

FTI STANDARD TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE OF TERMS AND CONDITIONS. Seller agrees to be bound by and to comply with all terms set forth herein and in the purchase order, to which these terms are attached and are expressly incorporated by reference (collectively, the "Order"), including any amendments, supplements, requirements, specifications, and other documents referred to in this Order. Acknowledgement of this Order, including without limitation, by beginning performance of the work called for by this Order, shall be deemed acceptance of this Order. The terms set forth in this Order take precedence over any alternative terms in any other document connected with this transaction unless such alternative terms are: (A) part of a written supply agreement ("Supply Agreement"), which has been negotiated between the parties and which the parties have expressly agreed may override these terms in the event of a conflict and/or (B) issued by Purchaser as set forth on the face of the Order to which these terms are attached and in the absence of a Supply Agreement. In the event these terms are part of a written Supply Agreement between the parties, the term "Order" used herein shall mean any purchase order issued under the Supply Agreement. In the event of a conflict between the terms set forth herein and in the purchase order to which these terms are attached, the terms in the purchase order shall control. This Order does not constitute an acceptance by Purchaser of any offer to sell, any quotation, or any proposal. Reference in this Order to any such offer to sell, quotation or proposal shall in no way constitute a modification of any of the terms of this Order. **ANY ATTEMPTED ACKNOWLEDGMENT OF THIS ORDER CONTAINING TERMS INCONSISTENT WITH OR IN ADDITION TO THE TERMS OF THIS ORDER IS NOT BINDING UNLESS SPECIFICALLY ACCEPTED BY PURCHASER IN WRITING.**

2. PRICES, PAYMENTS AND TAXES. All prices are firm and shall not be subject to change. No extra charges of any kind will be allowed unless specifically agreed in writing by Purchaser. Purchaser's payment terms stated in the purchase order shall be in effect. Seller must provide banking information to establish electronic funds transfers for U.S. suppliers and wire transfers for non-U.S. suppliers. Purchaser shall be entitled to set-off any amount owing from Seller to Purchaser against any amount payable under this Order. Seller agrees to submit correct and complete invoices for goods or services within 180 days of the received date of the goods or services. Any claim involving perceived nonpayment, underpayment or any other payment related issues shall be deemed waived unless asserted in writing within sixty (60) days after (1) receipt by Seller of Purchaser's payment or (2) the Net Due Date, whichever first occurs.

2.1 TAXES: Seller assumes exclusive liability under all laws that impose taxes or other exactions on the manufacture or sale of articles to be furnished hereunder, or on any services rendered by Seller, and agrees to pay any and all such taxes except those which the Purchaser specifically agrees or is by law required to pay. Any taxes to be paid by Purchaser shall be separately stated on the invoice. Invoices should not include any taxes for which the Purchaser has furnished a valid exemption certificate.

3. DELIVERY AND DELAY. Time is of the essence for this Order. Unless otherwise agreed to in writing, any material commitments or production arrangements that Seller makes which are in excess of the amount or in advance of the time necessary to meet schedules that are within lead time shall be at Seller's risk and cost. Seller bears sole responsibility for managing Seller's raw material, work in process, and inventory, and Purchaser shall have no liability with respect thereto (whether upon termination of this Order or subcontract) other than in connection with termination as provided in Section 13, below.

3.1 If Seller fails to deliver the goods or complete the services as scheduled, Purchaser may assess such amounts as may be set on the face of an Order as liquidated damages for the agreed delay period. The parties agree that such amounts, if assessed, are an exclusive remedy for the agreed delay period; are a reasonable pre-estimate of the damages Purchaser will suffer as a result of delay based on circumstances existing at the time the Order was established; and are to be assessed as liquidated damages and not as a penalty. In the absence of agreed to liquidated damages, Purchaser shall be entitled to recover damages that it incurs as a result of Seller's failure to perform as scheduled. Unless expressly stated to the contrary, Purchaser's remedies are cumulative and Purchaser shall be entitled to pursue any and all remedies available at law or equity. Further to the foregoing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Purchaser's delivery schedule. Should Seller enter into such commitments or engage in such production, any resulting exposure shall be for Seller's account.

