

**TERMS AND CONDITIONS**  
**(Kurz-Kasch Purchasing from Vendors)**

Overriding Agreement – Acceptance by Seller of this purchase order from Kurz-Kasch, Inc. (“Kurz-Kasch”) for the herein enumerated items and/or services (“Products”), which purchase order is acknowledged hereby to be an offer to contract, is expressly conditioned upon the agreement of Seller that the provisions herein control the purchase order and further condition that any prior communications shall be construed as negotiations and merged into and superseded hereby. No condition, different or additional provisions stated by Seller in any acceptance or acknowledgment of this purchase order shall be binding upon Kurz-Kasch unless expressly accepted by an authorized representative of Kurz-Kasch in writing. Unless the context requires otherwise, the provisions hereof and the term “Order” when used herein, shall encompass this purchase order as well as a contract or agreement resulting from implementing this purchase order. Unless otherwise provided herein, the written acceptance by Seller of this purchase order or the commencement of any work or the performance of any services hereunder by Seller (including work or services with respect to samples) shall constitute acceptance by Seller of the provisions of this Order. No provisions other than those set forth in this Order (which Order includes any document attached to or incorporated by reference) shall be binding upon Kurz-Kasch unless accomplished in accordance with these terms and conditions.

Delivery/Shipping – Unless otherwise specifically expressed in this Order:

1. Seller shall not fabricate any Products or procure any of the material required for same, or ship any Products to Kurz-Kasch, except to the extent authorized in written shipping and/or delivery schedules and/or instructions furnished by Kurz-Kasch. Kurz-Kasch shall have no responsibility for Products for which such schedules or instructions have not been provided, the same may be returned to Seller and Seller shall pay all packaging, handling, storage and transportation expenses and all other expenses in connection therewith. Kurz-Kasch from time to time may direct complete or partial suspension of such instructions and/or schedules without liability of, or expense to, Kurz-Kasch, except as expressed herein under Changes.
2. At Seller’s expense, Seller shall properly pack and mark each package with Kurz-Kasch’s purchase order number, part number, factory, plant and all in accordance with any applicable requirements of Kurz-Kasch and common carriers in a manner to secure lowest transportation costs.
3. Kurz-Kasch’s purchase order, part, and package numbers shall be shown on related packing slips, bill of lading and invoices.
4. No charge shall be made to Kurz-Kasch for packing, marking, drayage, storage or otherwise.
5. Seller shall describe Products on the bill of lading and other shipping receipts and shall route shipment in accordance with instructions issued by Kurz-Kasch. If no shipping instructions are given by Kurz-Kasch, Seller shall call ordering plant,

Price – If prices for Products are higher than specified initially by Kurz-Kasch in this purchase order, Seller must secure Kurz-Kasch’s written approval to any such increase prior to any contract being created. Seller warrants that the prices are no higher than are currently available from Seller to any other purchaser of Products. No extra charges of any kind will be allowed unless specifically agreed to in writing by an authorized representative of Kurz-Kasch in advance. All government imposed excise, manufacturing, sales use and similar taxes shall be the obligation of Seller, except where expressly stated herein and separately and conspicuously indicated on the invoice to be the obligation of Kurz-Kasch. Any cash discount period shall be computed from the date of receipt by Kurz-Kasch of a complete and correct invoice, or Products, whichever is later. On invoices returned for completion or correction, the cash discount period shall run from the date of Kurz-Kasch’s receipt of the completed or corrected invoice. Unless freight, taxes, and other charges to Kurz-Kasch, if any, are itemized, any discount will be taken on the full amount of the invoices. All payments are subject to adjustment prior or subsequent to being made, for a shortage, correction, or rejection. A bill of lading must be included with shipment.

Changes – Buyer reserves the right at any time to make written changes in any one or more of the following: (a) Specifications, drawings and data incorporated in this order; (b) methods of shipment or packing; (c) place of delivery; (d) time of delivery; (e) manner of delivery; and (f) quantities.

