Ameron

Purchase Terms & Conditions

1. ACCEPTANCE OF ENGAGEMENT Buyer offers to purchase the products ("Products") and/or services ("Services") described in that certain documentation supplied by Buyer attached hereto or that otherwise incorporates these terms and conditions by reference, providing the description, quantity, specifications, and other details required by Buyer related to the Products and Services (each an "Engagement"). Each Engagement (and each purchase order, release, or other similar ordering document issued thereunder or in connection therewith) shall be deemed accepted and shall become a binding contract on the terms and conditions contained herein when (a) signed and returned by Seller, (b) Seller issues its oral or written acknowledgment, or (c) Seller commences performance. Notwithstanding the foregoing, Engagements (and each purchase order, release, or other similar ordering document issued thereunder or in connection therewith) will become automatically binding on Seller unless Seller rejects such Engagement in writing within five (5) days of receipt of the applicable documentation describing the Engagement (or purchase order, release, or other ordering documentation, as applicable). Seller waives all terms and conditions contained in its quotation, acknowledgment, invoice or other documents which are different from, inconsistent with or additional to those contained herein or the Engagement (or a purchase order, release or other similar ordering document issued thereunder or in connection therewith), and all such different or additional terms and conditions shall be null and void, are expressly rejected by Buyer, and shall not be considered within the scope of the Engagement.

2. SHIPPING INSTRUCTIONS No charges shall be allowed for packing, crating, freight and/or any other shipping services (including, without limitation, freight insurance) unless so specified in the Engagement. Seller shall comply with Buyer's shipping instructions. All Products must be (i) suitably packed or otherwise prepared by Seller for shipment to prevent damage and to meet the carrier's requirements, and (ii) shipped in accordance with industry standard shipping practices (unless otherwise specified in the Engagement). Expenses incurred due to failure to comply with these terms are the responsibility of Seller. If the Engagement provides a specific order number such order number(s) shall appear on all correspondence, shipping labels and shipping documents, including all packing slips, bills of lading, air bills and invoices. All packing slips shall include Buyer's part number, where applicable, description, quantity, and a statement as to whether the Engagement is partially or completely completed.

3. DELIVERY-NOTICE OF DELAY

(a) Time is of the essence in fulfilling the Engagement, and every portion thereof (including, without limitation, any milestones or similar required dates of performance or delivery). Failure to deliver in accordance with the delivery and performance schedule under the Engagement, if not excused with Buyer's express written consent, shall be a material breach. Buyer reserves the right to refuse or return at Seller's risk and expense shipments made in excess of the quantities specified in the Engagement or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.

(b) Unless otherwise stipulated in a particular Engagement, Products shall be shipped DDP to the designated delivery place provided by Buyer. Risk of loss shall pass to Buyer upon delivery of the Products to Buyer's designated location. Title to Products shall transfer to Buyer upon Buyer's receipt of such Products.

(c) Seller shall notify Buyer in writing immediately of any actual or potential delay in the performance of any Engagement (or any portion thereof).

(d) If Seller is unable or fails to deliver or perform as scheduled, Buyer may "cover" by making, in good faith and without unreasonable delay, any reasonable purchase of or contract to purchase goods or services in substitution for those due from Seller under the delayed or breached Engagement. Buyer shall recover from Seller as damages the difference between the cost of cover and the price for such goods or services under the applicable Engagement together with any incidental, consequential, indirect and other similar damages arising in connection with such default. In addition to the foregoing sentence, and any rights Buyer may have in law or in equity, Buyer may cancel any Engagement (or any portion thereof) if delivery is not made on time or if notice is given that a delivery is expected to be late, and such cancellation shall be a termination for default governed by Section 5 hereof.

4. TERMINATION FOR CONVENIENCE Buyer may by notice in writing to Seller terminate any Engagement in whole or in part, and/or any portions of work under the Engagement, for convenience and without cause and without incurring any liability to Seller other than for actual costs directly incurred by Seller to procure or fulfill the terminated Engagement (or portion thereof) prior to Buyer providing the termination notice (which costs must be shown via documentary evidence acceptable to Buyer). Such termination shall not constitute default. In the event of partial termination, Seller shall not be excused from performance of the non-terminated balance of the Products or Services. Regardless of the reason for termination, Seller shall immediately cease all work under a terminated Engagement (or, in the case of partial termination, the terminated portion thereof) upon receipt of written notice from Buyer providing for termination, and shall use all efforts to mitigate any amounts that may be owed by Buyer to Seller related thereto.

5. TERMINATION FOR DEFAULT Buyer may by notice in writing to Seller terminate any or every Engagement and any underlying document or agreement related thereto, in whole or in part, at any time if Seller fails (a) to perform within the time specified herein or any extension thereof; or (b) to perform any of the other provisions of any Engagement or to adhere to any provision of these terms and conditions, or (c) in Buyer's reasonable judgment, to make progress as to endanger performance of any Engagement, and in the case of subsection(c) hereof, does not cure such failure within a period of ten (10) days from its receipt of Buyer's written notice thereof (provided that any termination shall be effective immediately if (i) the default is as set forth in subsections (a) or (b) above, or otherwise cannot be cured or (ii) Buyer has previously notified Seller of the same or similar default). Upon termination, Buyer may procure, as it deems appropriate, products or services similar to those that were to be provided under the terminated Engagement(s), and Seller shall be liable to Buyer for the cost of such products or services together with any incidental, consequential, indirect, and similar damages arising in connection therewith. Seller may terminate an Engagement for Buyer's default if Seller notifies Buyer of such default and (i) if the default is due to Buyer's failure to timely make payment, such default is not cured within thirty (30) days of Buyer's receipt of such notice from Seller or (ii) if the default is due to any other reason, such default is not cured within ten (10) days of Buyer's receipt of such notice from Seller. Any such termination by Seller shall be limited to the Engagement(s) (or portion thereof) directly in default. Upon the termination of an Engagement for any reason, each party will be released from all obligations to the other arising under such

Engagement(s) after the date of termination, except for those which by their terms survive such termination (which for the avoidance of doubt, shall include any replacement costs or other damages incurred by Buyer in accordance with this Section 5). Upon termination of any Engagement, in whole or in part, by Buyer for any reason, Seller shall immediately stop all terminated work under the terminated Engagement.

