



CONSOLIDATED PRECISION PRODUCTS-EUCLID

26855 BLUESTONE BLVD., EUCLID, OH. 44132 WWW.CPPCORP.COM

PURCHASING GENERAL TERMS AND CONDITIONS

1. ACCEPTANCE AND MODIFICATION OF AGREEMENT

This Purchase Order becomes a binding contract, subject to the terms hereof, when accepted by delivery of acknowledgment to Consolidated Precision Products or any of its subsidiaries or affiliates (hereinafter the "Purchaser") or by delivery of materials in whole or in part by the contracting party (hereinafter the "Seller"). Any acknowledgement form or other form of Seller containing terms and conditions of sales shall not have the effect of adding to, modifying or deleting the terms and conditions hereof. Failure to sign or acknowledge the Purchase Order will not invalidate any terms or conditions contained herein. Any addition to, modification of or deletion from this Purchase Order to be valid must be in writing and signed by Purchaser's authorized representative. It is the specific intent of the Purchaser that the only contract with the Seller is the terms of this Purchase Order, unless so modified in writing. These terms and conditions constitute the parties' contractual agreement and supersede any previous oral or written representations, including but not limited to provisions in Seller's quotations, proposals, terms and conditions, acknowledgments, invoices or other documents.

2. DELIVERY

Time of delivery is and shall remain the essence of this Purchase Order. Default in delivery caused by acts of God or other extraordinary events or occurrences beyond Seller's control and without its fault and negligence shall not make Seller liable provided Seller immediately notifies Purchaser of said event and the estimated delay in delivery. Purchaser shall have the right to cancel all or any portion of this Purchase Order which has not been delivered on time.

Acceptance by Purchaser of a later delivery of either a whole or a part of Purchase Order shall not constitute a waiver of its claim for damage caused it by the late delivery nor its rights to cancel the remaining portion of the Purchase Order. If deliveries are behind schedule, Purchaser may request Seller to ship by the most expedient means, in which case the Seller shall pay the difference between the regular freight and the higher priority rate. The risk of loss or damage in transit shall be upon the Seller. Seller shall also be liable for any Purchaser production line stoppage charges or related expenditures claimed against the Purchaser by its customers which were caused by the Sellers failure to deliver products as set forth in the Purchasers purchase order.

2a. DELIVERY- CAPITAL EQUIPMENT

Time is of the essence for this Order. If Seller fails to deliver all Capital Equipment and/or complete the services as scheduled, Seller shall pay 1 % of the total amount of the Purchase Order per week (five business days) of delay, up to 15 % of the total value of the Order ("*Performance Damages*"). The parties agree that such amounts are reasonable estimates of the damages Purchaser will suffer as a result of delay based on circumstances existing at the time the Order was issued and are to be assessed as liquidated damages and not as a penalty. The parties further agree that the Performance Damages compensate Purchaser from its initial cost and expenses due to the delay; they do not compensate Purchaser for other damages it may sustain as a result of Supplier's failure to timely deliver the Capital Equipment and/or services, including any additional cost, expenses and damages that Purchaser incurs as a result of Seller's delay. Furthermore, if Seller does not comply with

Purchaser's delivery schedule, Purchaser may require delivery and or installation by fastest method at Seller's cost. Purchaser's remedies are cumulative and Purchaser shall be entitled to pursue any and all remedies available under applicable law, contract and/or equity, including but not limited to Purchaser's right to terminate this Order for default (non-delivery). If Seller for any reason anticipates difficulty in complying with the required delivery date or in meeting any of the other requirements of this Order, Seller shall promptly notify Purchaser in writing.

Seller shall provide Purchaser with detailed Project plan detailing total implementation time from start to end of project acceptable to Purchaser. Statement of Work shall be broken down in individual sub-projects with defined implementation timelines ("*Project Plan*"). Seller and Purchaser will make every effort to review the Project Plan at an agreed frequency defined at the time of the Agreement. Failure to participate to the periodic review does not relieve Seller from Seller's performance obligations set forth herein. If the scheduled Project Plan due dates need to be revised following the execution of the Agreement, the revised dates cannot extend beyond the term end date of the Agreement without a written amendment to this Agreement signed both parties. Seller shall promptly notify Purchaser in writing (email) of any changes to the Project Plan due dates.

