

Judco Manufacturing – Supplier Tooling Terms and Conditions

Effective May 15, 2020

1. GENERAL GUIDELINES

1.1. These “Tooling Terms and Conditions” shall apply to all tooling purchase orders and shall be construed, to the extent possible, as consistent with Judco Manufacturing Inc Terms and Conditions and as cumulative. In the event of an inconsistency between these Tooling Terms and Conditions and Judco Manufacturing Inc Terms and Conditions, these Tooling Terms and Conditions shall control as to all Tooling. Capitalized terms used in these Tooling Terms and Conditions, but not defined, shall have the meanings given such terms in Judco Manufacturing Inc Terms and Conditions.

1.2. “Tooling” means any die, jig, fixture, mold, pattern, template, gauge, testing device, supplies, materials or other items that are purchased by Judco Manufacturing Inc or specially constructed for Judco Manufacturing Inc’s use or the use of its outside suppliers on Judco Manufacturing Inc’s behalf in the manufacture of parts for specific models, assemblies, or products and which has a normal physical life of one year or more. The determination of what constitutes “Tooling” is based on the item’s physical aspects and use, the specific characteristics of the production and service parts or assemblies to be produced, and upon its intended life which is generally limited (without substantial modification or alteration) to the production and service life of specific models, assemblies or products.

1.3. The Supplier is expected to invest in and own its facilities, machinery, and other capital equipment. However, to the extent that any Contract between Judco Manufacturing Inc and Supplier covers Judco Manufacturing Inc’s purchase of, reimbursement to Supplier for, or other ownership of, any Tooling to be used in connection with Supplier’s actual or anticipated supply of goods to Judco Manufacturing Inc, Judco Manufacturing Inc will own the Tooling that is used with the Supplier's equipment to make parts for Judco Manufacturing Inc projects. Judco Manufacturing Inc may file any legal notices or documents to protect its ownership interest, including but not limited to a UCC-1 or international equivalent financing statement. It is therefore essential that the Tooling be clearly identified and marked, in a durable and legible manner, specification of the tag will be provided by Judco Manufacturing Inc. The Supplier may not take any action concerning the Tooling that is inconsistent with Judco Manufacturing Inc's ownership of the tooling. Supplier shall assign to Judco Manufacturing Inc any contract rights or claims in which Supplier has an interest with respect to such Tooling. Supplier shall establish a reasonable accounting system that readily enables the identification of Supplier’s costs.

1.4. All Tooling and Materials which Judco Manufacturing Inc furnishes, either directly or indirectly, to Supplier or which Judco Manufacturing Inc buys from, or gives reimbursement to, Supplier in whole or in part will be and remain the property of Judco Manufacturing Inc and be held by Supplier on a bailment basis. Title to all replacement parts, additions, improvements and accessories purchased by Supplier will vest in Judco Manufacturing Inc immediately upon

attachment to or incorporation into Judco Manufacturing Inc's Property. Supplier releases, discharges and waives any lien, action, suit, debt due, sum of money, account, claim and demand whatsoever in law or in equity or other rights that Supplier might otherwise have on or in any of Judco Manufacturing Inc's Property for work performed on, or utilizing, such property or otherwise.

1.5. Tool models and tool prints are considered part of the Tooling and are also the property of Judco Manufacturing Inc and customers. Notwithstanding the foregoing, any Supplier claims of proprietary tooling, or tooling design, shall be deemed intellectual and physical property of the Supplier, and therefore not compensable or reimbursable by the Tooling Purchase Order. Any Supplier claimed proprietary tooling or designs included in the Tooling Purchase Order by Supplier may be removed at any step of the review, payment or audit process by Judco Manufacturing Inc. Judco Manufacturing Inc shall have access to all special tooling data and designs at request.

1.6. The Supplier is responsible for ensuring that its sub-supplier(s) adhere to these Terms and Conditions, when Tooling is located at sub-supplier facilities. The Supplier is responsible for the quality of and payment for all subcontracted Tooling and outsourced components and to ensure conformity of subcontracted Tooling with the Tooling Purchase Order.

1.7. Tooling should be designed and manufactured to last for the life of the part it was designed and manufactured to produce, including post-production Service Parts.

1.8. If Tooling is designed specifically for the Supplier's own equipment and facilities, it should be able to be modified for use by another supplier with similar equipment and facilities. In the event that there are any costs associated with such modification, those costs will be reimbursed by the Supplier.

2. TOOLING PROCESS

2.1. The Supplier may not fabricate or acquire Tooling unless a Tooling Purchase Order has been issued by Judco Manufacturing Inc authorizing the fabrication or acquisition of the Tooling.

2.2. All Tooling requested on a Tooling Purchase Order must be new tooling not previously used by any party, unless otherwise specified and approved by Judco Manufacturing Inc.

2.3. Production Tool Orders and Amendments to Production Tool Orders must be quoted, written and placed such that each Tool Order (and any Amendment) includes sufficient detail and itemization to enable Judco Manufacturing Inc tools to be visually identified at the Supplier location.

2.4. All rights, title, and interest in and to any part of Tooling to be paid for by Judco Manufacturing Inc will vest immediately in Judco Manufacturing Inc as soon as the Tooling is acquired by the Supplier or fabricated by the Supplier in accordance with a Tooling Purchase Order, and such Tooling shall be held as Judco Manufacturing Inc's property by Supplier. In the

event a court of competent jurisdiction determines Judco Manufacturing Inc has not retained or obtained ownership of any Tooling, Supplier agrees to be deemed to have granted Judco Manufacturing Inc a security interest giving Judco Manufacturing Inc all the rights of a secured creditor.

3. PAYMENT

The payment terms will be in the following:

- 1st down payment 30% of total
 - Paid at tooling kick-off
- 2nd payment 20% of remaining total
 - Paid at completion of treatments/finishes
- 3rd payment 25% of remaining total
 - Paid at validation of samples
- 4th payment 25% of remaining total
 - Paid when parts pass first article inspection

3.1. The price for any Tooling to be paid for by Judco Manufacturing Inc under the Contract shall be the price set forth in the Tooling Purchase Order according to the payment schedule, if applicable. Unless otherwise stated in the Tooling Purchase Order, the purchase price is a fixed price, and is not subject to increase for any reason, including, without limitation, increased raw material costs, increased labor or other manufacturing or supply costs, increased development costs, inflation, changes in foreign exchange rates, changes in the availability of materials or supplies or any other changes.

3.2. Unless otherwise agreed to in writing, the price set forth in the Tooling Purchase Order will be paid to Supplier after Judco Manufacturing Inc is satisfied that certain conditions have been fulfilled including, but not limited to, the following:

- The Tooling has been fabricated or acquired by the Supplier
- Requested Tooling documentation requirements have been provided to and approved by Judco Manufacturing Inc
- The Supplier has produced acceptable samples meeting all drawing requirements
- The Tooling Invoice has been submitted with any documents and photographic evidence

3.3. Judco Manufacturing Inc has the right to verify the actual cost of the Tooling by auditing all books, records, facilities, work, material, inventories, invoices, purchase orders, proofs of payment, and any other information Judco Manufacturing Inc deems relevant and reasonably necessary.

3.4. The Supplier is responsible for notifying Judco Manufacturing Inc of any movement of Judco Manufacturing Inc Tooling to a new location. The Supplier must obtain prior written consent and approval from Judco Manufacturing Inc before moving Tooling.

4. TOOLING COSTS

4.1. Judco Manufacturing Inc's contractual obligation is to reimburse actual Tooling costs incurred up to the amount authorized on the Tool Purchase Order. Judco Manufacturing Inc will not reimburse the Supplier for Tooling costs in excess of the amount authorized or for any Tooling costs that were not specified and authorized on the Tool Purchase Order or any Amendment.