6. FORCE MAJEURE Neither party shall be liable for any failure to perform under an Engagement where such failure to perform is caused by the following circumstances beyond its control (provided that such party uses its best efforts to mitigate such failure to perform and seek alternative arrangements to fulfill its obligations under the Engagement(s)): acts of God fire, flood, acts of war, terrorism, or other natural disasters (each a "Force Majeure Event"). Neither party shall be entitled to terminate an Engagement due to a Force Majeure Event, provided that if Seller experiences a Force Majeure Event causing a delay of delivery of Product or performance of Service of more than thirty (30) days, Buyer may terminate such Engagement without liability.

7. PROPRIETARY RIGHTS

(a) Seller shall keep confidential any technical, process, economic or other proprietary information derived from or obtained in connection with Seller's performance under an Engagement or otherwise furnished to Seller (including without limitation, any such information contained in any drawings, specifications, software or other data) (collectively, "Confidential Information"). Seller shall not divulge, export or use, directly or indirectly, any such Confidential Information other than for Seller's approved performance under applicable Engagements, without obtaining Buyer's express prior written consent. All such Confidential Information shall be promptly returned to Buyer on request. The protections set forth herein are in addition to those that may be agreed between Buyer and Seller (or their affiliates) in a non-disclosure or similar agreement.

(b) Any intellectual property first made or conceived by Seller in performance of any Engagement that was (i) made or conceived in connection with Products or Services created specifically for Buyer or pursuant to Buyer's unique specifications or (ii) derived from or based on the use of or that otherwise incorporates information supplied by Buyer, shall be considered to be the property of Buyer, and Seller shall execute such documents necessary to perfect Buyer's title thereto (such intellectual property being referred to herein as "Work Product"). Seller shall not otherwise make use of any Work Product (including, but not limited to, drawings, designs, computer software and all copyright, patent, trade secret, and trademark rights, and any other forms of intellectual property protection which may be available), and title in such Work Product shall belong to Buyer. Seller may not sell Products to other customers of Seller if such Products incorporate Work Product, without Buyer's prior written approval. All Work Product consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by Buyer. To the extent that the foregoing does not apply, Seller hereby irrevocably assigns to Buyer for no additional consideration, Seller's entire right, title, and interest in and to all Work Product, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world. If any Product sold hereunder incorporates or embeds software or firmware that is not Work Product, Seller grants to Buyer a perpetual, non-exclusive, non-revocable, worldwide fully paid-up license, to use any such software and/or firmware embedded in connection with Buyer's use and ownership of the Product.

8. BUYER'S PROPERTY All drawings, tools, jigs, dies, fixtures, products, and other items supplied or paid for by Buyer shall be and remain the property of Buyer ("Buyer's Property"), and Buyer shall have the right to enter Seller's premises and remove Buyer's Property upon reasonable notice to Seller. Buyer's Property shall be used by Seller only in its performance of the Engagements. Seller shall maintain Buyer's Property using a standard of care that meets or exceeds the standard of care used by Seller to maintain its own property and Seller shall be responsible for all loss or damage thereto, except for normal wear and tear. Seller shall properly mark any Buyer Property as Buyer's Property upon receipt and shall, upon written request, provide a list of all Buyer Property (i) in Seller's possession and/or (ii) needed for a particular Engagement. All Buyer Property shall be returned to Buyer at Seller's cost, upon the termination or completion of all Engagements.

9. WARRANTIES

(a) Warranties. Seller represents and warrants the following:

(i) it is not contractually prohibited from engaging in the Services or providing the Products, and it is not a party to any agreement or under any obligation which conflicts with any Engagement or these terms and conditions which prohibits Seller from carrying out its responsibilities hereunder and thereunder;

(ii) it holds all necessary licenses and permits required by applicable governmental authorities to perform under the Engagements (and all such licenses and permits are in full force and effect);

(iii) the Services and all Products, and Seller's performance under all Engagements, will comply with all applicable laws;

(iv) the Products and Services are free of any third-party claim, including but not limited to any claims that the Products or Services, or the use thereof, will in any way infringe or contribute to the infringement of any intellectual property right in the United States or elsewhere, and no claim, action or suit alleging any such infringement or contribution to infringement is pending or threatened against Seller, its affiliates or their employees, agents, suppliers or contractors;

(v) all Products, including all parts thereof, will be new, merchantable, free from all defects in design, material and workmanship, fit for their intended purpose, and provided in strict accordance with the specifications, samples, drawings, designs or other requirements (including performance specifications) approved by Buyer in writing;

(vi) as to Services, Seller possesses the requisite expertise, facilities, and equipment necessary and appropriate to perform the Services, and all Services will be performed in accordance with the standards of care and diligence normally practiced by persons performing similar services and in the best workmanlike manner.