3. SHIPPING AND PACKING

All items ordered shall be suitably packed and marked to assure against damage from weather and/or transportation and to secure the lowest possible transportation. Purchaser shall not be charged for any packing, marking or boxing not separately itemized herein. Seller shall be liable to Purchaser for any loss or damage resulting from Seller's failure to provide adequate protection during shipment.



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Purchaser and Seller shall assist each other, including the procuring of any documents of information, in filing and/or prosecuting any claims against carriers or others arising out of any such shipment. For each shipment, Seller will comply with the customs or NAFTA related obligations, origin marking or labeling requirements, invoicing and documentation requirements of the destination country, and local content origin requirements. Export licenses or authorizations necessary for the export of items are Seller's responsibility unless otherwise indicated in a Purchase Order.

4. INVOICING

Unless otherwise specified in the Purchase Order, Payment terms will be Net 60. All amounts paid shall be in U.S. Dollars. Purchaser shall have no obligation to pay any amount prior to receipt of a correct and proper invoice for such amount prepared in accordance with the Purchase Order. Except as expressly provided in the Purchase Order, payment shall not be due until final acceptance by Purchaser. Purchaser shall have the right to reduce and set off against amounts payable under the Purchase Order any indebtedness or other claim which Purchaser may have against Seller, however and whenever arising. Invoices are paid less cash discount of the face hereof. Date for calculation of cash discounts shall be (i) date material is received, (ii) date Purchase Order scheduled delivery or (iii) date a proper invoice is received, and whichever is later.

5. OVERSHIPMENT

Materials shipped on this Purchase Order must not be in excess of quantity authorized by Purchaser in writing. Over shipments may be returned at Seller's expense.

6. WARRANTIES

For the term of the Warranty Period, Seller warrants that all goods supplied hereunder shall: a) be free and clear of all liens, encumbrances, and any actual patent, copyright or trademark infringement; b) be free from any defects in material or workmanship and of good and merchantable quality; c) conform to Purchaser's drawings, specifications, and industry standards, if any, whether set forth herein or in any documents attached to or referred to herein, and to any sample approved by Purchaser; d) be fit and safe for all purposes for which the same are purchased hereunder, and of which Seller shall have been informed by Purchaser of which Seller shall be otherwise aware; and e) comply and have been produced, processed and delivered in conformity with all applicable foreign, federal, state, local or other laws, administrative regulations and orders. These warranties shall be in addition to all other warranties, express, implied or statutory. The foregoing warranties shall survive inspection, test, delivery, acceptance, use and payment. Purchaser shall have the right to return all defective items to Seller at Seller's expense for repair, replacement or refund at Purchaser's option. Also, Purchaser shall have the right to collect production line stoppage fees, expedited freight and other costs, including but not limited to any costs charged to Purchaser by its customer, associated with the shipment of defective parts in addition to the other remedies permitted by law. These warranties may not be limited or disclaimed by Seller. Purchaser's approval of Seller's design, material, process, drawing, specifications or the like shall not be construed to relieve Seller of the warranties set forth herein.

7. PROPRIETARY INFORMATION

All specifications, drawings, designs, know-how, trade secrets, customer lists, sales information, technical data, inventions or other proprietary information which is disclosed by Purchaser to Seller, or which are developed by Purchaser or Seller in connection with the subject matter of this contract shall be the sole and exclusive property of Purchaser and Seller agrees to retain all such proprietary information in confidence and not to disclose it to other parties. Seller agrees to disclose promptly to Purchaser any proprietary information developed in connection with the subject matter of this contract and to transfer all right, title and interest in and to such proprietary information to Purchaser, including any applications for Letters Patent or other registrations thereon prepared at Purchaser's expense.

