form or order confirmation which modify (materially or otherwise), contradict, or are in addition to the terms and conditions appearing herein. Supplier recognizes and acknowledges that its acceptance of a purchase order from Purchaser is expressly limited to the terms contained herein and Supplier agrees that any terms, conditions or provisions in any printed matter supplied by Supplier which are inconsistent with any terms contained herein, including any statement that purports to reject additional or varying terms of these Terms and Conditions, or which limit acceptance to the terms contained in any Supplier’s purchase order form or order confirmation are null and void and of no force and effect. Thus, the parties’ agreement regarding the sales of goods and/or services shall consist solely of (i) these Terms and Conditions, (ii) goods or service description and number, the price, units of goods, and delivery dates and shipment instructions set forth in Purchaser’s purchase order, and (iii) any other provisions set forth in a writing signed by both parties. Such documents are collectively referred to herein as this “Agreement.”

### 2 Acceptance of Purchase Order

All purchase orders presented by Purchaser to Supplier shall be deemed to incorporate these Terms and Conditions. Supplier shall not be able to accept Purchaser’s purchase order without also accepting these Terms and Conditions, which shall become a part of the Agreement when Purchaser’s purchase order is accepted by Supplier. Purchase orders are to be confirmed immediately by the Supplier. If the Supplier does not reject a purchase order within five business days of receipt, then the purchase order is deemed accepted.

### 3 Code of Conduct

The Purchaser expects its Suppliers to comply with Purchaser’s “Code of Conduct for Suppliers”, as follows (and as may be updated from time to time by notice of Purchaser to Supplier):

<b>Legal compliance</b>	- to comply with the laws of the applicable legal systems.
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<b>Prohibition of corruption and bribery</b>	- to tolerate no form of, and not to engage directly or indirectly in any form of corruption or bribery. Explicitly no granting, offering or promising of any value to a government official or to a counterparty in the private sector is conducted to influence decisions or obtain an inappropriate advantage.
<b>Fair competition</b>	- to follow national and international competition laws; - to not participate in price fixing, market or customer allocation; - to respect the intellectual property rights of other parties.
<b>Basic human rights of employees</b>	- to assure equal opportunities for and treatment of its employees irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex or age; - to respect the personal dignity, privacy and rights of each employee; - to assure a fair remuneration and the applicable national statutory minimum wage.
<b>Prohibition of child labor</b>	- to employ no workers under the age of 15, or adhere to the provisions of ILO convention 138, respectively; - to comply with the regulations of the (UK) Modern Slavery Act 2015.
<b>Health and safety</b>	- to take care for the health and safety of all employees; - to take the best reasonably possible preventive measures against accidents.
<b>Environmental protection</b>	- to act in accordance with the applicable statutory and international standards regarding environmental protection, and to minimize environmental pollution.
<b>Data privacy and confidentiality</b>	- to treat personal and legal entity related data with care; - to only gather and retain personal information about employees if required for effective business purposes or if it is required to comply with legal regulations.
<b>Conflict Minerals</b>	- to take reasonable efforts to avoid the use of raw materials which originate from conflict regions, where human rights may be violated during exploration and processing of the materials.
<b>Supply chain</b>	- to promote compliance with this Code of Conduct among its suppliers; - to comply with the principles of transparency and fairness when selecting suppliers.

In the event that Purchaser determines that Supplier is in violation of Purchaser's Code of Conduct, Purchaser may terminate this Agreement upon written notice to Supplier and have no further obligation to Supplier.

## 4 Changes

Purchaser, at any time, shall have the right to make changes to the drawings, designs, specifications, materials and packaging for goods and services, as well as time and place of

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delivery and method of transportation. If any changes cause an increase or decrease in the cost or time required for the performance hereunder, an equitable adjustment may be made and this Agreement shall be modified in writing accordingly. Any claim by Supplier for an adjustment shall be deemed waived unless notice of a claim is made in writing within thirty days following Supplier's receipt of such changes. Supplier may not make any changes to the drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation without the prior written approval of the Purchaser.

## 5 Prices

Unless otherwise specified in writing, all prices for goods shall be FCA Shipping point (INCOTERMS 2010), unless stated otherwise on the purchase order. The purchase order shall include and separately itemize all taxes, levies, duties or excises that may be imposed by any authority, arising from the sale, delivery, or use of the goods and which Purchaser is to pay. Purchaser shall not be liable for any tax, levy, duty or excise that is not included and itemized on the purchase order.

Purchaser shall not be billed at a price higher than the price last charged or quoted by Supplier for the same goods unless a higher price is authorized in writing by Purchaser. Supplier represents that the price charged for the goods and services covered by these Terms and Conditions is the lowest price charged by Supplier to buyers of a class similar to Purchaser purchasing in quantities and under circumstances comparable to those specified herein. Any price reduction made by Supplier with respect to the goods and/or services ordered hereunder, subsequent to placement of the order and prior to Purchaser's receipt of the goods and/or services, shall apply to this Agreement.