(b) Warranty Duration. The warranties contained in Section 9(a) (the "Warranties") will be in effect for thirty-six (36) months from the date of receipt by Buyer for all Products or the date of Seller's performance of the applicable Services (as applicable, the "Warranty Period"). Any replacement Products and Services will also be subject to the Warranties and Warranty Period. The Warranty Period for repaired Products and re-performed Services will be extended to account for the time lapsed until the repair or re-performance is completed. With respect to all Products provided, Seller shall make spare parts related to such Products available to Buyer for a period of five (5) years from the date of shipment of the Products to Buyer at the following price: (i) for Products still in production, Seller's then-current price for such parts or (ii) for Products discontinued or put out of production, the price of such parts at the time of such discontinuation.

(c) Warranty Details. All Warranties shall be for the benefit of Buyer, its successors, assigns, customers and the ultimate users of the Products and Services. Buyer's test, inspection, acceptance, payment for or use of the Products or Services shall not affect Seller's obligations under these warranties.

(d) Remedies. If any Products or Services fail to conform to the Warranties, Seller shall, at Buyer's sole option: (i) with respect to Products, replace or repair any defects, and (ii) with respect to

Services, re-perform all such nonconforming Services, in each case at Seller's sole cost. If Seller fails to correct or replace such defects (at Buyer's option) within ten (10) days from the date the Buyer notifies Seller of the defect, Buyer may, in addition to any other remedies available at law or in equity, either (y) make such corrections or replace such Products and Services and charge Seller with all costs incurred with respect thereto, or (z) revoke its acceptance of the Products or Services in which event Seller shall be obligated to refund the purchase and make all necessary arrangements, at Seller's cost, for return of the Products to Seller. Seller shall compensate Buyer for any related costs (including without limitation, consequential, indirect, incidental and other similar damages) incurred by Buyer in connection with Seller's failure to remedy a breach of warranty in conformance with this Section 9(d).

10. PRODUCT RECALLS If at any time Buyer conducts a product safety recall or a field fix program or Buyer, in Buyer's sole discretion, otherwise undertakes a recall related to Products provided by Seller hereunder (each a "Field Recall"), Buyer will notify Seller within thirty (30) days of the initiation of the Field Recall. If Seller receives a question, comment, or request for information from any regulatory agency or customer pertaining to (a) the legality and safety of the Products or (b) the components or production of the Products, Seller shall promptly provide a copy of such question, comment, or request to Buyer. Seller shall respond to such inquiry within five (5) days, after consultation with Buyer, in Buyer's discretion. Seller shall provide to Buyer all necessary information in its possession arising out of a government investigation or inquiry, recall, corrective action program, or similar program. If Buyer or any government agency determines that any Products sold to Buyer should be recalled (a "Government Recall" and together with Field Recalls, a "Recall"), Buyer may initiate any such Government Recall or direct Seller to do so on Buyer's behalf. In such event, Seller shall, at its sole cost and expense, take all actions necessary and appropriate to implement the Government Recall on a timely basis (provided that Buyer may, in its sole discretion, be entitled to notify its consumers or end users). Seller shall be responsible for all costs arising out of any Recall, including all costs and expenses associated with determining whether a Recall campaign is necessary. Without prejudice to Buyer's other rights (including rights at law or in equity), Seller shall, at its sole cost and in Buyer's sole discretion, either repair or replace the recalled Products, or credit or refund amounts paid by Buyer to Seller for all returned or destroyed Products in connection with such Recall.

11. INSPECTION All Products and Services and any documentation or material provided in connection therewith shall be subject to inspection (e.g., right of access) and test at all reasonable times and places by Buyer, and Buyer's customers before, during and after performance and/or delivery. If any inspection or test is made on the premises of Seller or any of its suppliers, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. Buyer reserves the right to use rejected materials, as it believes advisable or necessary to meet its contractual obligations to customers, without waiving any rights against Seller.

12. REJECTIONS If any of the Products or Services shall be found at any time to be defective in material or workmanship, in violation of the Warranties, or otherwise not in strict conformity with the requirements of an Engagement or these terms and conditions, Buyer, in addition to such other rights, remedies and choices as it may have by contract or by law, at its option and sole discretion, may (a) reject such Products and/or Services and, in the case of Products, return such Products to Seller at Seller's expense; and/or (b) require Seller to replace nonconforming Products and Services with conforming Products and Services. If Buyer shall elect option (b) above and Seller shall fail to promptly make the necessary inspection, removal and replacement or reperformance, as applicable, Buyer may, at its option, and without effect of other rights and remedies available to Buyer, rework the nonconforming Products and/or Services and charge back Seller for the required work. Buyer reserves the right to use rejected materials, as it believes advisable or necessary to meet its contractual obligations to customers, without waiving any rights against Seller. In the event any Products or Services are rejected by Buyer, Seller shall pay to Buyer: (i) with respect to rejected Products, the cost incurred by Buyer for storing the rejected Products; and (ii) with respect to Products and/or Services, all other expenses incurred by Buyer in connection therewith. Buyer's acceptance of any non-conforming delivery of Products or performance of Services shall not constitute a waiver of its right to reject future deliveries or performances or a waiver of any claim which Buyer may have regarding Products or Services.

13. CHANGES Buyer shall have the right upon notifying Seller to suspend or make changes from time to time in an Engagement (and any purchase order, release or other similar ordering document issued thereunder or in connection therewith), including without limitation in the scope, specifications, or quantity of Products or Services or to change the delivery date. If any such change affects the cost of such Products or Services, an equitable adjustment may be made upon written agreement by Buyer and Seller, but any claim by Seller for adjustment shall be asserted within thirty (30) days from its receipt of the notice. Any changes to the terms of an Engagement must be approved in writing by Buyer before the Seller implements any such change. Should Seller change the Products or Services without prior written approval from Buyer, without waiving any other rights against Seller, Buyer shall not be liable for charges related to such changes.