8. MATERIAL FURNISHED BY PURCHASER

Any material, tools and equipment ("Tools") furnished by Purchaser on other than a charge basis in connection with this Purchase Order shall be deemed to be bailed to Seller for mutual benefit and title thereto shall at all time remain with Purchaser. Seller shall be responsible for any loss or damage thereto and shall keep all materials, tools and equipment in which Purchaser has an interest insured against risk of loss or damage, for their value at Seller's expense while they are in Seller's possession. Upon expiration of the Purchase Order, or earlier termination as provided herein, any remaining material, tools and equipment shall be immediately returned to Purchaser's facility to the extent such delivery is to be made outside the United States and F.O.B. destination to the extent such delivery is to be made within the United States, properly packed to assure against damage from weather and/or transportation upon receipt of Purchaser's written directions. Any such property (a) shall at all times be properly stored and maintained by Seller, (b) shall not be used by Seller for any purpose other than the performance of this agreement, (c) shall be deemed to be personal property, (d) shall be conspicuously identified as property of Purchaser, (e) shall not be commingled with the property of Seller or with that of a third party, and (f) shall not be moved from Seller's premises without Purchaser's prior written approval. Unless otherwise agreed to in writing by Purchaser, Seller at its own expense shall keep the Tools in good condition and repair, including repair necessitated by wear and tear and other usage by Seller. In the event that it becomes necessary, as determined by either Purchaser or Seller, to replace



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the Tools due to normal use by the Seller, or otherwise, said replacement tools shall be at the sole expense of the Seller and said replacement tools shall remain the property of the Purchaser. Purchaser does not guarantee the accuracy of any Tools or the availability or suitability of any supplies or material furnished by it. Seller assumes sole responsibility for inspecting, testing and approving all Tools or other materials supplied by Purchaser prior to any use by Seller. Seller shall assume all risk of death or injury to persons or damage to property arising from use of the Tools or other materials supplied by Purchaser and hereby agrees to indemnify Purchaser against the same.

9. PRICE

Price and period of validity shall be set forth on the Purchase Order. If no price is shown or the price is believed to be in error, Seller must notify the Purchaser of the presumed discrepancy and obtain his or her correction and/or acceptance in writing prior to processing and subsequent filling of the Purchase Order. Seller warrants that the prices quoted and charged are no higher than prices charged on orders placed by others for similar quantities under similar conditions. If Seller establishes lower prices or terms more favorable to Buyer than those stated on this Purchase Order, the lower will apply to this Purchase Order.

10. INDEMNITY, INSURANCE

To the fullest extent permitted by law, Seller agrees to indemnify, save harmless and defend Purchaser, its subsidiaries, affiliated companies and its customers, their directors, officers, employees and agents against all damages, claims, suits at law or in equity, demands or losses of any kind arising out of, or alleged to have arisen out of, or in connection with Seller's performance or lack of performance, including without limitation, breach of contract, breach of warranty or product liability. This obligation shall include the costs arising out of or in connection with Purchaser's voluntary or involuntary recall, recovery or withdrawal of products in compliance with any foreign, Federal, State or local laws, orders or regulations. Seller agrees to comply with Purchaser's insurance conditions as revised from time to time and submit evidence of such insurance. This insurance, at the present time, shall include but not be limited to: Comprehensive General Liability including contractual and product liability. Seller agrees to supply (if needed) automobile liability insurance including owned, non-owned and hired vehicles. At Purchaser's request, Seller shall furnish certificates of insurance setting forth the amounts of coverage, policy number and dates of expiration for insurance maintained by Seller. Such certificates shall provide that Purchaser will receive (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverage.