4. TRANSPORTATION AND PACKAGING. Unless otherwise stipulated on the face of the purchase order, goods covered by this Order shall be shipped and delivered FOB (Incoterms, 2010 Edition) except goods that are to be shipped directly to Purchaser's customer or a location designated by Purchaser's customer. In any event, title to goods shall pass to Purchaser upon (1) arrival of such goods at the specified delivery location, and (2) Purchaser's inspection and receipt into its receiving system. Purchaser insures all goods for which it accepts risk of loss while such goods are in transit. Therefore, Seller shall not declare any insurance value on such goods shipped via Purchaser's designated carrier. Failure of Seller to comply with any such Purchaser specification shall cause all resulting transportation charges to be for the account of Seller and give rise to any other remedies available at law or equity. Packing, preservation, and marking will be in accordance with the specification, drawing or as specified on the Order, or if not specified, the best commercially accepted practice will be used, and at a minimum consistent with applicable law.

4.1 Seller shall release rail or truck shipments at the lowest released valuation permitted in the governing tariff or classification. Purchaser will pay no charges for unauthorized transportation. Any unauthorized shipment, which results in excess transportation charges, must be fully prepaid by the Seller. If Seller does not comply with the stated delivery schedule, Purchaser may require delivery by the fastest means available. The charges resulting from this mode of transportation must be fully prepaid and the Seller must absorb the full cost of the shipment.

5. CHANGES.

5.1 Purchaser shall have the right to change the specifications or other descriptions of the item(s) or in the delivery dates thereof without any liability to Seller, but not later than: (a) the date Seller loads the first of the item(s) for shipment to Purchaser, to the extent such item(s) are held in inventory by Seller; and (b) the date Seller actually starts fabricating non-inventory item(s). Purchaser shall also have the right to make such changes after said date, but in each event, Purchaser shall pay to Seller the amount of Seller's additional direct costs, if any, which shall have resulted directly and exclusively from Purchaser's directed changes.

5.2 No departure shall be made by Seller from Purchaser's specifications, nor any change made in materials, sources of supply, or design, manufacturing, or assembly processes. Any change(s) to the specifications requested by Seller must be in writing and is(are) subject to the receipt of written approval from Purchaser's Engineering department, to be issued at Purchaser's sole discretion. Seller must request and receive approval from Purchaser of any proposed changes in writing. Failure to do so could result in penalties and or termination of purchase order for default. In the event that Seller desires to transfer any work under this Order to another site or make any material modification in its manufacturing process or the procurement of materials related to the goods, it shall first consult with and obtain the prior written consent of Purchaser, which consent shall not be unreasonably withheld. Such consent by Purchaser shall be subject to qualification of the new site under Purchaser's supplier qualification standards. Purchaser reserves sole right to accept or reject such changes.

5.3 Nothing in this section, including any disagreement with Purchaser as to the equitable adjustment to be made, shall excuse Seller from proceeding with the Order as changed.

6. PARTS COMPLIANCE AND MATERIALS TEST CERTIFICATION. By acceptance of this purchase order, Seller certifies that goods supplied shall conform to all requirements of this Order, including referenced specifications in effect as of the date of purchase order placement or as modified pursuant to Section 5, and that evidence of conformance and specifications required by this Order is on file and available for examination by Purchaser.

6.1 Seller shall conform to the Supplier Quality Manual process as directed. Seller shall comply with all requirements of the Purchaser's component/supplier validation process before production parts can be shipped to Purchaser. Seller shall notify Purchaser and adhere to component/supplier validation process if any changes in part parameters, processes used to produce parts, or facilities changes occur throughout Seller's supply chain. Seller shall provide on-going part verification data in accordance with Purchaser's component/supplier validation process including real-time data for any characteristics identified as Critical to Quality characteristics (CTQs). Data for CTQs shall be provided electronically to Purchaser. Seller shall perform timely failure analysis and implement corrective actions for components found to be defective from Purchaser. Any review or approval by Purchaser regarding the validation process will be for Seller's convenience and will not relieve Seller of its responsibility to meet all requirements of this Order

7. WARRANTIES.

7.1 Seller warrants and represents that all such goods and services will be new and of merchantable quality, not used, rebuilt, or made of refurbished material unless approved in writing by Purchaser, free from all defects in design, workmanship and material and will be fit for the particular purpose for which they are intended. Such goods and services will be provided in strict accordance with all specifications, samples, drawings, designs, descriptions, or other requirements approved or adopted by Purchaser. Any review or approval of drawings by Purchaser will be for Seller's convenience and will not relieve Seller of its responsibility to meet all requirements of this Order. Any attempt by Seller to limit, disclaim or restrict any such warranties or remedies by acknowledgment or otherwise shall be null, void, and ineffective.