4.2. Acquired Tooling: If the Supplier acquires the Tooling from a third party, such as an outside tool shop/toolmaker, the Supplier may not add any markups, surcharges or the like to the Tooling beyond its cost. Tooling acquired by a third party must be supported by purchase order(s), invoices, and proofs of payment. The Supplier should not make any profit on Tooling or prototype Tooling manufactured by an outside tool shop.

- Any additional costs associated with acquisition of the Tooling are considered to be part of the Supplier's overhead and therefore will not be charged to Judco Manufacturing Inc.
- The Supplier is responsible for the quality of, and payment for, all Tooling and outsourced components acquired from the tool shop/toolmaker and for ensuring conformity of sub-contracted Tooling with the Tool Order

4.3. In-House Tooling: If the Supplier fabricates the Tooling, the Supplier may request, in writing, in advance, reimbursement for only the actual cost of fabricating the Tooling, including material costs, labor hours and labor rates for, plus allowable and agreed upon one-time only costs if appropriate, which must be itemized on a Tool Order or an Amendment. The Supplier must maintain a reasonable accounting system to segregate, accumulate, and document expenditures for Tooling. The Supplier's accounting system must ensure that all eligible costs are documented adequately and include the following:

- In-House Material: Material costs must be supported by documentation that indicates the quantities used and unit cost for each Tool. Material will be reimbursed at actual costs based on material invoices. If the Tool is not completed due to program or part cancellation, scrap value should be documented
- In-House Labor Rate: All overhead costs and profit associated with the design, development, and manufacture of the Tooling should be included in the fully accounted Tooling labor rates. This rate should be comprised of direct labor, indirect labor, fringe benefits, payroll taxes and overhead. The fully accounted labor rate shall be included in the Supplier's Tooling quotation

5. TOOL ORDER COST AUDIT

5.1. All Tool Orders placed are subject to audit and recovery by Judco Manufacturing Inc. If an audit of Tooling costs reveals that Judco Manufacturing Inc was overcharged, the Supplier will repay the overcharge through a debit against its accounts or by direct payment to Judco Manufacturing Inc or by a combination of these methods at discretion.

5.2. Validation Audit Process Tooling Orders that achieved their targets are nonetheless subject to audit in order to ensure that no capital equipment is included on the Tool Order. If capital

equipment is included on any Tool Order, it will be amended to remove the capital equipment, and the cost will be reallocated to non-capital equipment line items.

5.3. Documentation Required for Judco Manufacturing Inc Tooling Audit. If the Tooling costs are audited by Judco Manufacturing Inc, the Supplier must make available all documents supporting the actual and reasonable costs associated with the Tool Orders selected for audit.

- The Supplier must submit evidence of what was actually paid to sub-suppliers. If Judco Manufacturing Inc's audits of Supplier Tooling costs result in significant cost recoveries due to a lack of compliance with these Tooling guidelines, 8D (8 Discipline) process may be used to address significant audit findings

6. TOOLING INVENTORY MANAGEMENT

6.1. The Supplier shall furnish a Tooling Inventory of all Tooling provided to Judco Manufacturing Inc (active and inactive) in the Supplier's possession. The Tooling Inventory shall be submitted to Judco Manufacturing Inc annually by January 31, or upon request by Judco Manufacturing Inc at any time. The Tooling Inventory shall contain the following information if applicable for each piece of Tooling owned by Judco Manufacturing Inc:

- Tool part number(s)
- Current tool revision
- Description of Tool
- Date of all orders
- Total cost of Tool
- Quantity of parts produced from Tool
- Remaining Tool life
- Any previous part number if Tool has been changed to produce a new part number

6.2. While Judco Manufacturing Inc's Property is in Supplier's possession and until Supplier delivers to Judco Manufacturing Inc, Supplier bears the risk of loss. Supplier will be responsible for the cost of repairing or replacing property if stolen, damaged or destroyed regardless of cause or fault. Supplier will at all times: (a) regularly inspect, maintain in good condition, and repair at Supplier's own expense, (b) use only for the performance of this Contract, (c) deem Judco Manufacturing Inc orders to be personal property, (d) conspicuously mark Judco Manufacturing Inc's as specified by Judco Manufacturing Inc, (e) not co-mingle Judco Manufacturing Inc's Property with the property of Supplier or with that of a third party, (f) not move Judco Manufacturing Inc's tooling from Supplier's applicable shipping location without prior written approval from an authorized employee of Judco Manufacturing Inc, and (g) use in compliance with Judco Manufacturing Inc's or the manufacturer's instructions and in compliance with all applicable government, state, and local laws, ordinances and regulations.

6.3. If Supplier is tool design responsible, tooling prints shall be completed by Supplier within quoted lead time on all new program tools, tools undergoing an engineering change, and current tools that are revised. Supplier, upon request by Judco Manufacturing Inc, shall provide tooling prints for existing tools.

6.4. Supplier will not sell, lend, rent, lease, transfer or otherwise dispose of Judco Manufacturing Inc's tooling without prior written consent. Furthermore, Supplier will not assert, or permit any person claiming an interest through Supplier to assert any claims of ownership to or any other interest in Judco Manufacturing Inc's tooling.

6.5. Judco Manufacturing Inc will have the right to enter Supplier's premises at all reasonable times to inspect Judco Manufacturing Inc's Property and Supplier's records with respect thereto.

6.6. Supplier, at its expense, will furnish, keep in good condition, and replace when necessary all Tooling owned by Supplier that is used to produce goods for Judco Manufacturing Inc. Supplier agrees to maintain adequate storage to ensure that all Tooling owned by Supplier is stored in useable condition and in such a location or facility to protect against theft and damage. Supplier will insure Supplier's Tooling with extended coverage insurance for its full replacement value. Supplier grants Judco Manufacturing Inc an irrevocable option to take possession of, and title to, all or part of Supplier's Tooling that is specially designed or outfitted for the production of the goods for Judco Manufacturing Inc, in which event Judco Manufacturing Inc will, within 45 days following delivery of such Supplier's Tooling to Judco Manufacturing Inc, pay to Supplier of the lower of (i) the net book value of such Supplier's Tooling (i.e., actual cost less amortization) or (ii) then current fair market value of such Supplier's Tooling, in each case less any amounts that Judco Manufacturing Inc has previously paid to Supplier on account of such Supplier's Tooling. The foregoing option will not apply to the extent that Supplier's Tooling is used to produce goods that are the standard stock of Supplier and are then being sold by Supplier to other customers. Judco Manufacturing Inc's right to exercise the foregoing option is not conditioned on Supplier's breach or Judco Manufacturing Inc's termination of any underlying Contract or upon payment of any other amounts due under any underlying Contract.

7. TOOL MARKING REQUIREMENTS; TOOL DISPOSAL REQUESTS

7.1. Tool Marking Requirements: Unless specified otherwise by Judco Manufacturing Inc, it is essential that the Tooling be clearly identified and marked or tagged with details to be provided by Judco Manufacturing Inc. The physical asset tag must be attached with a rivet or screw, not with adhesive. Supplier shall provide to Judco Manufacturing Inc photographic evidence of compliance with this Section. Photographic evidence shall include: a close-up picture of the tag on the Tool (clear and legible) and a picture of the whole Tooling showing that the tag is attached. If the Tooling is a mold or die, a photo of the mold or die in the open and closed position is required. Supplier shall comply with additional instructions regarding Tool tagging and photographic evidence as may be provided by Judco Manufacturing Inc.

7.2. Tool Retention: Supplier must retain Tooling for a period of 15 years after end of production and thereafter to return.

7.3. Tool Disposal Requests: Judco Manufacturing Inc has established a system for proper control and disposal of Judco Manufacturing Inc Tooling at a Supplier site. In order to minimize Judco Manufacturing Inc's costs and to ensure continuous availability of Service Parts to end-users, the Service Parts Purchasing activity must be consulted before either reworking the Tooling to a new design level or scrapping the Tooling.