11. COMPLIANCE WITH LAW

Seller and the items delivered shall comply with applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country of destination or which relate to the manufacture, labeling, transportation, importation, licensing, approval or certification of the items, including those relating to environmental matters, wages, hours, and conditions of employment, subcontractor selection, discrimination, occupational health/safety, motor vehicle safety, NAFTA and any other similar trade agreements. The Purchaser's Purchase Order incorporates by reference all clauses required by these laws. At Purchaser's request, Seller shall certify in writing its compliance and/or willingness to cooperate with any or all of the foregoing. Seller represents that any items purchased by Purchaser under a Purchase Order will not be produced with forced labor either by Seller or Seller's items. Seller shall indemnify Buyer against any liability that may incur if this representation is incorrect. Purchaser requires strict compliance with this provision and has the right to immediately terminate a Purchase Order if there is a breach hereof. Seller will indemnify Purchaser against and hold Purchaser harmless from any liability, claims, demands, or expenses (including attorney's fees and other professional fees, settlements and judgments) relating to Seller's noncompliance with any of the foregoing clauses of this Section.

Purchaser fully complies with all U.S. export control regulations, including the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR). The acceptance of a CPP-Euclid purchase order for goods and/or services provided by your company or any sub-contractor to your company, is without exception, acceptance by your company for compliance with the requirements of these or other US Government regulations which may apply. Failure to comply with these requirements may be subject to US Government civil or criminal penalties and potential debarment from doing future business with Purchaser.

Purchaser fully complies with the Dodd-Frank Wall Street Reform and Consumer Protection Act signed into law July 21, 2010. This law requires certain companies to disclose the extent to which the products they manufacture or contract to manufacture contain so-called conflict minerals sourced from mines in the Democratic Republic of the Congo ("DRC") or adjoining countries. Conflict minerals include tantalum, tin, tungsten and gold. Purchaser does not procure products that contain conflict minerals that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries for our manufacture process. Purchaser expects its suppliers to these aspects of its business to only source minerals from responsible sources.

12. INVENTIONS

If this Purchase Order involves developmental or research activities, including engineering or design services, all information developed in the course thereof shall be owned by Purchaser and be deemed confidential and proprietary property of Purchaser whether patented or not and Seller shall cooperate (and cause its employees to cooperate) in executing any documents and taking any other actions necessary or convenient to patent or otherwise perfect or protect for the benefit of Purchaser any inventions

conceived, developed or reduced to practice in performance of the Purchase Order. If the Purchase Order does not involve developmental or research activities, but the goods covered by it are to be produced in accordance with drawings or specifications furnished by Purchaser, Seller hereby grants to Purchaser an irrevocable, non-exclusive and royalty free license to make, have made, use and sell any improvement in the goods which is conceived, developed or reduced to practice by Seller in the production of the goods under this Purchase Order.

13. INFORMATION AND DATA.

Seller will furnish to Purchaser, or another party designated by Purchaser, without restrictions on use or disclosure, all information and data Seller acquires or develops in the course of Seller's activities under this agreement. At Purchaser's request, Seller also will discuss with Purchaser or another party designated by Purchaser, without restrictions on use or disclosure, any potential design, quality or manufacturing nonconforming product Seller worked on or produced pursuant to this agreement. Seller will notify Purchaser of any nonconforming product prior to shipment. At Purchaser's request, Seller will furnish to Purchaser all other information and data of Seller which Purchaser deems necessary to understand the operation and to maintain the goods delivered under this agreement, and to understand and apply the information and data, with no restrictions on use other than Seller's patent rights. Purchaser has the right of access by the Seller, their customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

When the revision level of a specification is identified on the PO, the Seller shall perform the work according to that revision. When the revision level of a specification is not identified on the PO, the Seller shall work to the latest revision. The revision of the spec must be included on the cert.

14. PATENTS, TRADEMARKS AND TRADENAMES

Seller agrees to indemnify and save harmless the Purchaser, its officers, agents, successors, assigns and customers against all damages, claims, demands, attorney's fees and costs of any kind for actual or alleged infringement of any trade name, trademark, copyright and patent or patents (unless the goods ordered are of Purchaser's design) because of the manufacture, possession, sale or use of any material specified herein.