7.2 The foregoing warranties shall apply for a period of twenty-four (24) months, plus delays (such as those due to nonconforming goods and services), from the date (A) of Seller's delivery of all goods to destination/performance of the services; and (B) such goods or services have successfully passed all performance and operational tests as applicable and required under the Order. The warranties shall apply to Purchaser, its successors, assigns and the users of goods and services covered by this Order.

7.3 If any of the goods and/or services are found to be defective or otherwise not in conformity with the warranties in this section during the warranty period, then, Purchaser, in addition to any other rights, remedies and choices it may have by law, contract or at equity, and in addition to seeking recovery of any and all damages and costs emanating therefrom, at its option and sole discretion and at Seller's expense may: (A) require Seller to inspect, ship and repair or replace/re-perform nonconforming goods and/or services with goods and/or services that conform to all requirements of this Order; (B) take such actions as may be required to cure all defects and/or bring the goods and/or services into conformity with all requirements of this Order, in which event all related costs and expenses (including, but not limited to, material, labor and handling costs and any required re-performance of value added machining or other service) and other reasonable charges shall be for Seller's account; and/or (C) reject and return all or any portion of such goods and/or services. Any repaired or replaced good, or part thereof, or re-performed services shall carry warranties on the same terms as set forth above, with the warranty period being the greater of the original unexpired warranty or twelve (12) months after repair or replacement.

7.4 Purchaser's failure to inspect, accept, reject, or detect defects by inspection shall neither relieve Seller from responsibility for such goods or services that are not in accordance with the Order requirements nor impose liabilities on Purchaser.

8. AUDIT AND INSPECTION. Seller shall permit Purchaser or its representatives to have reasonable access to the site(s) where work under this Order is performed to assess Seller's compliance with its representations and warranties in order to assess Seller's work quality, conformance with Purchaser's specifications and compliance with this Order. Upon reasonable notice by Purchaser, all:

(A) goods, materials and services related in any way to the goods and services purchased hereunder (including without limitation raw materials, components, intermediate assemblies, work in process, tools and end products) shall be subject to inspection and test by Purchaser and its customer or representative at all times and places, including sites where the goods and services are created or performed, whether they are at premises of Seller, Seller's suppliers or elsewhere; and (B) Seller's books and records relating to this Order shall be subject to audit and inspection by Purchaser.

8.1 Seller shall provide and maintain an inspection, testing and process control system acceptable to Purchaser and its customer covering the goods and services to ensure compliance with this Order and shall keep complete records available to Purchaser and its customer for three (3) years after completion of this Order. Acceptance of such system by Purchaser shall not alter the obligations and liability of Seller under this Order.

9. PURCHASER'S PROPERTY. All Purchaser property, including but not limited to tools, tool drawings, equipment, materials, drawings, specifications, as well as materials that include or disclose processes, know-how, procedures, process parameters, trade secrets, and any other documents, information or data of every description and storage media containing software or firmware, that is furnished to Seller by Purchaser, or paid for in whole or in part by Purchaser, and any replacement thereof, or any materials affixed or attached thereto (hereinafter, collectively referred to as "Purchaser's Property"), shall be and remain the exclusive personal property of Purchaser, and, unless otherwise agreed to in writing by Purchaser shall be used by Seller solely to render services or provide goods to Purchaser. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as being the property of Purchaser or Purchaser's designee, and shall be safely stored separate and apart from Seller's property. Seller agrees to clearly and legible mark all molds, patterns, fixtures, and tooling paid for by Purchaser as "Property of Finish Thompson, Inc." Seller further agrees to comply with any handling and storage requirements provided by Purchaser for such property. Seller shall not substitute any property for Purchaser's Property and shall not use such property except in filling Purchaser's purchase orders. Such property while in Seller's custody or control shall be held at Seller's risk and shall be insured by Seller at Seller's expense for replacement cost with loss payable to Purchaser. Such property shall be subject to removal at Purchaser's written request, in which event Seller shall prepare such property for shipment and shall deliver it as directed by Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense. Unless otherwise instructed by Purchaser in writing, upon completion of performance of all of purchase order requirements including but not limited to the record retention requirements set forth in Section 14.5, the Seller shall return all Purchaser's Property to Purchaser at Seller's expense. The Purchaser may require the Seller to provide a certification of the destruction of all intangible Purchaser's Property.