## 6 Delivery; Risk of Loss

The place of performance for deliveries or services is the location determined by the Purchaser.

Unless otherwise provided in the purchase order, delivery is to be undertaken FCA Shipping point (INCOTERMS 2010). Risk of loss of all goods shall remain in Supplier until delivery of goods to Purchaser pursuant to delivery terms.

Agreed dates and deadlines are binding and must be complied with exactly. Time is of the essence in the performance of Supplier's obligations hereunder. Any delay by Supplier will be excused only if (i) due to one or more Force Majeure Events (as defined below) and (iii) Supplier gives Purchaser prompt written notice (and in any event, within five days) of any delays, or expected delays, together with the reasons therefore and an estimate of the duration thereof. If Supplier cannot meet a scheduled delivery date, Purchaser may, in addition to its other rights, (i) charge a penalty for non-performance amounting to 1% of the total purchase order value per week of delay, (ii) direct Supplier to make shipment to the delivery point set forth in a purchase order by the most expeditious means, and the total cost of such expedited shipment and handling shall be borne by Supplier, (iii) buy the product elsewhere and charge Supplier for any costs in connection with same, (iv) approve a revised delivery schedule, or (v) terminate in whole or in part the purchase order without liability to Purchaser whatsoever.

Purchaser reserves the right to refuse shipments made in advance of the schedule of deliveries specified in a purchase order, or to hold such goods and pay Supplier's invoices on normal maturity after the scheduled delivery date.

Purchaser may delay delivery or acceptance occasioned by one or more Force Majeure Events. Supplier shall hold such goods at the direction of the Purchaser and shall deliver them when the

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cause affecting the delay has been removed. Purchaser shall be responsible only for Supplier's direct additional costs in holding the goods or delaying performance of this Agreement at Purchaser's request.

As used herein, a "Force Majeure Event" means a cause beyond a party's reasonable control and without such party's fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, acts of war, fires, floods, pandemics or epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

## **7 Shipping Instructions**

All goods shall be packaged for shipment according to Purchaser's instructions, or if there are no instructions, in a manner sufficient to ensure that the goods are delivered in undamaged condition. Supplier shall be responsible for safe packing. No extra charges shall be made for packaging or packaging materials unless authority for such costs is expressly included in Purchaser's purchase order. Supplier shall mark all containers with necessary handling and shipping information, order number, the date of shipment and country of origin. A packing slip is to be included with every delivery. Apart from the usual information, this packing slip must indicate the exact description, the quantity shipped, the item number and if applicable the reference and purchase order number of the Purchaser.

If deliveries take place by train or freight forwarder, the above-mentioned data is also to be shown on all consignment notes, other paperwork accompanying the goods and/or customs documents.

If any of the goods ordered hereunder constitute or contain hazardous substances or toxic chemicals as defined by any applicable federal, state or local law or regulation, Supplier shall provide at the time of delivery all required notices and information, including, without limitation, all Safety Data Sheets (SDSs) in approved form.

## **8 Inspection**

Payment for the goods or services delivered hereunder shall not constitute acceptance thereof. Purchaser shall have the right to inspect all goods and services and to reject any or all of said goods or services that are in Purchaser's judgment defective or nonconforming. Goods and services rejected, and goods supplied in excess of quantities called for herein may be returned to Supplier at its expense, and in addition to Purchaser's other rights, Purchaser may charge Supplier all expenses of unpacking, examining, repacking and reshipping such goods. In the event that Purchaser receives goods or services for which defects or nonconformity is not apparent on examination, Purchaser reserves the right to require replacement, as well as payment of damages. Nothing contained in this Agreement shall relieve Supplier from the obligation of testing, inspection and quality control.

## **9 Warranty**

Supplier warrants to Purchaser that, for a period of the shorter of (a) twenty four months from the date of commissioning at the Purchaser's customer's site, or (b) thirty-six months after delivery, the goods and services will be (i) free from defects in design, material and workmanship, (ii) conform to all statements made in any proposal, quotation or bid provided by Supplier and (iii) conform to any specifications provided by Purchaser or Supplier. Purchaser shall not accept and hereby rejects all disclaimers of warranty, whether express or implied, made by Supplier

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with respect to the goods and services. Supplier shall be liable for all expenses incurred by the Purchaser as a result of a breach of any warranties set forth herein, including, without limitation, labor and other costs related to transportation of goods, expediting, removal, disassembly, failure analysis, assembly, reinstallation, reinspection, retrofit and any other such corrective action costs incurred by Purchaser and all expenses incurred by Purchaser in recalling such goods from Purchaser's distributors or customers or related redelivery of conforming goods.