15. TERMINATION FOR CONVENIENCE

Purchaser may terminate this Purchase Order in whole or in part for its sole convenience, without reason or cause, by written notice of termination whereupon Seller will terminate pursuant to the notice all work started under the Purchase Order and shall forthwith cause all of its suppliers and subcontractors to cease work. Seller will promptly advise Purchaser of the quantities of applicable work and material on hand or purchased prior to termination and the most favorable disposition that Seller can make thereof. Upon approval by Purchaser at its sole discretion, Seller shall be paid, absent any set-offs by

Purchaser, a reasonable termination charge consisting solely of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination. Payment made under this clause will constitute Purchaser's only liability in the event this Purchase Order is terminated as proved herein. Seller shall not be paid for any work performed after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided. In no event shall Purchaser be liable for loss of profits or other cancellation charges. Seller's acceptance of such payment will constitute an acknowledgment that Purchaser has fully discharged such liability. The provisions of this clause will not apply to any termination by Purchaser for default by Seller or for any other cause allowed by law or under this Purchase Order.

16. TERMINATION FOR DEFAULT

Purchaser shall have the unrestricted right to terminate this Purchase Order upon the happening of any one or more of the following events: (i) Seller's insolvency or commission of an act of bankruptcy; (ii) filing a voluntary or involuntary petition of bankruptcy by or against Seller; (iii) appointment of a receiver for Seller by any court of competent jurisdiction; (iv) Seller's failure to make deliveries within the time specified by this Purchase Order; (v) delivery of goods that are defective or that do not conform to this agreement, (vi) Seller's failure to perform any other provisions of this Purchase Order; or (vii) failure upon request to provide Purchaser with reasonable assurances of future performance. The acceptance of goods or performance after the occurrence of any of the above enumerated events shall not affect the right of Purchaser to terminate under this Article or Article 15 herein. In the event of termination pursuant to this Section, Purchaser shall not be liable to Seller for any amount, and Seller shall be liable to Purchaser for all damages, including attorneys' fees and costs, sustained by reason of the default which gave rise to the termination.

17. GOVERNING LAW; DISPUTES

A Purchase Order shall be governed by the law of Purchaser's principal place of business in the country where such Purchase Order was issued without regard to conflict of law's provisions thereof, and litigation on contractual causes arising from a Purchase Order shall be brought only in that jurisdiction.



18. CHANGES

Purchaser may at any time make changes in the drawings, specifications, samples, quantities, delivery schedules, shipments, or other description as to any article, material and work covered by this Purchase Order. In such an event, an equitable adjustment shall be made by mutual agreement, reduced to writing and executed by authorized representatives of both parties. Any plan by Seller for changes in product and/or process, changes of Seller's suppliers, or changes of Seller's manufacturing facility location must be asserted in writing within three days from the date of receipt by the Seller of the notification of change.

19. WAIVERS

The failure of Purchaser to insist upon strict compliance with the terms of this Purchase Order, or to exercise any right hereunder, shall not be a waiver of Purchaser's right to insist upon strict compliance with the terms of the Purchase Order thereafter, or with respect to any future orders.

20. PERFORMANCE BY SELLER

This Purchase Order is issued to Seller in reliance upon Seller's performance of the duties imposed and by accepting same. Seller agrees not to assign this order or delegate or subcontract the performance of its duties without the prior written consent of Purchaser. Any such assignment or delegation attempted without the prior written consent of Purchaser shall effect, at the sole option of Purchaser, a cancellation of all Purchaser's obligations hereunder. In the event of such a cancellation pursuant to this Article, Purchaser shall not be liable to Seller for any amount, and Seller shall be liable to Purchaser for all damages, including attorneys' fees and costs, sustained by reason of the default which gave rise to the cancellation.

21. WORK ON PURCHASER'S PREMISES

If any work under this Purchase Order is to be performed on Purchaser's premises, Seller agrees to defend, indemnify and hold harmless Purchaser from and against all claims, losses or damages due to injury or death to any persons, including Seller's, or any of its delegates or subcontractor's, agents, servants or employees, and damage to or the destruction of any property resulting from Seller's negligent acts or omissions incident to or arising out of such work. Seller shall maintain such insurance, as Purchaser deems necessary, as will protect Purchaser from said risks.