7.4. Return of Judco Manufacturing Inc's Tooling: Supplier agrees that Judco Manufacturing Inc has the right, at any time and from time to time, with or without reason and without payment of any kind, to retake possession of or request the return of Judco Manufacturing Inc Tooling. Without further notice or court hearings, which rights, if any, are hereby waived, Judco Manufacturing Inc or its designee(s) will have the right to enter Supplier's premises and take possession of any and all of Judco Manufacturing Inc's Tooling. Upon Judco Manufacturing Inc's request and in accordance with Judco Manufacturing Inc's instructions, Judco Manufacturing Inc's Tooling will be immediately released to Judco Manufacturing Inc or delivered to Judco Manufacturing Inc by Supplier, either at Supplier's plant properly packed and marked in accordance with the requirements of the carrier selected by Judco Manufacturing Inc to transport such or (ii) to any location Judco Manufacturing Inc designates, in which event Judco Manufacturing Inc will pay Supplier the reasonable costs of delivering Judco Manufacturing Inc's Property to the location designated. If Supplier does not release and deliver any Judco Manufacturing Inc's Tooling in accordance with this Article, Judco Manufacturing Inc may obtain an immediate writ of possession without notice and without the posting of any bond and/or enter Supplier's premises, with or without legal process, and take immediate possession of Judco Manufacturing Inc's Tooling.

7.5. Disposal Request: To initiate a disposal request the Supplier must contact Judco Manufacturing Inc.

7.6. If the Supplier receives a Part Termination Notice, it should contact Judco Manufacturing Inc immediately to request directions for tooling disposition. By certifying that the Tooling may be disposed of, the Supplier verifies that it has diligently investigated past and current use of the Tooling to ensure that there is no further need for the Tooling. If it is determined that the Supplier has improperly or incompletely conducted this investigation and the Tooling was scrapped in error, the Supplier will be responsible for reimbursing Judco Manufacturing Inc for the cost of replacement Tooling.

7.7. Prototype Tool Disposal: Supplier must obtain written authorization from Judco Manufacturing Inc. prior to prototype Tooling disposal.

8. DISCLAIMER OF WARRANTIES

Supplier is liable for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, including, without limitation, the use or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or for any loss of business whatsoever or howsoever caused, including, without limitation, any loss of anticipatory damages, profits or any other indirect, special or consequential damages.

9. INDEMNIFICATION

Supplier will defend, hold harmless and indemnify Judco Manufacturing Inc, Judco Manufacturing Inc's affiliates, Judco Manufacturing Inc's customers, and their respective successors, assigns, directors, officers, employees and agents (collectively, "Judco Manufacturing Inc Indemnified Parties") from and against any and all lawsuits, actions, claims, demands, judgments, fines, costs (including attorney and other professional fees and disbursements), expenses, losses, liabilities and damages, including any special, incidental, consequential, punitive and exemplary damages that any Judco Manufacturing Inc Indemnified Party may suffer or sustain or be in any way subjected to on account of: (a) Supplier's failure to perform its obligations under these Tooling Terms and Conditions or applicable law, including claims based on Supplier's breach of warranty (regardless of whether the alleged damages arise under tort, negligence, contract, warranty, strict liability or any other legal theories); (b) infringement or alleged infringement, including patent, trademark, copyright, moral, industrial design or other proprietary rights, or misuse or misappropriation of trade secrets relating to the Tooling (Supplier expressly waives any claim against Judco Manufacturing Inc that any such infringement arose out of compliance with Judco Manufacturing Inc's specifications); (c) the performance of any service or work by Supplier or its employees, agents, representatives and subcontractors on Judco Manufacturing Inc's or Judco Manufacturing Inc's customer's premises or the use of the property of Judco Manufacturing Inc or any customer of Judco Manufacturing Inc, except to the extent such liability arises out of the gross negligence or willful misconduct of Judco Manufacturing Inc or Judco Manufacturing Inc's customer; and (d) any third-party claims or demands to recover for personal injury or death, property damage or economic loss caused by any of the Tooling supplied by Supplier (regardless of whether such claim or demand arises under tort, negligence, contract, warranty, strict liability or any other legal theories).

10. FORCE MAJEURE

Judco Manufacturing shall NOT be liable to the other if it cannot perform its contractual obligations due to circumstances beyond the control of the parties, such as fire, explosion, labor dispute, or a failure to act by authority or government. Such excuse from performance shall only continue for the duration of the event described above. In such cases, Judco Manufacturing Inc shall have the right to purchase products or services covered by the Contract elsewhere for the duration of said circumstances. Judco Manufacturing Inc shall be allowed to reduce its purchases in the context of the Contract accordingly, without incurring liability to the Supplier. If Supplier fails to provide adequate assurances that any delay will not exceed thirty (30) days or if any delay lasts more than thirty (30) days, Judco Manufacturing Inc may terminate this Contract without any liability to Supplier or obligation to purchase the Tooling.

11. REMEDIES AND INJUNCTIVE RELIEF

The rights and remedies reserved to Judco Manufacturing Inc in this Contract are cumulative with, and in addition to, all other or further remedies provided in law or equity. Supplier will reimburse Judco Manufacturing Inc for any direct, indirect, incidental, consequential or other damages (including lost profits) caused or required by Supplier's breach of this Contract. Supplier acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of this Contract by Supplier with respect to its timely delivery of Tooling to Judco Manufacturing Inc and that, in addition to all other rights and remedies which Judco Manufacturing Inc may have, Judco Manufacturing Inc shall be entitled to specific performance and injunctive or other equitable relief to enforce this Contract, without any requirement of a bond or other security to be provided by Judco Manufacturing Inc.

12. CUSTOMS AND EXPORT CONTROLS

12.1 Credits and Refunds. Transferable credits or benefits associated with or arising from Tooling purchased under this Contract, including trade credits, export credits or rights to the refund of duties, taxes or fees, belong to Judco Manufacturing Inc. Supplier will, at its expense, provide all information necessary (including written documentation and electronic transaction records in Judco Manufacturing Inc-approved formats) to permit Judco Manufacturing Inc to receive these benefits, credits, or rights. Supplier will furthermore, at its expense, provide Judco Manufacturing Inc with all information, documentation, and electronic transaction records relating to the Tooling necessary for Judco Manufacturing Inc to fulfill any customs-related obligations, origin marking or labeling requirements and certification or local content reporting requirements, to enable Judco Manufacturing Inc to claim preferential duty treatment for Tooling eligible under applicable trade preference regimes, and to make all arrangements that are necessary for Tooling to be covered by any duty deferral or free trade zone program(s) of the country of import. Supplier will, at its expense, provide Judco Manufacturing Inc or Judco Manufacturing Inc's nominated service provider with export documentation to enable the Tooling to be exported, and obtain all export licenses or authorizations necessary for the export of the Tooling unless otherwise indicated in this Contract, in which event Supplier will provide all information as may be necessary to enable Judco Manufacturing Inc to obtain such licenses or authorization(s).

12.2 Customs-Trade Partnership Against Terrorism. To the extent any Tooling covered by this Contract is to be imported into the United States of America, Supplier shall comply with all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative. Upon request, Supplier shall certify in writing its compliance with the C-TPAT initiative.

13. SETOFF

With respect to any monetary obligations of Supplier or Supplier's affiliates to Judco Manufacturing Inc or Judco Manufacturing Inc's affiliates, including, without limitation, direct and indirect losses, costs and damages resulting from Supplier's failure to timely delivery of any Tooling, the failure of any Tooling to conform to applicable warranties or other breach by Supplier of this Contract, in addition to any right of setoff or recoupment provided by law,

Judco Manufacturing Inc may at any time, as applicable, recover, recoup or setoff such amounts by deducting such amounts from any sums that are, or will become, owing, due or payable to Supplier or Supplier's affiliates by Judco Manufacturing Inc or Judco Manufacturing Inc's affiliates.

14. NO ADVERTISING

Supplier will not, in any manner, advertise or publish that Supplier has contracted to furnish Judco Manufacturing Inc with Tooling covered by this Contract or use any trademarks or trade names of Judco Manufacturing Inc without Judco Manufacturing Inc's prior written consent.