## 10 Invoicing

Invoices are to be submitted to the Purchaser electronically (by email as a PDF) in accordance with the provisions mentioned in the purchase order for every delivery or service.

Every invoice must also show the exact description, the quantity delivered, the item number and, if applicable, the reference and order number of the Purchaser, in addition to the normal information. Supplier acknowledges that any invoice submitted to Purchaser that does not clearly reference this information may be considered invalid by Purchaser and may result in delayed payment. Supplier agrees that it will take no adverse action against Purchaser for any invoices not paid resulting from Supplier's failure to clearly reference the foregoing information or accurately invoice Purchaser.

## 11 Payment Terms

Unless otherwise specified in the purchase order, payment terms are net 90 days from Purchaser's receipt of Supplier's invoice or Purchaser taking possession of the goods/services, whichever is later. Payment will be made using the method of payment selected by the Purchaser. Payment shall not constitute an acceptance of the goods or services, nor impair Purchaser's right to inspect or any of its other remedies.

Purchaser may set off any amount owing at any time from Supplier to Purchaser (or any of Purchaser's affiliates) against any amount payable at any time by Purchaser.

## 12 Termination for Convenience

Purchaser may terminate an order at any time for its convenience in whole or in part, in which event Purchaser's sole obligation shall be to reimburse Supplier for (i) those goods actually shipped, and those services actually performed, and, in each case, accepted by Purchaser up to the date of termination, and (ii) costs incurred by Supplier for unfinished goods, which are specifically manufactured for Purchaser and which are not standard goods of the Supplier, as of the date of termination. In no event shall Purchaser be responsible for loss of anticipated profit, nor shall reimbursement exceed the order value.

## 13 Termination for Default

Purchaser may, by written notice, terminate a purchase order in whole or in part for any time for breach of any one or more of these Terms and Conditions, for failure to make progress so as to endanger performance of the purchase order, or failure to provide assurance of future performance. In the event of partial termination, Supplier is not excused from performance of the nonterminated balance of work under the purchase order. In the event of Supplier's default hereunder, Purchaser may exercise any or all rights accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity.

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## 14 Intellectual Property Indemnification

Supplier represents and warrants that all goods provided pursuant to this Agreement shall be free from claims of infringement of third party intellectual property rights, and that the use or sale of such items by Purchaser or any of Purchaser's customers shall be free from any claims of infringement. Supplier shall conduct, at its own expense, the entire defense of any claim, suit or action alleging that, the use or resale by Purchaser of the goods delivered hereunder directly infringes any third party intellectual property right. Supplier shall, at its own expense, either settle said claim, suit or action or shall pay all damages and costs awarded by the court therein and, if the use or resale of such goods is finally enjoined, Supplier shall, at Supplier's option, (i) procure for Purchaser the right to use or resell the goods, (ii) replace them with equivalent non-infringing goods, (iii) modify them so they become non-infringing but equivalent, or (iv) remove them and refund the purchase price. The foregoing indemnity obligations shall not apply to the extent that a claim, suit or action is based on a design or specification furnished by Purchaser, or on the use or sale of the goods delivered hereunder in combination with other goods not delivered to Purchaser by Supplier.

## 15 Indemnification

Supplier shall defend, indemnify and hold harmless Purchaser against all damages, claims or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of Supplier, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Supplier.

## 16 Confidentiality

All non-public information disclosed by Purchaser to Supplier hereunder shall be in confidence, and is not, in any way, intended to be for public disclosure. Supplier shall take all precautions to prevent any such information from being divulged to any person for any purpose other than to perform hereunder, including having recipients acknowledge the confidential status of such information and agreeing to like restrictions on divulging such information. Information presently in the public domain, or which is rightfully received by Supplier from a third party, or information which both Purchaser and Supplier agree in writing may be disclosed, shall not be confidential. Supplier shall not disclose to Purchaser any information that it deems to be confidential, and it is understood that no information received by Purchaser, including manuals, drawings and documents, will be of a confidential nature or restrict, in any manner, the use or disclosure of such information by Purchaser. Supplier agrees that any legend or other notice on or pertaining to any information or materials supplied by it that is inconsistent with the preceding sentence shall create no obligation on the part of Purchaser. As to publicity, Supplier shall not, without first obtaining Purchaser's prior written consent, advertise or otherwise disclose the fact that Supplier has furnished goods and services to Purchaser hereunder.