22. USE OF NAME, TRADENAME AND TRADEMARKS

Unless authorized by Purchaser in writing, the names of Purchaser, its parent, subsidiaries and/or any affiliated corporations or any of their trademarks shall not be used by Seller. If the material specified within this Purchase Order is peculiar to Purchaser's design, either as an assembly or component part of any assembly, or if the material bears Purchaser's Trademark and/or Identifying Mark, it shall not bear the Trademark or other designation of the maker or Seller and similar material peculiar to the Purchaser's design or bearing its Trademark or Identifying Mark shall not be sold or otherwise disposed of to anyone other than the Purchaser.

23. REMEDIES; LIMITATION ON PURCHASER'S LIABILITY

Purchaser's rights and remedies shall be cumulative and in addition to any other rights or remedies provided by law or equity. Any attempt by Seller to limit Purchaser's warranties, remedies or the amount and types of damages that the Purchaser may seek shall be null and void. Purchaser's liability for a claim of any kind or for any loss or damage arising out of or in connection with or resulting from this agreement, or from any performance or breach, shall in no case exceed the price allocable to the goods or services or unit which directly gives rise to the claim. Seller agrees that in no event shall Purchaser be liable to Seller for any incidental, consequential, or special damages, including, without limitation, Seller's loss of profits.

24. LABOR DISPUTES

Seller shall notify Purchaser of any actual or potential labor disputes delaying or threatening to delay timely performance of this agreement. Seller shall notify Purchaser in writing (6) months in advance of the expiration of any current labor contracts. At Purchaser's request, Seller shall deliver a supply of finished goods at least thirty (30) days prior to the expiration of any such labor contract, in quantities and for storage at sites designated by Purchaser.

25. ENVIRONMENTAL, HEALTH & SAFETY

Purchaser is committed to ensuring that environmental, health and safety is a top priority for our suppliers and sub-contractors. All product & services provided to Purchaser must be designed and manufactured with the safety and health of both employees and end-users in mind through all steps of the process. A safe work environment that is free of hazards is expected by our suppliers at all times. Seller agrees to comply with all applicable laws and regulations relating to environmental, health and safety. Seller also agrees to conduct business with proper processes and controls to safeguard the environment and to minimize waste and energy consumption.



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26. TAXES

Purchaser will not be liable for any taxes with respect to a Purchase Order, except for sales, use, occupation, excise, or consumption taxes imposed by any governmental authority for the purchase of products Seller supplies, which is required by law to collect. Seller shall not collect or remit, and Purchaser shall not be liable for, any such taxes if a tax exemption certificate is provided.

27. SEVERABILITY

If any term of this agreement is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this agreement shall remain in full force and effect.

28. INTEGRATION

This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes any prior agreements, discussions, negotiations and understandings. The terms of this agreement can be varied, changed or modified only by a writing signed by an authorized agent of each party.

29. PREVENTION OF COUNTERFEIT PARTS

Prevention of Counterfeit Parts in accordance with AS6174 guidelines: Suppliers shall plan, implement and control processes that are appropriate for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to CPP or its customers. Counterfeit prevention should consider:

- Training of appropriate persons in the awareness and prevention of counterfeit parts;
- Application of a parts obsolescence monitoring program;
- Controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources;
- Requirements for assuring traceability of parts and components to their original or authorized manufacturers;
- Verification and test methodologies to detect counterfeit parts;
- Monitoring of counterfeit parts reporting from external sources; • Quarantine and reporting of suspect or detected counterfeit parts.

If CPP-Euclid receives parts or materials that are suspected of being counterfeit, CPP-Euclid will not return them or pay for them.

30. AWARENESS

The supplier is responsible for ensuring that persons under their control are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.



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31.0 Change History

Revision	Date	Change
0	7/7/20	Initial Release