15. NO IMPLIED WAIVER

The failure of either party at any time to require performance by the other party of any provision of this Contract will not affect the right to require such performance at any later time, nor will the waiver by either party of a breach of any provision of this Contract constitute a waiver of any succeeding breach of the same or any other provision. No failure or delay in exercising any right or remedy will operate as a waiver thereof nor will any single or partial exercise thereof preclude other or further exercise thereof. No course of dealing or course of performance may be used to evidence a waiver or limitation of Supplier's obligations under this Contract.

16. ASSIGNMENT AND CHANGE IN CONTROL

Judco Manufacturing Inc may assign its rights and obligations under this Contract without Supplier's prior written consent. Supplier may not assign, subcontract or delegate its rights or obligations under this Contract without the prior written consent from an authorized employee of Judco Manufacturing Inc. In the event of any approved assignment (including, without limitation, subcontract), sale or delegation authorized by Judco Manufacturing Inc, Supplier retains all responsibility for the Tooling, including all related warranties and indemnification obligations stated in these Tooling Terms and Conditions, unless otherwise expressly agreed in writing by Judco Manufacturing Inc. In addition, Judco Manufacturing Inc may terminate this Contract on sixty (60) days' advanced notice to Supplier, without any liability to Supplier whatsoever, if Supplier (i) sells, or offers to sell, a material portion of its assets or (ii) sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged, a sufficient amount of its stock or other equity interests that effects a change in the control of Supplier or (iii) executes, or otherwise becomes subject to, a voting or other agreement or trust that effects a change in the control of Supplier.

17. RELATIONSHIP OF PARTIES

Supplier and Judco Manufacturing Inc are independent contracting parties. Nothing in this Contract makes either party the agent or legal representative of the other for any purpose whatsoever, nor grants either party any authority to assume or create any obligation on behalf of or in the name of the other party.

18. GOVERNING LAW AND JURISDICTION

18.1. U.S. Contracts. If any of the following apply: (i) this Contract is issued by Judco Manufacturing Inc from a location within the United States of America or its territories, (ii) this Contract is issued, in whole or part, for Tooling or Services to be shipped to a Judco Manufacturing Inc location within the United States of America or its territories or (iii) Supplier's applicable shipping location is within the United States of America or its territories (as shown by the shipping address of Supplier), then: (a) this Contract is to be construed according to the laws of the United States of America and the State of California, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice-of-law provisions that would require application of any other law, and (b) with respect to any action, litigation or proceeding of any kind whatsoever arising out of, or in connection with, this Contract, each party irrevocably submits to the exclusive jurisdiction of and venue in the United States District Court for California, and specifically waives any and all objections to such jurisdiction and venue.

18.2. Non-U.S. Contracts. (a) this Contract is to be construed according to the laws of the country (and state or province, if applicable) of Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc as set forth in this Contract, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice-of-law provisions that would require application of any other law; (b) any legal or equitable action or proceedings by Judco Manufacturing Inc against Supplier arising out of, or in connection with, this Contract may be brought by Judco Manufacturing Inc in the court having jurisdiction over Supplier or, at Judco Manufacturing Inc's option, in the court having jurisdiction over Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc, in which event Supplier consents to such jurisdiction and venue, including service of process in accordance with applicable procedures; and (c) any legal or equitable actions or proceedings by Supplier against Judco Manufacturing Inc arising out of, or in connection with, this Contract may be brought by Supplier only in the court(s) having jurisdiction over Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc.

19. SEVERABILITY

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

20. RIGHT TO AUDIT AND INSPECT

Supplier grants Judco Manufacturing Inc access to Supplier's premises and all Supplier's relevant books, records, income statements, balance sheets, cash flow statements, payroll data, receipts and other related supporting data, including Supplier's administrative and accounting policies, guidelines, practices and procedures, in order to (i) substantiate any charges and other matters under this Contract and (ii) assess Supplier's ability to perform its obligations under the Contract. Supplier will maintain and preserve all such documents for a

period of four (4) years following final payment under this Contract. Supplier will provide Judco Manufacturing Inc with reasonable access to its facilities and otherwise cooperate and facilitate any such audits by Judco Manufacturing Inc. Any such audit or inspection conducted by Judco Manufacturing Inc or its representatives will not constitute acceptance of any Tooling or Service (whether in progress or finished), relieve Supplier of any liability under this Contract or prejudice any rights or remedies available to Judco Manufacturing Inc.

21. ENTIRE AGREEMENT, MODIFICATIONS, AND JUDCO MANUFACTURING INCS WEBSITE

This Contract constitutes the entire agreement between Supplier and Judco Manufacturing Inc with respect to the matters contained in this Contract and supersedes all prior oral or written representations and agreements, with the exception of any non-disclosure agreements and then only to the extent they have terms of confidentiality that conflict with these Tooling Terms and Conditions. This Contract may only be modified by a written contract amendment issued by Judco Manufacturing Inc. Notwithstanding anything to the contrary contained herein, Judco Manufacturing Inc explicitly reserves, and this Contract will not constitute a waiver or release of, any rights and claims against Supplier arising out of, or relating to, any fraud or duress in connection with the formation of this Contract or any breach or anticipatory breach of any previously existing contract between Judco Manufacturing Inc and Supplier (whether or not such previously existing contract related to the same or similar Tooling, Services or subject matter as this Contract). All payments by Judco Manufacturing Inc to Supplier under this Contract are without prejudice to Judco Manufacturing Inc's claims, rights, or remedies. Judco Manufacturing Inc may modify Purchase Order terms and conditions from time-to-time by posting revised Purchase Order terms and conditions to Judco Manufacturing Inc's internet website (or such other website as may be directed through links available on such website) as specified on the face of the Purchase Order ("Judco Manufacturing Inc's Website") at <http://www.judco.net>, prior to the date when any modified terms and conditions become effective. Such revised Purchase Order terms and conditions shall apply to all purchase order revisions/amendments/alterations and new Purchase Orders issued on or after the effective date thereof. Supplier shall be responsible to review Judco Manufacturing Inc's Website periodically. In the event of any inconsistency between the Purchase Order and Judco Manufacturing Inc's Website, the terms of the Purchase Order shall prevail, unless the requirements specified on Judco Manufacturing Inc's Website expressly provide otherwise

22. TRANSLATIONS

Judco Manufacturing Inc provides the English(US) version of these Tooling Terms and Conditions. If translated to another language, the English language version of these Tooling Terms and Conditions will apply in the event of any disagreement over the meaning or construction of any translated version of these Tooling Terms and Conditions.

23. WAIVER OF JURY TRIAL

JUDCO MANUFACTURING INC AND SUPPLIER ACKNOWLEDGE THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF JUDCO MANUFACTURING INC AND SUPPLIER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT

TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY CONTRACT OR OTHER DOCUMENT PERTAINING TO ANY CONTRACT.

24. CLAIMS BY SUPPLIER

Any legal action or arbitration proceedings by Supplier under any Contract must be commenced no later than one (3) months after the breach or other event giving rise to Supplier's claim occurs, or Supplier becomes aware of the existence (or facts and circumstances giving rise to the existence) of such claim, whichever occurs first.

25. BATTLE OF THE FORMS NOT APPLICABLE

The parties have agreed and it is their intent the battle of the forms Section 2-207 of the Uniform Commercial Code shall not apply to these Tooling Terms and Conditions or to any invoice or acceptance form of Supplier relating to these Tooling Terms and Conditions. It is the parties' intent these Tooling Terms and Conditions shall exclusively control the relationship of the parties, and in the event of any inconsistency between any invoice or acceptance form sent by Supplier to Judco Manufacturing Inc and these Tooling Terms and Conditions, these Tooling Terms and Conditions shall control.

26. TRAVEL

Judco Manufacturing Inc will NOT reimburse Supplier for travel and other expenses incurred while performing the obligations required pursuant to this Agreement.