10. CONFIDENTIALITY. Supplier shall safeguard and keep confidential any and all information relating to Purchaser obtained by it or provided to it by Purchaser in connection with this Agreement, and shall use such information only for the purposes of carrying out its obligations under this Agreement. This information shall include (A) any tangible or intangible property furnished by Purchaser in connection with this Order, including any drawings, specifications, data, goods and/or information; (B) technical, process, proprietary or economic information derived from drawings or 3D or other models owned or provided by Purchaser; and (C) other tangible or intangible property furnished by Purchaser in connection with this Order, including any drawings, specifications, data, goods and/or information (the "Confidential Information") and shall not divulge, directly or indirectly, the Confidential Information for the benefit of any other party without Purchaser's prior written consent.

11. INDEMNITY AND INSURANCE.

11.1 INDEMNITY. Seller shall defend, indemnify, release and hold harmless Purchaser, its directors, officers, employees, agents representatives, successors and assigns, whether acting in the course of their employment or otherwise, against any and all suits, actions, or proceedings, at law or in equity, and from any and all claims, demands, losses, judgments, fines, penalties, damages, costs, expenses, or liabilities (including without limitation claims for personal injury or property or environmental damage, claims or damages payable to customers of Purchaser, and breaches of Section 10 above) arising from any act or omission of Seller, its agents, employees, or subcontractors, except to the extent attributable to the sole and direct gross negligence of Purchaser. Seller further agrees to indemnify Purchaser for any attorneys' fees or other costs that Purchaser incurs in the event that Purchaser has to file a lawsuit to enforce any indemnity or additional insured provision of this Order.

11.2 INSURANCE. Seller represents and warrants to Purchaser that it has in place with reputable insurers such insurance policies in coverage amounts that would be maintained by a prudent Seller of goods and services similar to the Goods and Services provided hereunder, including, as applicable, professional errors and omissions liability insurance and comprehensive commercial general liability insurance (including product liability coverage, all-risk contractors' equipment insurance, and automobile liability insurance). In addition, Seller will take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by Purchaser from time to time. Seller will promptly deliver to Purchaser, as and when requested, written proof of such insurance. If requested, Purchaser will be named as an additional insured under any such policies. If requested by Purchaser, such insurance will provide that it cannot be cancelled, or materially changed so as to affect the coverage provided under this Agreement, without the insurer providing at least 30 days prior written notice to Purchaser.

12. COMPLIANCE WITH LAWS. Seller represents to Purchaser that Seller has complied and will comply with all Federal, State, and Local laws and regulations applicable to the item(s) and services covered by this Order, including all safety, environmental, and labor laws. Seller shall provide applicable Safety Data Sheet (SDS) to the Purchaser for ordered products. This Order shall be governed by the laws of the jurisdiction in which Purchaser is organized, notwithstanding such jurisdictions conflict of laws rules. For

any Purchaser organized in the U.S., Pennsylvania law shall govern, notwithstanding its conflict of laws rules. The application of the United Nations Convention on the International Sale of Goods is hereby excluded except as expressly referenced herein.