14. PAYMENT; TAXES As full consideration for the Products and Services, and the assignment of rights to Buyer as provided herein, Buyer shall pay Seller (a) the amount agreed upon and specified in the Engagement, or (b) Seller's quoted price on date of shipment (for Products), or the date Services were started (for Services), whichever is lower. Such prices are firm and not subject to increase for any reason. Notwithstanding the foregoing, in no event will the price charged by Seller under any Engagement be less favorable than the lowest price charged by Seller to other customers purchasing similar or lesser quantities of the Products (or products similar to the Products) or Services (or services similar to the Services), and that any price reduction extended to others by Seller prior to delivery of the Products or performance of Services shall also be extended to Buyer. Payment shall not constitute acceptance. Each invoice submitted by Seller shall be provided to Buyer within thirty (30) days of completion of the Services or delivery of Products and shall reference the Engagement. Buyer reserves the right to return all incorrect invoices. Buyer shall receive a 2% discount of the invoiced amount for all invoices that are submitted more than thirty (30) days after completion of the Services or delivery of the Products. Buyer shall pay the undisputed invoiced amount within sixty (60) days after receipt of a correct invoice, which may be made (and must be accepted by Seller, if so elected by Buyer) via ACH. Prices shall include, and Seller shall be liable for and pay, all taxes, duties, or tariffs imposed on or measured by each Engagement. Seller shall bear sole responsibility for any tariffs, duties, taxes, import/export fees and other governmental charges and assessments (collectively "Tariffs") that may be imposed, modified, increased or newly enacted by any governmental authority, at any time before, during or after the performance of this Agreement. This includes, but is not limited to, Tariffs applicable to the Products and/or Services, components, raw materials and any other items required for performance hereunder. Seller expressly acknowledges and agrees that it shall not pass through, charge or otherwise seek reimbursement from Buyer for any Tariffs and any attempt to do so will constitute a breach hereof. It shall be Seller's sole responsibility to comply with all applicable laws, regulations and government-imposed requirements related to Tariffs and Seller shall indemnify, defend and hold harmless Buyer, its affiliates, officers, directors, employees and agents from any losses, liabilities, damages, costs and expenses (including attorney's fees) arising from or relating to Seller's failure to comply with such laws, regulations or government-imposed requirements related to Tariffs. The Seller's obligations with respect to Tariffs shall survive expiration or termination of this Agreement, regardless of reason for termination. Prices shall not include any taxes for which Buyer has furnished evidence of exemption. Where required by law, Buyer may deduct from any payments due to Seller hereunder such taxes as Buyer shall be required to withhold and pay such taxes to the relevant tax

authorities. To the extent that Buyer disputes any amounts set forth in an invoice, Seller shall continue to perform its obligations under the Engagement notwithstanding any such dispute. In the event Buyer receives a quotation from a third party for the Products or Services at a price that is lower than the price to be charged by Seller for such Products and Services and Buyer provides Seller evidence of such quote, Seller shall match such third-party pricing. If Seller fails to meet the third-party pricing, Buyer may terminate all Engagements without liability.

15. ASSIGNMENT Seller shall not and shall cause its affiliates not to, directly, indirectly, voluntarily or involuntarily, in each case, whether by transfer, operation of law, assignment or Change of Control (as defined below), assign or transfer any of its rights or interest or delegate any of its obligations hereunder or under any Engagement (each, an "Assignment"), without Buyer's prior written consent. No purported Assignment, with or without Buyer's consent, shall relieve Seller of any of its obligations or prejudice any rights or claims that Buyer may have against Seller. Without effect on the foregoing, Seller shall be responsible for the actions and failure to act of all parties retained by, through, or under Seller in connection with the performance of each Engagement. For purposes of this Agreement, "Change of Control" means the occurrence of any of the following: (i) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of Seller of more than fifty percent (50%) of the voting stock of the Seller; (ii) a merger or consolidation in which the Seller is a party; (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Seller; or (iv) a liquidation or dissolution of the Seller.

16. SET-OFF Buyer shall, upon written notice to Seller, be entitled at all times to set off any amount owing from Seller to Buyer or any of its affiliated companies against any amount payable by Buyer.

17. INDEMNITY

(a) Seller shall, without limitation, indemnify, defend and save Buyer, its affiliates, subsidiaries and its and their customers, and respective officers, directors, employees and agents ("Indemnitees") harmless from and against all claims demands, litigation, or proceedings of whatever kind, and resulting costs, expenses and liability (including attorney's fees), which arise from (i) claimed or actual infringement or violation of any intellectual property right in connection with the sale, manufacturer, distribution, or use of the Products or Services (which shall include, without limitation Seller's sale, manufacture, distribution or use of Products that violate Open Source Licenses (as hereinafter defined) or other applicable software licenses) (ii) personal injury, death, or property loss or damage attributed to, in connection with or caused by, the Products or Services, (iii) all Recalls; and (iv) any breach by Seller of its obligations under these terms and conditions or an applicable Engagement. With respect to any claim subject to this Section 17, Seller may not settle any such claim without Buyer's prior written consent. Nothing herein will restrict the right of Buyer to participate in the defense of an indemnification claim through its own counsel, at its own expense.