## 17 Weidmann Technical Data, Tools / Devices / Models

All of Purchaser's designs, plans, drawings and technical data as furnished by Purchaser to the Supplier, if any, are and shall remain the property of Purchaser. Purchaser retains any and all patent, trade secret, copyright, and other proprietary rights, including exclusive rights as to use and/or manufacture and/or sale. Prints and drawings are to be reviewed only by authorized

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personnel of the Supplier. Purchaser does not convey any permission to show, reproduce or manufacture materials shown on such designs, plans or drawings.

Any tools, fixtures, dies, jigs, molds and/or similar devices supplied or paid for by the Purchaser shall be and shall remain the property of Purchaser, unless otherwise agreed in writing by Purchaser. Purchaser shall have the right to enter Supplier's premises at any time and remove any such party without being liable for trespass or damages of any sort. All such items shall be used only in the performance of work under Purchaser's purchase orders. Supplier shall properly store and maintain any such property, and shall insure such property, at its sole expense, against any damage thereto. Supplier shall be responsible for all loss or damage to said property, except normal wear and tear.

## **18 Material Procurement by Weidmann**

Materials made available by Purchaser to the Supplier for use in the manufacture of goods are and remain the property of the Purchaser. Any such materials shall be clearly labeled as the property of the Purchaser, and are to be stored separately from other materials. Supplier shall insure such materials, at its sole expense, adequately against fire, water, theft and catastrophes.

## **19 Insurance Coverage**

Supplier shall be responsible for the actions and failure to act of all parties retained by, through or under Supplier in connection with Supplier's performance hereunder. Unless different coverage amounts are specified in Purchaser's purchase order, Supplier shall maintain and cause its subcontractors to maintain in effect during the term of this Agreement, and for three years following its completion or termination, at least the following insurance coverage: commercial general liability (including product liability and completed operations liability) of no less than \$5 million per occurrence, automobile liability with a minimum combined single limit of \$1 million per occurrence, worker's compensation in an amount no less than the applicable statutory minimum requirement and employer's liability in an amount no less than \$1 million per occurrence. The insurance that Supplier is required to maintain under this Agreement shall name Purchaser and its affiliates, directors, officers, employees, and agents as additional insureds. Supplier shall provide Purchaser with a certificate evidencing required insurance coverage upon Purchaser's request. The insurance coverage and amounts to be maintained are not intended to and shall not in any manner limit or qualify the liabilities and obligations of Supplier.

## **20 Compliance with Law**

Supplier warrants that all goods and services supplied under this Agreement shall comply with all applicable federal, state and local laws and regulations, including, without limitation, the following: Fair Labor Standards Act of 1938, as amended, the Equal Employment Opportunity Act, the Occupational Safety and Health Act, and the Export Administration Act.

## **21 Right to Audit**

Purchaser shall have the right, at any reasonable time, to send its authorized representatives to examine Supplier's documents and materials relating to Supplier's obligations hereunder or relating to Supplier's charges to Purchaser.

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## **22 Partial Invalidity; Waiver**

Failure by either party to require compliance with any provision of these Terms and Conditions shall not constitute a waiver of the right to later enforce in full that or any other portion of these Terms and Conditions.

## **23 Disputes**

The parties agree that a court located in the State of Vermont shall be the exclusive forum for any lawsuit relating to this Agreement, and any agreement resulting from the same, and each party hereby submits to the jurisdiction of any state or federal court of competent jurisdiction located in the State of Vermont.

## **24 Applicable Law; Jurisdiction**

This Agreement shall be governed by the substantive laws of the State of Vermont, without regard to the conflicts of laws rules thereof. The UN Convention on Contracts for The International Sale of Goods shall not apply to this Agreement. The parties hereby submit to the jurisdiction of any Vermont state or federal court sitting in Vermont over any action or proceeding arising out of or relating to this Agreement, and each party hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Vermont state or federal court.

## **25 Assignment**

Supplier may not assign any of its obligations or rights under this Agreement without Purchaser's prior written consent.

## **26 Survival**

The provisions of this Agreement, which by their nature survive expiration or termination, including without limitation, the sections titled Warranty, Intellectual Property Indemnification, Indemnification, Confidentiality, Weidmann Technical Data, Tools / Devices / Models, Disputes and Applicable Law, shall survive the expiration or termination of this Agreement.

## **27 No Partnership**

The relationship between the parties is that of independent contractors. Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

## **28 Attorneys' Fees**

In the event of a dispute hereunder, the substantially prevailing party shall be entitled to an award of its reasonable attorneys' fees from the other party.



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## 29 Complete Agreement

These Terms and Conditions, together with Purchaser's purchase order, constitute the full and final expression of the parties' agreement with respect to the subject matter hereof. No statements or agreements, oral or written, made prior to the date hereof shall vary or modify these written terms and no modification, amendment, waiver or release of any provision shall be effective unless in writing, signed by both parties, with a specific statement that it is intended as an amendment to a specified agreement or contract.

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