13. **TERMINATION.** At any time, Purchaser shall have the right for its own convenience to cancel this Agreement without any liability to Seller, but not later than: (a) the date Seller loads the first of the item(s) for shipment to Purchaser, to the extent such item(s) are held in inventory by Seller; and (b) the date Vendor actually starts fabricating non-inventory item(s), or starts to perform the services on Purchaser's property. Purchaser shall also have the right for its own convenience to cancel this Agreement after said dates, but in such event, Purchaser shall pay to Seller the unit price(s) for each of the item(s) shipped to date, and the proportionate cost of services performed to date, plus, the amount of Seller's additional direct costs, if any, which shall have resulted directly and exclusively from Purchaser's said termination. Unless otherwise agreed to in writing by Purchaser, Seller shall not make material commitments or production arrangements in excess of the quantities specified in Purchaser's Order or release and/or in advance of the time necessary to meet Purchaser's delivery schedule. Should Seller enter into such commitments or engage in such production, any resulting exposure shall be for Seller's account.

14. **MISCELLANEOUS.**

14.1 **ENGLISH LANGUAGE.** Except as the parties may otherwise agree, this Order, purchase orders, purchase agreements, data, notices, shipping invoices, correspondence and all other writings shall be in the English language. In the event of any inconsistency between any terms of this Order and any translation thereof into another language, the English language meaning shall control.

14.2 **WAIVER, MODIFICATION AND SEVERABILITY.** Any failure or delay in the exercise of rights or remedies under this Order will not operate to waive or impair such rights or remedies. Any waiver given will not be construed to require future or further waivers. No waiver, alteration, or modification of any of the provisions of this Order shall be binding upon either party unless in a subsequent writing signed by the duly authorized representative of the party intended to be bound thereby. If any portion of this Order is determined to be contrary to any controlling law, rule or regulation, such portion will be revised or deleted from this Order, but the balance of this Order will remain in full force and effect. The invalidity, in whole or in part, of any of the foregoing sections or paragraphs of this Order shall not affect the remainder of such sections or paragraphs or any other section or paragraph of this Order, which shall continue in full force and effect. Further, the parties agree to give any such section or provision deemed invalid, in whole or in part, a lawful interpretation that most closely reflects the original intention of Purchaser and Seller.

14.3 **SECURITY INTEREST.** In the event items will be bailed to Seller or progress payments will be made, Seller hereby grants Purchaser a security interest in equipment, machinery, contract rights, inventory, goods, merchandise and raw materials, whether now existing or hereafter arising, and any replacements, improvements, substitutions, attachments, accessories and accessions thereto or thereon provided by Purchaser or purchased by Seller with progress payments or advances made by Purchaser and to be used by Seller in manufacturing goods ordered by Purchaser under this Order. Seller agrees to execute and deliver all documents requested by Purchaser to protect and maintain Purchaser's security interest.

14.4 **REMEDIES.** Unless expressly indicated otherwise, any right or remedy of Purchaser set forth in this Order shall not be exclusive, and, in addition thereto, Purchaser shall have all rights and remedies under applicable law, including, without limitation, injunctive and/or equitable relief. Without limiting the generality of the foregoing, the parties agree that, whether as a result of breach of contract, warranty, tort (including negligence or patent infringement) or otherwise, Seller shall be liable for any special, consequential, incidental, indirect or exemplary damages relating to the goods, including, but not limited to, contractual liability of Purchaser to its customers, and liability for property damage or personal injury.

14.5 **RECORD RETENTION REQUIREMENTS.** Seller shall maintain, for eight (8) years from the date of final payment under this Order or subcontract, purchase order files for supplies, equipment, material, or services including supporting related documentation, records and back-up files including, but not limited to, invoices and memoranda (e.g., memoranda of negotiations showing the principal elements of price negotiations), product acceptance and quality records, including inspection records, material certifications, and acceptance test records.

14.6 **ENTIRE AGREEMENT.** This Order, with documents as are expressly incorporated by reference, is intended as a complete, exclusive, and final expression of the parties' agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties. The parties represent that they are not relying upon any representations, understandings, or agreements, written or oral, which are not included herein in making their respective decisions to execute this Agreement. This Order may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument. Facsimile signatures on such counterparts are deemed originals. No course of prior dealings and no usage of the trade shall be relevant to determine the meaning of this Order even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection. The term "including" shall mean and be construed as "including, but not limited to", unless expressly stated to the contrary. All provisions or obligations contained in this Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of an Order will survive and remain binding upon and for the benefit of the parties, their successors (including without limitation successors by merger) and permitted assigns including, without limitation, Sections 7, 8, 9, 10, 11, and 12.