(b) Should Buyer's use, or use by its customers, of any Products or Services be enjoined, be threatened by injunction, or be the subject of any legal proceeding, Seller shall, at is sole cost and expense, and at Buyer's option (i) substitute fully equivalent non-infringing products or services, (ii) modify the Products or Services so that they no longer infringe but remain fully equivalent in functionality, (iii) obtain for Buyer and its customers the right to continue using the Products or Services, or (iv) if none of the foregoing is possible, refund all amounts paid or incurred by Buyer for the infringing Products or Services.

18. INSOLVENCY If Seller ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors is made by Seller, all Engagements shall automatically terminate without liability to Buyer, except for liability for: (i) Services already performed in accordance with these terms and conditions and the applicable Engagement and (ii) Product deliveries previously made to Buyer or for Products that are completed at termination and subsequently delivered to Buyer in accordance with these terms and conditions.

19. ENTIRE AGREEMENT These terms and conditions, together with all Engagements (and purchase orders, releases, or other similar documents issues thereunder or in connection therewith), are intended by the parties as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties, no usage of the trade, and no prior or contemporaneous agreement, representation or understanding, oral or written, shall be relevant to determine the meaning of this agreement even though the accepting or acquiescing party has knowledge and opportunity for objection.

20. WAIVER The failure of Buyer to enforce at any time or, for any period of time, any of the provisions hereof shall not be construed to be a waiver of such provisions, nor the right of Buyer thereafter to enforce each and every such provision.

21. EXPORT/IMPORT CONTROL

(a) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services, Seller hereby certifies that it has and is currently registered with the U.S. Department of State Directorate of Defense Trade Controls ("DDTC") and understands its obligations to comply with International Traffic In Arms Regulations ("ITAR").

(b) Seller shall advise Buyer as to the defense article status of the Products and Services and mark any technical data provided to Buyer in connection with the Products or Services to indicate if it is subject to ITAR controls. If any of the Products, Services or technical data in connection therewith are subject to ITAR, Buyer may need to obtain an import license from DDTC, and in such instance, upon instruction from Buyer, Seller shall, at no expense to Buyer, delay delivery of the Products and technical data until Buyer shall receive any necessary import license.

(c) Seller shall control the disclosure of and access to technical data, information and other items received under each Engagement in accordance with and otherwise comply with U.S. export control laws and regulations, including but not limited to ITAR and the Export Administration Regulations. No technical data, information or other items provided by Buyer in connection with any Engagement shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express prior written authorization of Buyer and Seller's obtaining of the appropriate export license, technical assistance agreement or other required documentation for ITAR-controlled technical data, information or items.

(d) Seller shall immediately notify Buyer in writing if it is or becomes listed on a Debarred, Excluded or Denied Party List of an agency of the U.S. Government, or if its export privileges are denied, suspended or revoked.

22. COUNTERVAILING AND ANTI-DUMPING DUTIES Seller warrants that all sales made under any Engagement are or shall be made at no less than fair value under Subtitle IV of the Tariff Act of 1930 entitled "Countervailing and Anti-Dumping Duties" (19 U.S.C. Sec. 1671 and 19 U.S.C. Sec. 1673).

23. IMPORTER OF RECORD; ULTIMATE CONSIGNEE Buyer shall not be a party to the importation of the Products or Services related to the transaction(s) represented by any Engagement and Buyer shall not in any event be designated as "importer of record" or "ultimate consignee" on any customs declaration or customs entry form. Upon request and where applicable, Seller shall provide Buyer with customs forms, properly executed, as required for drawback claims. Seller shall be responsible for all duties, tariffs, taxes and other costs incurred as a result of being designated importer of record.

24. ORIGIN CERTIFICATION; CONFLICT MINERALS COMPLIANCE Seller shall provide Buyer with a certificate of origin for each and every Product sold hereunder. Further at Buyer's request, Seller also provide Buyer statements regarding: (a) the applicable origin rule that Seller applied in making the origin certification; and (b) the basis of Seller's origin certification as either Seller's own knowledge or Seller's reasonable reliance on an origin certification made by the manufacturer or other third party.

Seller acknowledges that Buyer is required to comply with Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") which includes requirements related to the use of tin, tantalum, tungsten, and gold ("Conflict Minerals"). Seller shall source and track the chain of custody of all Conflict Minerals contained in any Products in accordance with all applicable laws including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. At Buyer's request, Seller shall: (a) execute and deliver to Buyer declarations in the form of the EICC-GeSI Conflict Minerals Reporting Template as adopted by EICC-GeSI or in any other form that Buyer reasonably requests; and (b) confirm to Buyer that none of Seller's suppliers of Conflict Minerals are parties or entities that the Office of Foreign Asset Control ("OFAC") has designated as a Specially Designated National ("SDN") or that OFAC would deem to be an SDN based on such deemed party's 50% or more ownership by one or more designated SDNs. Seller shall immediately disclose any changes to the conflict-free minerals status of any Products or any dealings with SDNs or deemed SDNs. If Buyer has reason to believe the minerals in any Products are not conflict-free or have been sourced by one or more SDNs or deemed SCNs, Buyer shall place Seller under contract review and research alternative supply sources and may immediately terminate the relevant Engagement as a termination for default under Section 5 hereof. All Products provided by Seller to Buyer shall be "Conflict Free," as defined in the Dodd-Frank Act.