Judco Manufacturing – Supplier Tooling Terms and Conditions

Effective May 15, 2020

1. GENERAL GUIDELINES

1.1. These “Tooling Terms and Conditions” shall apply to all tooling purchase orders and shall be construed, to the extent possible, as consistent with Judco Manufacturing Inc Terms and Conditions and as cumulative. In the event of an inconsistency between these Tooling Terms and Conditions and Judco Manufacturing Inc Terms and Conditions, these Tooling Terms and Conditions shall control as to all Tooling. Capitalized terms used in these Tooling Terms and Conditions, but not defined, shall have the meanings given such terms in Judco Manufacturing Inc Terms and Conditions.

1.2. “Tooling” means any die, jig, fixture, mold, pattern, template, gauge, testing device, supplies, materials or other items that are purchased by Judco Manufacturing Inc or specially constructed for Judco Manufacturing Inc’s use or the use of its outside suppliers on Judco Manufacturing Inc’s behalf in the manufacture of parts for specific models, assemblies, or products and which has a normal physical life of one year or more. The determination of what constitutes “Tooling” is based on the item’s physical aspects and use, the specific characteristics of the production and service parts or assemblies to be produced, and upon its intended life which is generally limited (without substantial modification or alteration) to the production and service life of specific models, assemblies or products.

1.3. The Supplier is expected to invest in and own its facilities, machinery, and other capital equipment. However, to the extent that any Contract between Judco Manufacturing Inc and Supplier covers Judco Manufacturing Inc’s purchase of, reimbursement to Supplier for, or other ownership of, any Tooling to be used in connection with Supplier’s actual or anticipated supply of goods to Judco Manufacturing Inc, Judco Manufacturing Inc will own the Tooling that is used with the Supplier's equipment to make parts for Judco Manufacturing Inc projects. Judco Manufacturing Inc may file any legal notices or documents to protect its ownership interest, including but not limited to a UCC-1 or international equivalent financing statement. It is therefore essential that the Tooling be clearly identified and marked, in a durable and legible manner, specification of the tag will be provided by Judco Manufacturing Inc. The Supplier may not take any action concerning the Tooling that is inconsistent with Judco Manufacturing Inc's ownership of the tooling. Supplier shall assign to Judco Manufacturing Inc any contract rights or claims in which Supplier has an interest with respect to such Tooling. Supplier shall establish a reasonable accounting system that readily enables the identification of Supplier’s costs.

1.4. All Tooling and Materials which Judco Manufacturing Inc furnishes, either directly or indirectly, to Supplier or which Judco Manufacturing Inc buys from, or gives reimbursement to, Supplier in whole or in part will be and remain the property of Judco Manufacturing Inc and be held by Supplier on a bailment basis. Title to all replacement parts, additions, improvements and accessories purchased by Supplier will vest in Judco Manufacturing Inc immediately upon

attachment to or incorporation into Judco Manufacturing Inc's Property. Supplier releases, discharges and waives any lien, action, suit, debt due, sum of money, account, claim and demand whatsoever in law or in equity or other rights that Supplier might otherwise have on or in any of Judco Manufacturing Inc's Property for work performed on, or utilizing, such property or otherwise.

1.5. Tool models and tool prints are considered part of the Tooling and are also the property of Judco Manufacturing Inc and customers. Notwithstanding the foregoing, any Supplier claims of proprietary tooling, or tooling design, shall be deemed intellectual and physical property of the Supplier, and therefore not compensable or reimbursable by the Tooling Purchase Order. Any Supplier claimed proprietary tooling or designs included in the Tooling Purchase Order by Supplier may be removed at any step of the review, payment or audit process by Judco Manufacturing Inc. Judco Manufacturing Inc shall have access to all special tooling data and designs at request.

1.6. The Supplier is responsible for ensuring that its sub-supplier(s) adhere to these Terms and Conditions, when Tooling is located at sub-supplier facilities. The Supplier is responsible for the quality of and payment for all subcontracted Tooling and outsourced components and to ensure conformity of subcontracted Tooling with the Tooling Purchase Order.

1.7. Tooling should be designed and manufactured to last for the life of the part it was designed and manufactured to produce, including post-production Service Parts.

1.8. If Tooling is designed specifically for the Supplier's own equipment and facilities, it should be able to be modified for use by another supplier with similar equipment and facilities. In the event that there are any costs associated with such modification, those costs will be reimbursed by the Supplier.

2. TOOLING PROCESS

2.1. The Supplier may not fabricate or acquire Tooling unless a Tooling Purchase Order has been issued by Judco Manufacturing Inc authorizing the fabrication or acquisition of the Tooling.

2.2. All Tooling requested on a Tooling Purchase Order must be new tooling not previously used by any party, unless otherwise specified and approved by Judco Manufacturing Inc.

2.3. Production Tool Orders and Amendments to Production Tool Orders must be quoted, written and placed such that each Tool Order (and any Amendment) includes sufficient detail and itemization to enable Judco Manufacturing Inc tools to be visually identified at the Supplier location.

2.4. All rights, title, and interest in and to any part of Tooling to be paid for by Judco Manufacturing Inc will vest immediately in Judco Manufacturing Inc as soon as the Tooling is acquired by the Supplier or fabricated by the Supplier in accordance with a Tooling Purchase Order, and such Tooling shall be held as Judco Manufacturing Inc's property by Supplier. In the

event a court of competent jurisdiction determines Judco Manufacturing Inc has not retained or obtained ownership of any Tooling, Supplier agrees to be deemed to have granted Judco Manufacturing Inc a security interest giving Judco Manufacturing Inc all the rights of a secured creditor.

3. PAYMENT

The payment terms will be in the following:

- 1st down payment 30% of total
 - Paid at tooling kick-off
- 2nd payment 20% of remaining total
 - Paid at completion of treatments/finishes
- 3rd payment 25% of remaining total
 - Paid at validation of samples
- 4th payment 25% of remaining total
 - Paid when parts pass first article inspection

3.1. The price for any Tooling to be paid for by Judco Manufacturing Inc under the Contract shall be the price set forth in the Tooling Purchase Order according to the payment schedule, if applicable. Unless otherwise stated in the Tooling Purchase Order, the purchase price is a fixed price, and is not subject to increase for any reason, including, without limitation, increased raw material costs, increased labor or other manufacturing or supply costs, increased development costs, inflation, changes in foreign exchange rates, changes in the availability of materials or supplies or any other changes.

3.2. Unless otherwise agreed to in writing, the price set forth in the Tooling Purchase Order will be paid to Supplier after Judco Manufacturing Inc is satisfied that certain conditions have been fulfilled including, but not limited to, the following:

- The Tooling has been fabricated or acquired by the Supplier
- Requested Tooling documentation requirements have been provided to and approved by Judco Manufacturing Inc
- The Supplier has produced acceptable samples meeting all drawing requirements
- The Tooling Invoice has been submitted with any documents and photographic evidence

3.3. Judco Manufacturing Inc has the right to verify the actual cost of the Tooling by auditing all books, records, facilities, work, material, inventories, invoices, purchase orders, proofs of payment, and any other information Judco Manufacturing Inc deems relevant and reasonably necessary.

3.4. The Supplier is responsible for notifying Judco Manufacturing Inc of any movement of Judco Manufacturing Inc Tooling to a new location. The Supplier must obtain prior written consent and approval from Judco Manufacturing Inc before moving Tooling.

4. TOOLING COSTS

4.1. Judco Manufacturing Inc's contractual obligation is to reimburse actual Tooling costs incurred up to the amount authorized on the Tool Purchase Order. Judco Manufacturing Inc will not reimburse the Supplier for Tooling costs in excess of the amount authorized or for any Tooling costs that were not specified and authorized on the Tool Purchase Order or any Amendment.

4.2. Acquired Tooling: If the Supplier acquires the Tooling from a third party, such as an outside tool shop/toolmaker, the Supplier may not add any markups, surcharges or the like to the Tooling beyond its cost. Tooling acquired by a third party must be supported by purchase order(s), invoices, and proofs of payment. The Supplier should not make any profit on Tooling or prototype Tooling manufactured by an outside tool shop.