If any such change causes an increase or decrease in the cost of, or the time required for, performance of this order, Seller shall be entitled to claim an equitable adjustment in the price or delivery schedule, or both. Any claim for adjustment under this article shall be deemed waived unless asserted within ten (10) days from the date of receipt by Seller of the change order; provided, however, that Buyer, if it decides in its sole discretion that the facts justify such action, may receive and act upon any such claim submitted at any time prior to final payment under this order. Any claim by Seller for adjustment under this Article must be approved by Buyer in writing before Seller proceeds with such change. Price increases shall not be binding on Buyer unless evidenced by a purchase order change notice or revision issued and signed by Buyer’s authorized representative.

Delivery – Time is of the essence for this order unless Kurz-Kasch has expressly provided otherwise herein, delivery shall not be complete until Products have been received and accepted from the carrier at Kurz-Kasch’s receiving dock by Kurz-Kasch, notwithstanding any agreement to pay transportation and/or any other related charges.

**TERMS AND CONDITIONS**  
**(Kurz-Kasch Purchasing from Vendors)**

Non-Payment by Kurz-Kasch – Kurz-Kasch shall not be liable for failure to perform hereunder arising from causes beyond the reasonable control of Kurz-Kasch, including but not limited to labor disputes, and Kurz-Kasch may, in addition to its other rights set out in this Order, and whether or not such default is sufficient justification for Kurz-Kasch to have the option to terminate further performance hereunder, defer payment and/or other performance by Kurz-Kasch during any period in which Seller is in default hereunder. The unjustified failure by Kurz-Kasch to pay any amount to Seller in accordance with this Order shall be actionable by Seller, and the Seller, as its sole, complete, and exclusive remedy may recover any such amount to which Seller is entitled.

Termination at Option of Kurz-Kasch – Unless otherwise specifically expressed in the Order:

1. Ongoing performance of work hereunder may be terminated in whole or in part by Kurz-Kasch at its option for any reason sufficient in the sole business judgment of Kurz-Kasch at any time by written notice to Seller. After receipt of such notice, Seller shall, unless otherwise directed by Kurz-Kasch, immediately terminate all work hereunder, and
  - a. Terminate all orders and contracts relating thereto.
  - b. Reasonably settle all claims arising out of such terminations.
  - c. Transfer title and deliver to Kurz-Kasch (i) all completed work which conforms to the requirements hereof and does not exceed, in quantity, the amount authorized by Kurz-Kasch for production, and (ii) all reasonable quantities (but not in excess of amounts authorized by Kurz-Kasch) of work in process and materials produced or acquired in commencing performance of the work terminated which are of the type and quality suitable for producing Products which conform to the requirements of this Order and which cannot reasonably be used by Seller.
  - d. Take all action necessary to protect property in Seller's possession in which Kurz-Kasch has or may acquire an interest.
  - e. Submit to Kurz-Kasch promptly, and in all events not later than three (3) months from termination (one month in the case of partial termination), Seller's termination claim; provided, however, that in the event of failure of Seller to so submit, Kurz-Kasch may determine in good faith, notwithstanding the provisions of paragraph 2 hereof, on the basis of information available to it, the amount, if any, due Seller with respect to the termination, and such determination shall be final.
2. Upon termination by Kurz-Kasch under this captioned section, Kurz-Kasch shall pay to Seller the following amounts without duplication:
  - a. The price herein for all Products completed and delivered in accordance with this Order and not previously paid.
  - b. The actual and necessary incurred net (non-recoverable through mitigation by Seller) costs incurred by Seller properly allocable under generally accepted accounting principles and practices to the balance of the Products not provided for in (a) above, including work in process and raw materials: such costs to in no event include anticipated profits or exceed the price allocable to such balance of Products in the Order.
3. The provisions of paragraph 2 above shall not apply if, and for so long as, Seller is in default hereunder.

Assignment – Seller shall not delegate its performance under this Order. Seller shall not assign any interest in this Order or any payment due or to become due hereunder without first obtaining written consent from an authorized representative of Kurz-Kasch. Whether Kurz-Kasch does or does not give its written consent to an assignment of any payment hereunder, Kurz-Kasch shall be entitled to assert against Seller, alone, in the absence of any assignment or against Seller and Seller's assignees if any, all rights, claims and defense of every type arising from any cause whatsoever, within rights of setoff, recoupment, and counterclaim which Kurz-Kasch could assert against Seller or such assignee, whether acquired prior to or subsequent to such assignment.