25. CODE OF CONDUCT AND ANTI-CORRUPTION

(a) Seller will comply with Buyer's Supplier Code of Conduct ("Code of Conduct"), Human Rights Policy and Environmental Health & Safety Policy, all as amended from time-to-time, and available at www.ametek.com/who-we-are/supplier-responsibilities. Seller shall, upon Buyer's reasonable request, provide any information, details, or cooperation necessary in order for Buyer to comply with (i) its environmental or sustainability reporting requirements ("Sustainability Requirements"), (ii) applicable laws, rules or regulations, or (iii) the Code of Conduct. For the avoidance of doubt, Seller shall comply with all reporting requirements under the Buyer Sustainability Requirements and any additional reporting requirements Buyer may have in the future.

(b) Seller represents that it has neither received nor given any gifts or gratuities, nor participated in any other conduct in connection with any Engagement that violates Buyer's Code of Conduct. Seller warrants that it shall not violate or cause the Buyer to violate the U.S. Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, the United Kingdom Bribery Act ("UKBA") of 2010, as amended, or their respective implementing regulations in connection with Seller's sale or distribution of the Products and/or Services, and that Seller does not know or have reason to believe that any consultant, agent, representative or other person retained by Seller in connection with the sale and/or distribution of Products/Services has violated, nor caused Seller to violate the FPCA and/or the UKBA. Where Seller learns of or has reason to know of any violation of FCPA and/or or UKBA in connection with the sale or distribution of Products or performance of Services, Seller shall immediately advise Buyer.

26. FIRST ARTICLE INSPECTION At Buyer's request, Seller shall supply First Article Inspection Reports ("FAIR") for the first shipment of any new Products or parts thereof. Whenever a drawing of a Product or part thereof is revised, a FAIR shall be again required for all characteristics affected in the revision.

27. CERTIFICATE OF CONFORMANCE At Buyer's request, a Certificate of Conformance stating the Products conform to all Engagement requirements shall accompany each shipment. Seller shall have available for review all sub-tier certifications for goods and processes that support the shipment.

28. GENERAL COMPLIANCE WITH LAWS By the acceptance of any Engagement, Seller represents and warrants that the Products and Services provided shall be performed, manufactured, labeled, shipped, stored and otherwise handled in strict compliance with all applicable laws, codes, ordinances, regulations, executive orders and industry standards, including without limitation: (a) the Fair Labor Standards Act of l938; (b) the Toxic Substances Control Act, (c) Dodd Frank Consumer Protection Act (Conflict Minerals); (d) the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of l972; (e) the Williams-Steiger Occupational Safety and Health Act of l970; (f) any applicable federal, state, and local laws and regulations regarding discrimination because of race, color, religion, national origin, sex, age, handicap, or veteran status, including, without limitation, 4l CFR Part 60-l, 4l CFR Part 60-250, and 4l CFR Part 60-74l as amended, along with any and all regulations, amendments and standards promulgated or adopted under any of the foregoing, all of which are incorporated by reference. Seller shall promptly furnish, upon Buyer's request, all certifications required under any such laws, codes, ordinances, regulations and orders and all information otherwise reasonably necessary to assist Buyer with its compliance as requested by Buyer from time to time.

29. APPLICABLE LAW; DISPUTES Irrespective of the place of performance, each Engagement and these terms and conditions shall be construed and interpreted according to the laws of the Commonwealth of Pennsylvania. The exclusive forum for adjudication of any disputes arising out of these terms and conditions or an Engagement shall be the federal or state courts of the Commonwealth of Pennsylvania, and the parties hereby consent to personal jurisdiction and venue in such courts in any proceeding. The United Nations Convention on the International Sale of Goods shall not apply. Seller certifies that all materials incorporated into the Products or utilized in the Services were sourced, processed and manufactured in compliance with human trafficking and slavery laws in the countries in which Seller operates.

30. CYBER SECURITY STANDARDS Seller shall implement and maintain a written information security program including appropriate policies, procedures, and risk assessments that are reviewed at least annually. Without limiting the foregoing, Seller shall implement administrative, physical, and technical safeguards to protect Confidential Information and Work Product from unauthorized access, acquisition, or disclosure, destruction, alteration, accidental loss, misuse, or damage that are no less rigorous than accepted industry practices and shall ensure that all such safeguards, including the manner in which Confidential Information and Work Product is created, collected, accessed, received, used, stored, processed, disposed of, and disclosed, comply with all applicable data protection and privacy laws, as well as these terms and conditions. Seller shall immediately (and in any event, no later than seventy-two (72) hours from the occurrence of such event) notify Buyer of any attempted or actual destruction, loss, alteration, or unauthorized disclosure or access of any Buyer information (including Buyer Confidential Information and Work Product) or any other breach of Seller's data or information security systems. In such event, Seller shall immediately take all necessary steps to secure Buyer's information and data from further vulnerability and Seller shall be responsible for all costs and expenses incurred by Buyer in connection with such destruction, loss, alteration or unauthorized access (including, without limitation, consequential, indirect, incidental and other similar damages).

31. CUMULATIVE REMEDIES The rights and remedies available to Buyer under an Engagement and these terms and conditions are cumulative and are in addition to any other rights and remedies available at law or in equity or otherwise.

32. BUYER'S PURCHASE OBLIGATION Buyer shall have no obligation to request quotations or enter into Engagements with Seller, both of which will be in Buyer's sole discretion. Buyer acting in its

sole discretion will determine the actual quantity of Products and Services to be purchased. The quantity of Products or Services, if any, specified in forecasts supplied by Buyer from time to time, or otherwise, is an estimate only and shall not be deemed an obligation to purchase any Products or Services. Seller bears sole responsibility for managing Seller's raw material, work in process, and inventory, and Buyer will have no liability with respect thereto (whether upon termination of an Engagement or otherwise), other than as agreed to in writing by the parties.