- Any additional costs associated with acquisition of the Tooling are considered to be part of the Supplier's overhead and therefore will not be charged to Judco Manufacturing Inc.
- The Supplier is responsible for the quality of, and payment for, all Tooling and outsourced components acquired from the tool shop/toolmaker and for ensuring conformity of sub-contracted Tooling with the Tool Order

4.3. In-House Tooling: If the Supplier fabricates the Tooling, the Supplier may request, in writing, in advance, reimbursement for only the actual cost of fabricating the Tooling, including material costs, labor hours and labor rates for, plus allowable and agreed upon one-time only costs if appropriate, which must be itemized on a Tool Order or an Amendment. The Supplier must maintain a reasonable accounting system to segregate, accumulate, and document expenditures for Tooling. The Supplier's accounting system must ensure that all eligible costs are documented adequately and include the following:

- In-House Material: Material costs must be supported by documentation that indicates the quantities used and unit cost for each Tool. Material will be reimbursed at actual costs based on material invoices. If the Tool is not completed due to program or part cancellation, scrap value should be documented
- In-House Labor Rate: All overhead costs and profit associated with the design, development, and manufacture of the Tooling should be included in the fully accounted Tooling labor rates. This rate should be comprised of direct labor, indirect labor, fringe benefits, payroll taxes and overhead. The fully accounted labor rate shall be included in the Supplier's Tooling quotation

5. TOOL ORDER COST AUDIT

5.1. All Tool Orders placed are subject to audit and recovery by Judco Manufacturing Inc. If an audit of Tooling costs reveals that Judco Manufacturing Inc was overcharged, the Supplier will repay the overcharge through a debit against its accounts or by direct payment to Judco Manufacturing Inc or by a combination of these methods at discretion.

5.2. Validation Audit Process Tooling Orders that achieved their targets are nonetheless subject to audit in order to ensure that no capital equipment is included on the Tool Order. If capital

equipment is included on any Tool Order, it will be amended to remove the capital equipment, and the cost will be reallocated to non-capital equipment line items.

5.3. Documentation Required for Judco Manufacturing Inc Tooling Audit. If the Tooling costs are audited by Judco Manufacturing Inc, the Supplier must make available all documents supporting the actual and reasonable costs associated with the Tool Orders selected for audit.

- The Supplier must submit evidence of what was actually paid to sub-suppliers. If Judco Manufacturing Inc's audits of Supplier Tooling costs result in significant cost recoveries due to a lack of compliance with these Tooling guidelines, 8D (8 Discipline) process may be used to address significant audit findings

6. TOOLING INVENTORY MANAGEMENT

6.1. The Supplier shall furnish a Tooling Inventory of all Tooling provided to Judco Manufacturing Inc (active and inactive) in the Supplier's possession. The Tooling Inventory shall be submitted to Judco Manufacturing Inc annually by January 31, or upon request by Judco Manufacturing Inc at any time. The Tooling Inventory shall contain the following information if applicable for each piece of Tooling owned by Judco Manufacturing Inc:

- Tool part number(s)
- Current tool revision
- Description of Tool
- Date of all orders
- Total cost of Tool
- Quantity of parts produced from Tool
- Remaining Tool life
- Any previous part number if Tool has been changed to produce a new part number

6.2. While Judco Manufacturing Inc's Property is in Supplier's possession and until Supplier delivers to Judco Manufacturing Inc, Supplier bears the risk of loss. Supplier will be responsible for the cost of repairing or replacing property if stolen, damaged or destroyed regardless of cause or fault. Supplier will at all times: (a) regularly inspect, maintain in good condition, and repair at Supplier's own expense, (b) use only for the performance of this Contract, (c) deem Judco Manufacturing Inc orders to be personal property, (d) conspicuously mark Judco Manufacturing Inc's as specified by Judco Manufacturing Inc, (e) not co-mingle Judco Manufacturing Inc's Property with the property of Supplier or with that of a third party, (f) not move Judco Manufacturing Inc's tooling from Supplier's applicable shipping location without prior written approval from an authorized employee of Judco Manufacturing Inc, and (g) use in compliance with Judco Manufacturing Inc's or the manufacturer's instructions and in compliance with all applicable government, state, and local laws, ordinances and regulations.

6.3. If Supplier is tool design responsible, tooling prints shall be completed by Supplier within quoted lead time on all new program tools, tools undergoing an engineering change, and current tools that are revised. Supplier, upon request by Judco Manufacturing Inc, shall provide tooling prints for existing tools.

6.4. Supplier will not sell, lend, rent, lease, transfer or otherwise dispose of Judco Manufacturing Inc's tooling without prior written consent. Furthermore, Supplier will not assert, or permit any person claiming an interest through Supplier to assert any claims of ownership to or any other interest in Judco Manufacturing Inc's tooling.

6.5. Judco Manufacturing Inc will have the right to enter Supplier's premises at all reasonable times to inspect Judco Manufacturing Inc's Property and Supplier's records with respect thereto.

6.6. Supplier, at its expense, will furnish, keep in good condition, and replace when necessary all Tooling owned by Supplier that is used to produce goods for Judco Manufacturing Inc. Supplier agrees to maintain adequate storage to ensure that all Tooling owned by Supplier is stored in useable condition and in such a location or facility to protect against theft and damage. Supplier will insure Supplier's Tooling with extended coverage insurance for its full replacement value. Supplier grants Judco Manufacturing Inc an irrevocable option to take possession of, and title to, all or part of Supplier's Tooling that is specially designed or outfitted for the production of the goods for Judco Manufacturing Inc, in which event Judco Manufacturing Inc will, within 45 days following delivery of such Supplier's Tooling to Judco Manufacturing Inc, pay to Supplier of the lower of (i) the net book value of such Supplier's Tooling (i.e., actual cost less amortization) or (ii) then current fair market value of such Supplier's Tooling, in each case less any amounts that Judco Manufacturing Inc has previously paid to Supplier on account of such Supplier's Tooling. The foregoing option will not apply to the extent that Supplier's Tooling is used to produce goods that are the standard stock of Supplier and are then being sold by Supplier to other customers. Judco Manufacturing Inc's right to exercise the foregoing option is not conditioned on Supplier's breach or Judco Manufacturing Inc's termination of any underlying Contract or upon payment of any other amounts due under any underlying Contract.

7. TOOL MARKING REQUIREMENTS; TOOL DISPOSAL REQUESTS

7.1. Tool Marking Requirements: Unless specified otherwise by Judco Manufacturing Inc, it is essential that the Tooling be clearly identified and marked or tagged with details to be provided by Judco Manufacturing Inc. The physical asset tag must be attached with a rivet or screw, not with adhesive. Supplier shall provide to Judco Manufacturing Inc photographic evidence of compliance with this Section. Photographic evidence shall include: a close-up picture of the tag on the Tool (clear and legible) and a picture of the whole Tooling showing that the tag is attached. If the Tooling is a mold or die, a photo of the mold or die in the open and closed position is required. Supplier shall comply with additional instructions regarding Tool tagging and photographic evidence as may be provided by Judco Manufacturing Inc.

7.2. Tool Retention: Supplier must retain Tooling for a period of 15 years after end of production and thereafter to return.

7.3. Tool Disposal Requests: Judco Manufacturing Inc has established a system for proper control and disposal of Judco Manufacturing Inc Tooling at a Supplier site. In order to minimize Judco Manufacturing Inc's costs and to ensure continuous availability of Service Parts to end-users, the Service Parts Purchasing activity must be consulted before either reworking the Tooling to a new design level or scrapping the Tooling.