33. INSURANCE Seller shall obtain and keep in force for three (3) years after the last delivery of Products or performance of Services, whichever is later, commercial general liability insurance covering each occurrence of bodily injury and property damage in an amount of not less than five million dollars (or any other amount Buyer may reasonably indicate in connection with an applicable Engagement) combined single limit with special endorsements providing coverage for: (i) Products and Completed Operations Liability; (ii) Blanket Broad Form Vendor's Liability; and (iii) Blanket Contractual Liability. If Services are performed on Buyer's premises, Seller shall also obtain Premises-Operations, Personal Injury, and Independent Contractors, Protective Liability endorsements, and shall further obtain Workers' Compensation, Employer's Liability and Automobile Liability insurance coverage in amounts reasonably acceptable to Buyer. Seller shall add Buyer as an additional insured on the commercial general liability insurance policy and, upon request, shall furnish Buyer with a certificate of insurance and applicable insurance policy endorsements evidencing the insurance required by these terms and conditions prior to commencing performance of any Engagements.

34. PUBLICITY Unless otherwise required by law, Seller shall not issue any press release or other publicity materials or make any presentation with respect to the existence of any Engagement or the terms and conditions hereof without Buyer's prior written consent. Seller shall not publicize or use any name, trade name, service marks, trademarks, trade dress or logos of Buyer nor identify Buyer as a customer without Buyer's prior written consent.

35. RELATIONSHIP OF THE PARTIES. Seller is an independent contractor of Buyer. Nothing contained herein shall be construed as creating any agency, partnership, employment or fiduciary relationship. Neither party shall have the authority to bind the other party in any manner whatsoever. Each Engagement is a non-exclusive agreement. Buyer is free to engage others to perform Services or provide Products, the same as or similar to Seller's.

36. AUDIT Upon reasonable notice, during the term of any Engagement and for two years thereafter, Seller shall provide and shall cause Seller's approved contractors, subcontractors and agents (collectively "Personnel") to provide to Buyer or its representatives, including its external auditors, access to any facility of Seller (and Seller's Personnel) and to data and records relating to the Products and Services for the purposes of: (a) verifying the integrity and security of Buyer data; (b) observing Seller's performance of its obligations under each Engagement and these terms and conditions; and (c) enabling Buyer to comply with all applicable laws. If any such audit reveals that Seller has overcharged Buyer, Seller shall promptly reimburse Buyer for such overcharge, and in the event that any such overcharge exceeds five percent (5%) of the amount that should have been charged, Seller shall promptly reimburse Buyer for all reasonable costs and expenses incurred in the conduct of the audit.

37. SEVERABILITY; AMENDMENT The invalidity of any provision contained herein will not affect the validity of any other provision. These terms and conditions and any Engagement may be amended or modified only by a written instrument separately signed by Buyer and Seller.

38. SURVIVAL All provisions of these terms and conditions which by their nature should apply beyond any termination, will survive the expiration or termination of an Engagement including without limitation, Sections 7 (Proprietary Rights), 8 (Buyer's Property), 9 (Warranties), 16 (Set-Off) 17 (Indemnification), 28 (General Compliance With Laws), 29 (Applicable Law; Disputes), 31 (Cumulative Remedies), 34 (Publicity), 36 (Audit), 40 (Open Source), 42 (Reach & RoHS Compliance), 43 (Data Protection) and 44 (Government Contracts).

39. NOTICES All notices, consents, claims, demands, waivers and communications hereunder (each a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Engagement or to such other address as may be designated by the receiving party in writing in accordance with this Section 39. All Notices shall be delivered by personal delivery, nationally recognized overnight carrier (all fees prepaid), facsimile (with confirmation of transmission) or certified or registered mail (return receipt requested, postage prepaid). A Notice is effective only if the party giving Notice has complied with the requirements of this Section 39.

40. OPEN SOURCE To the extent any Product incorporates Open Source Components, Seller's use of such Open Source Components shall be governed by, and be in accordance with the terms and conditions of the applicable open source license ("Open Source License"). Seller shall: (a) identify and describe each of the Open Source Components in the Engagement, (b) provide Buyer a complete, machine-readable copy of the source code for each such Open Source Component in accordance with the terms of the corresponding controlling Open Source License, and (c) ensure that Buyer's intended use of the Product and the purpose for which the Product was conceived for use are permitted under the applicable Open Source License. For purposes of this Section 40, Open Source Components means any software component that is subject to any open source license agreement, including software available under the GNU Affero General Public License (AGPL), GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), Apache License, BSD licenses, or any other similar license.

41. LANGUAGE The parties have specifically required that all documentation involved or connected with any Engagement and any ancillary documents agreed upon in connection therewith be drafted in English.

42. REACH & ROHS COMPLIANCE. Seller hereby represents, warrants and certifies that the Products (including their components, parts and materials) are fully compliant with any applicable rules and regulations on the restriction of hazardous substances, including, without limitation, Directive 2002/95/EC, as such may be amended from time to time, and any regulations, rules, releases, decisions or orders relating thereto adopted by any applicable government agency (collectively, "RoHS"). In particular, Seller shall, at Buyer's request, furnish to the Buyer a declaration of RoHS compliance for any Products supplied hereunder. Seller hereby represents, warrants and certifies that the Products (including their components, parts and materials) are fully compliant with the requirements of Regulation (EC) No. 1907/2006 (Registration Evaluation and Authorization of Chemicals), as such may be amended from time to time, and any regulations, rules, releases, decisions or orders relating thereto adopted by any applicable government agency (collectively, "REACH"). In particular, Seller will meet its disclosure obligations under Article 33 of REACH by informing Buyer of any Product containing a Substance of Very High Concern (SVHC) over 0.1% by weight, and shall provide Buyer with sufficient information to allow safe use of any such Product, including, without limitation, the provision of a comprehensive material safety data sheet.

43. DATA PROTECTION. If either party receives personal data (including comparable terms, such as personal information, as defined by applicable law) during the course of any Engagement, such party will be solely responsible for compliance with applicable law with respect to protecting the privacy and security of the personal data. To the extent required under applicable law, the parties will enter into additional contractual terms with respect to such Engagement in order to comply with any legal obligations to protect such personal data.

44. GOVERNMENT CONTRACTS

If Buyer has entered into an Engagement with Seller pursuant to or un further of a government "Prime Contract," whether the FAR applies or not, the following provision applies: **This contractor and its subcontractors shall abide by the requirements of 41 C.F.R. §§ 60-1.4(a), 60-300.5(a) and 60741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.**

If Buyer has entered into any Engagement with Seller pursuant to or in furtherance of a government "Prime Contract,", all applicable Federal Acquisition Regulation (FAR) clauses, including without limitation the FAR clauses listed below shall apply and are incorporated herein by reference, with the same force and effect as if they were given in full text and shall be applicable to such Engagement.

(a) 52.203-7 ANTI-KICKBACK PROCEDURES

(b) 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT

(c) 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS

(d) 52.215-2 AUDIT AND RECORDS-NEGOTIATION

(e) 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS

(f) 52.222-21 PROHIBITION OF SEGREGATED FACILITIES

(g) 52.222-26 EQUAL OPPORTUNITY

(h) 52.222-35 EQUAL OPPORTUNITY VETERANS

(i) 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES

(j) 52.222-40 NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NLRA

(k) 52.222-50 COMBATING TRAFFICKING IN PERSONS

(l) 52.223-6 DRUG-FREE WORKPLACE

(m) 52.225-5 TRADE AGREEMENTS

(n) 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES

(o) 52.225-8 DUTY-FREE ENTRY

(p) 52.227-11 PATENT RIGHTS-OWNERSHIP BY THE CONTRACTOR

(q) 52.227-14 DATA RIGHTS-GENERAL

(r) 52.230-2 COST ACCOUNTING STANDARDS

(s) 52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS

(t) 52.242-13 BANKRUPTCY

(u) 52.243-1 CHANGES-FIXED-PRICE (Applicable when the subcontract is a Fixed-Price-type contract)

(v) 52.243-4 CHANGES

(w) 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS

(x) 52.245-1 GOVERNMENT PROPERTY

(y) 52.246-1 CONTRACTOR INSPECTION REQUIREMENTS

(z) 52.246-2 INSPECTION OF SUPPLIES-FIXED PRICE (Applicable when the subcontract is a Fixed-Price-type contract)

(aa) 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS

(bb) 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (Applicable when the subcontract is a Fixed-Price-type contract)

(cc) 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (Applicable when the subcontract is a Fixed-Price-type contract)

If Buyer has entered into any Engagement with Seller pursuant to or in furtherance of a government "Prime Contract" with the Department of Defense, the Department of Defense FAR Supplement (DFARS) clauses listed below shall also be incorporated herein by reference, with the same force and effect as if they were given in full text, and shall be applicable to such Engagement.

(a) 252.204-7000 DISCLOSURE OF INFORMATION

(b) 252.219-7003 SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS)

(c) 252.223-7008 PROHIBITION OF HEXVALENT CHROMIUM

(d) 252.225-7008 RESTRICTION ON ACQUISITION OF SPECIALTY METALS

(e) 252.225-7013 DUTY-FREE ENTRY

(f) 252.225-7021 TRADE AGREEMENTS

(g) 252.226.7001 UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS

(h) 252.227-7013 RIGHTS IN TECHNICAL DATA - NONCOMMERCIAL ITEMS

(i) 252.227-7014 RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL SOFTWARE DOCUMENTATION

(j) 252.227-7015 TECHNICAL DATA - COMMERCIAL ITEMS

(k) 252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA

(l) 252.246.7007 COUNTERFEIT ELECTRONIC PARTS DETECTION AND AVOIDANCE SYSTEM

(m) 252.247.7023 TRANSPORTATION OF SUPPLIES BY SEA

In addition to those clauses listed above, any FAR and DFARS clauses contained or referenced in Buyer's Prime Contract that are required by the Prime Contract, statute or regulation to be included in subcontracts or orders placed under the Prime Contract are also incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable to any such Engagement.

For all FAR and DFARS clauses incorporated into any Engagement:

(a) substitute "Buyer" for "Government" or "United States" throughout the clause; and

(b) substitute "Buyer's Representative" for "Contracting Officer," "Administrative Contracting Officer," and "ACO" throughout the clause.

The version of the incorporated FAR and DFARS clauses current on the date of the issuance of the applicable Engagement are applicable to such Engagement.

If the current version of any FAR or DFARS clause specifically listed above conflicts with any FAR or DFARS clauses contained in Buyer's

Prime Contract, the clause in the Buyer's Prime Contract shall take precedence.

The Contracts Disputes Act shall have no application to any Engagements. Any reference to a "Disputes" clause shall mean "Disputes" clause of the specific Engagement, not any FAR or DFARS "Disputes" clause.

If Buyer has entered any Engagement with Seller pursuant to or in furtherance of a government "Prime Contract" with a government rating **"Rated Order**" with the Department of Defense, the following provisions apply:

This contractor and its subcontractors shall abide by the requirements and all provisions of 15 CFR 700