7.4. Return of Judco Manufacturing Inc's Tooling: Supplier agrees that Judco Manufacturing Inc has the right, at any time and from time to time, with or without reason and without payment of any kind, to retake possession of or request the return of Judco Manufacturing Inc Tooling. Without further notice or court hearings, which rights, if any, are hereby waived, Judco Manufacturing Inc or its designee(s) will have the right to enter Supplier's premises and take possession of any and all of Judco Manufacturing Inc's Tooling. Upon Judco Manufacturing Inc's request and in accordance with Judco Manufacturing Inc's instructions, Judco Manufacturing Inc's Tooling will be immediately released to Judco Manufacturing Inc or delivered to Judco Manufacturing Inc by Supplier, either at Supplier's plant properly packed and marked in accordance with the requirements of the carrier selected by Judco Manufacturing Inc to transport such or (ii) to any location Judco Manufacturing Inc designates, in which event Judco Manufacturing Inc will pay Supplier the reasonable costs of delivering Judco Manufacturing Inc's Property to the location designated. If Supplier does not release and deliver any Judco Manufacturing Inc's Tooling in accordance with this Article, Judco Manufacturing Inc may obtain an immediate writ of possession without notice and without the posting of any bond and/or enter Supplier's premises, with or without legal process, and take immediate possession of Judco Manufacturing Inc's Tooling.

7.5. Disposal Request: To initiate a disposal request the Supplier must contact Judco Manufacturing Inc.

7.6. If the Supplier receives a Part Termination Notice, it should contact Judco Manufacturing Inc immediately to request directions for tooling disposition. By certifying that the Tooling may be disposed of, the Supplier verifies that it has diligently investigated past and current use of the Tooling to ensure that there is no further need for the Tooling. If it is determined that the Supplier has improperly or incompletely conducted this investigation and the Tooling was scrapped in error, the Supplier will be responsible for reimbursing Judco Manufacturing Inc for the cost of replacement Tooling.

7.7. Prototype Tool Disposal: Supplier must obtain written authorization from Judco Manufacturing Inc. prior to prototype Tooling disposal.

8. DISCLAIMER OF WARRANTIES

Supplier is liable for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, including, without limitation, the use or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or for any loss of business whatsoever or howsoever caused, including, without limitation, any loss of anticipatory damages, profits or any other indirect, special or consequential damages.

9. INDEMNIFICATION

Supplier will defend, hold harmless and indemnify Judco Manufacturing Inc, Judco Manufacturing Inc's affiliates, Judco Manufacturing Inc's customers, and their respective successors, assigns, directors, officers, employees and agents (collectively, "Judco Manufacturing Inc Indemnified Parties") from and against any and all lawsuits, actions, claims, demands, judgments, fines, costs (including attorney and other professional fees and disbursements), expenses, losses, liabilities and damages, including any special, incidental, consequential, punitive and exemplary damages that any Judco Manufacturing Inc Indemnified Party may suffer or sustain or be in any way subjected to on account of: (a) Supplier's failure to perform its obligations under these Tooling Terms and Conditions or applicable law, including claims based on Supplier's breach of warranty (regardless of whether the alleged damages arise under tort, negligence, contract, warranty, strict liability or any other legal theories); (b) infringement or alleged infringement, including patent, trademark, copyright, moral, industrial design or other proprietary rights, or misuse or misappropriation of trade secrets relating to the Tooling (Supplier expressly waives any claim against Judco Manufacturing Inc that any such infringement arose out of compliance with Judco Manufacturing Inc's specifications); (c) the performance of any service or work by Supplier or its employees, agents, representatives and subcontractors on Judco Manufacturing Inc's or Judco Manufacturing Inc's customer's premises or the use of the property of Judco Manufacturing Inc or any customer of Judco Manufacturing Inc, except to the extent such liability arises out of the gross negligence or willful misconduct of Judco Manufacturing Inc or Judco Manufacturing Inc's customer; and (d) any third-party claims or demands to recover for personal injury or death, property damage or economic loss caused by any of the Tooling supplied by Supplier (regardless of whether such claim or demand arises under tort, negligence, contract, warranty, strict liability or any other legal theories).

10. FORCE MAJEURE

Judco Manufacturing shall NOT be liable to the other if it cannot perform its contractual obligations due to circumstances beyond the control of the parties, such as fire, explosion, labor dispute, or a failure to act by authority or government. Such excuse from performance shall only continue for the duration of the event described above. In such cases, Judco Manufacturing Inc shall have the right to purchase products or services covered by the Contract elsewhere for the duration of said circumstances. Judco Manufacturing Inc shall be allowed to reduce its purchases in the context of the Contract accordingly, without incurring liability to the Supplier. If Supplier fails to provide adequate assurances that any delay will not exceed thirty (30) days or if any delay lasts more than thirty (30) days, Judco Manufacturing Inc may terminate this Contract without any liability to Supplier or obligation to purchase the Tooling.

11. REMEDIES AND INJUNCTIVE RELIEF

The rights and remedies reserved to Judco Manufacturing Inc in this Contract are cumulative with, and in addition to, all other or further remedies provided in law or equity. Supplier will reimburse Judco Manufacturing Inc for any direct, indirect, incidental, consequential or other damages (including lost profits) caused or required by Supplier's breach of this Contract. Supplier acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of this Contract by Supplier with respect to its timely delivery of Tooling to Judco Manufacturing Inc and that, in addition to all other rights and remedies which Judco Manufacturing Inc may have, Judco Manufacturing Inc shall be entitled to specific performance and injunctive or other equitable relief to enforce this Contract, without any requirement of a bond or other security to be provided by Judco Manufacturing Inc.

12. CUSTOMS AND EXPORT CONTROLS

12.1 Credits and Refunds. Transferable credits or benefits associated with or arising from Tooling purchased under this Contract, including trade credits, export credits or rights to the refund of duties, taxes or fees, belong to Judco Manufacturing Inc. Supplier will, at its expense, provide all information necessary (including written documentation and electronic transaction records in Judco Manufacturing Inc-approved formats) to permit Judco Manufacturing Inc to receive these benefits, credits, or rights. Supplier will furthermore, at its expense, provide Judco Manufacturing Inc with all information, documentation, and electronic transaction records relating to the Tooling necessary for Judco Manufacturing Inc to fulfill any customs-related obligations, origin marking or labeling requirements and certification or local content reporting requirements, to enable Judco Manufacturing Inc to claim preferential duty treatment for Tooling eligible under applicable trade preference regimes, and to make all arrangements that are necessary for Tooling to be covered by any duty deferral or free trade zone program(s) of the country of import. Supplier will, at its expense, provide Judco Manufacturing Inc or Judco Manufacturing Inc's nominated service provider with export documentation to enable the Tooling to be exported, and obtain all export licenses or authorizations necessary for the export of the Tooling unless otherwise indicated in this Contract, in which event Supplier will provide all information as may be necessary to enable Judco Manufacturing Inc to obtain such licenses or authorization(s).

12.2 Customs-Trade Partnership Against Terrorism. To the extent any Tooling covered by this Contract is to be imported into the United States of America, Supplier shall comply with all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative. Upon request, Supplier shall certify in writing its compliance with the C-TPAT initiative.

13. SETOFF

With respect to any monetary obligations of Supplier or Supplier's affiliates to Judco Manufacturing Inc or Judco Manufacturing Inc's affiliates, including, without limitation, direct and indirect losses, costs and damages resulting from Supplier's failure to timely delivery of any Tooling, the failure of any Tooling to conform to applicable warranties or other breach by Supplier of this Contract, in addition to any right of setoff or recoupment provided by law,

Judco Manufacturing Inc may at any time, as applicable, recover, recoup or setoff such amounts by deducting such amounts from any sums that are, or will become, owing, due or payable to Supplier or Supplier's affiliates by Judco Manufacturing Inc or Judco Manufacturing Inc's affiliates.

14. NO ADVERTISING

Supplier will not, in any manner, advertise or publish that Supplier has contracted to furnish Judco Manufacturing Inc with Tooling covered by this Contract or use any trademarks or trade names of Judco Manufacturing Inc without Judco Manufacturing Inc's prior written consent.

15. NO IMPLIED WAIVER

The failure of either party at any time to require performance by the other party of any provision of this Contract will not affect the right to require such performance at any later time, nor will the waiver by either party of a breach of any provision of this Contract constitute a waiver of any succeeding breach of the same or any other provision. No failure or delay in exercising any right or remedy will operate as a waiver thereof nor will any single or partial exercise thereof preclude other or further exercise thereof. No course of dealing or course of performance may be used to evidence a waiver or limitation of Supplier's obligations under this Contract.

16. ASSIGNMENT AND CHANGE IN CONTROL

Judco Manufacturing Inc may assign its rights and obligations under this Contract without Supplier's prior written consent. Supplier may not assign, subcontract or delegate its rights or obligations under this Contract without the prior written consent from an authorized employee of Judco Manufacturing Inc. In the event of any approved assignment (including, without limitation, subcontract), sale or delegation authorized by Judco Manufacturing Inc, Supplier retains all responsibility for the Tooling, including all related warranties and indemnification obligations stated in these Tooling Terms and Conditions, unless otherwise expressly agreed in writing by Judco Manufacturing Inc. In addition, Judco Manufacturing Inc may terminate this Contract on sixty (60) days' advanced notice to Supplier, without any liability to Supplier whatsoever, if Supplier (i) sells, or offers to sell, a material portion of its assets or (ii) sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged, a sufficient amount of its stock or other equity interests that effects a change in the control of Supplier or (iii) executes, or otherwise becomes subject to, a voting or other agreement or trust that effects a change in the control of Supplier.

17. RELATIONSHIP OF PARTIES

Supplier and Judco Manufacturing Inc are independent contracting parties. Nothing in this Contract makes either party the agent or legal representative of the other for any purpose whatsoever, nor grants either party any authority to assume or create any obligation on behalf of or in the name of the other party.

18. GOVERNING LAW AND JURISDICTION

18.1. U.S. Contracts. If any of the following apply: (i) this Contract is issued by Judco Manufacturing Inc from a location within the United States of America or its territories, (ii) this Contract is issued, in whole or part, for Tooling or Services to be shipped to a Judco Manufacturing Inc location within the United States of America or its territories or (iii) Supplier's applicable shipping location is within the United States of America or its territories (as shown by the shipping address of Supplier), then: (a) this Contract is to be construed according to the laws of the United States of America and the State of California, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice-of-law provisions that would require application of any other law, and (b) with respect to any action, litigation or proceeding of any kind whatsoever arising out of, or in connection with, this Contract, each party irrevocably submits to the exclusive jurisdiction of and venue in the United States District Court for California, and specifically waives any and all objections to such jurisdiction and venue.

18.2. Non-U.S. Contracts. (a) this Contract is to be construed according to the laws of the country (and state or province, if applicable) of Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc as set forth in this Contract, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice-of-law provisions that would require application of any other law; (b) any legal or equitable action or proceedings by Judco Manufacturing Inc against Supplier arising out of, or in connection with, this Contract may be brought by Judco Manufacturing Inc in the court having jurisdiction over Supplier or, at Judco Manufacturing Inc's option, in the court having jurisdiction over Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc, in which event Supplier consents to such jurisdiction and venue, including service of process in accordance with applicable procedures; and (c) any legal or equitable actions or proceedings by Supplier against Judco Manufacturing Inc arising out of, or in connection with, this Contract may be brought by Supplier only in the court(s) having jurisdiction over Judco Manufacturing Inc's location as shown by the issuing address of Judco Manufacturing Inc.

19. SEVERABILITY

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

20. RIGHT TO AUDIT AND INSPECT

Supplier grants Judco Manufacturing Inc access to Supplier's premises and all Supplier's relevant books, records, income statements, balance sheets, cash flow statements, payroll data, receipts and other related supporting data, including Supplier's administrative and accounting policies, guidelines, practices and procedures, in order to (i) substantiate any charges and other matters under this Contract and (ii) assess Supplier's ability to perform its obligations under the Contract. Supplier will maintain and preserve all such documents for a

period of four (4) years following final payment under this Contract. Supplier will provide Judco Manufacturing Inc with reasonable access to its facilities and otherwise cooperate and facilitate any such audits by Judco Manufacturing Inc. Any such audit or inspection conducted by Judco Manufacturing Inc or its representatives will not constitute acceptance of any Tooling or Service (whether in progress or finished), relieve Supplier of any liability under this Contract or prejudice any rights or remedies available to Judco Manufacturing Inc.

21. ENTIRE AGREEMENT, MODIFICATIONS, AND JUDCO MANUFACTURING INCS WEBSITE

This Contract constitutes the entire agreement between Supplier and Judco Manufacturing Inc with respect to the matters contained in this Contract and supersedes all prior oral or written representations and agreements, with the exception of any non-disclosure agreements and then only to the extent they have terms of confidentiality that conflict with these Tooling Terms and Conditions. This Contract may only be modified by a written contract amendment issued by Judco Manufacturing Inc. Notwithstanding anything to the contrary contained herein, Judco Manufacturing Inc explicitly reserves, and this Contract will not constitute a waiver or release of, any rights and claims against Supplier arising out of, or relating to, any fraud or duress in connection with the formation of this Contract or any breach or anticipatory breach of any previously existing contract between Judco Manufacturing Inc and Supplier (whether or not such previously existing contract related to the same or similar Tooling, Services or subject matter as this Contract). All payments by Judco Manufacturing Inc to Supplier under this Contract are without prejudice to Judco Manufacturing Inc's claims, rights, or remedies. Judco Manufacturing Inc may modify Purchase Order terms and conditions from time-to-time by posting revised Purchase Order terms and conditions to Judco Manufacturing Inc's internet website (or such other website as may be directed through links available on such website) as specified on the face of the Purchase Order ("Judco Manufacturing Inc's Website") at <http://www.judco.net>, prior to the date when any modified terms and conditions become effective. Such revised Purchase Order terms and conditions shall apply to all purchase order revisions/amendments/alterations and new Purchase Orders issued on or after the effective date thereof. Supplier shall be responsible to review Judco Manufacturing Inc's Website periodically. In the event of any inconsistency between the Purchase Order and Judco Manufacturing Inc's Website, the terms of the Purchase Order shall prevail, unless the requirements specified on Judco Manufacturing Inc's Website expressly provide otherwise

22. TRANSLATIONS

Judco Manufacturing Inc provides the English(US) version of these Tooling Terms and Conditions. If translated to another language, the English language version of these Tooling Terms and Conditions will apply in the event of any disagreement over the meaning or construction of any translated version of these Tooling Terms and Conditions.

23. WAIVER OF JURY TRIAL

JUDCO MANUFACTURING INC AND SUPPLIER ACKNOWLEDGE THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF JUDCO MANUFACTURING INC AND SUPPLIER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT

TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY CONTRACT OR OTHER DOCUMENT PERTAINING TO ANY CONTRACT.

24. CLAIMS BY SUPPLIER

Any legal action or arbitration proceedings by Supplier under any Contract must be commenced no later than one (3) months after the breach or other event giving rise to Supplier's claim occurs, or Supplier becomes aware of the existence (or facts and circumstances giving rise to the existence) of such claim, whichever occurs first.

25. BATTLE OF THE FORMS NOT APPLICABLE

The parties have agreed and it is their intent the battle of the forms Section 2-207 of the Uniform Commercial Code shall not apply to these Tooling Terms and Conditions or to any invoice or acceptance form of Supplier relating to these Tooling Terms and Conditions. It is the parties' intent these Tooling Terms and Conditions shall exclusively control the relationship of the parties, and in the event of any inconsistency between any invoice or acceptance form sent by Supplier to Judco Manufacturing Inc and these Tooling Terms and Conditions, these Tooling Terms and Conditions shall control.

26. TRAVEL

Judco Manufacturing Inc will NOT reimburse Supplier for travel and other expenses incurred while performing the obligations required pursuant to this Agreement.