Compliance with Laws – In Seller's performance hereunder, Seller shall comply with all applicable laws, ordinances, executive orders and regulations hereunder, and this Order shall be deemed to incorporate by reference all the clauses required thereby.

Warranties and Cumulative Rights and Remedies – Seller warrants that Products and the materials and components incorporated therein shall be free from defects in material and workmanship; shall be merchantable and fit for such purposes and uses, if any, as specified by Kurz-Kasch; and that the design shall satisfy all requirements of any samples, drawings, and/or supplied to or by Seller in connection herewith. Seller further warrants that all performance hereunder by Seller will be by careful efficient, qualified persons in the best and most workmanlike manner and will conform to the specifications and the highest standards applicable in the field. These warranties shall continue notwithstanding any inspection, receipt, acceptance, or payment by Kurz-Kasch. These warranties extend to Kurz-Kasch, its successors, assigns, customers, and users of its products. Products not in conformity herewith, at Kurz-Kasch's option and at no expense to Kurz-Kasch (1) may be retained by Kurz-Kasch at an equitable adjustment in price, (2) may be returned to Seller for repair, replacement, correction, credit, or refund as specified by Kurz-Kasch, or (3) may be corrected in place by Seller or by Kurz-Kasch, at Kurz-Kasch's option, at Seller's expense. Seller assumes all risk of loss or damage to Products rejected by Kurz-Kasch while they are in Kurz-Kasch's possession (excepting only Kurz-Kasch's willful actions), and while they are in transit. Defective or non-conforming Products shall not be replaced by Seller absent specific authorization from Kurz-Kasch. Seller shall bear the transportation, handling, storage and related expenses of

**TERMS AND CONDITIONS**  
**(Kurz-Kasch Purchasing from Vendors)**

rejected Products, Seller shall, at its sole expense, indemnify, defend and hold Kurz-Kasch harmless from and against any and all claims made against Kurz-Kasch based upon relating to, or directly or indirectly, arising out of any claimed defects in Products or some other aspect of Seller's performance hereunder. It is understood and agreed that tender of non-conforming Products may substantially impair this entire Order and may cause Kurz-Kasch special damage. Warranties, rights, and remedies provided Kurz-Kasch herein are not exclusive and are in addition to and cumulative with any other warranties, rights, or remedies provided by law or in equity.

Seller's Default – Should Seller fail or refuse to perform any provision of this Order, or should Kurz-Kasch reasonably conclude that the prospects of future performance by Seller hereunder is impaired, and in either event, same shall be a default by Seller hereunder and Kurz-Kasch may delay or terminate further performance, in whole or in part by Kurz-Kasch, without such termination or delay being a default by Kurz-Kasch hereunder, upon notice being given to Seller of such election. Without limitation of the generality of the foregoing, any non-conformity in any lot or installment delivered hereunder shall constitute grounds for rejection by Kurz-Kasch of such lot or installment. In addition, Kurz-Kasch may cancel the entire balance of the entire Order for any such non-conformity, without such cancellation being a default by Kurz-Kasch hereunder.

Indemnification by Seller – Seller shall indemnify and hold Kurz-Kasch harmless from any loss, penalty, and/or damages, including but not limited to attorney fees resulting from or arising in connection with any default hereunder by Seller.

Non-Waiver – Any waiver or failure of Kurz-Kasch to require strict compliance with any provision of this Order shall not be deemed to be a waiver of Kurz-Kasch's rights to insist upon strict compliance in other respects or thereafter in the same respect.

Friendly Assistance – No accommodation or attempted accommodation or other friendly assistance by Kurz-Kasch in respect to any business situation in which Kurz-Kasch may undertake or agree to undertake additional obligations beyond those legally required of Kurz-Kasch hereunder, shall be binding or enforceable upon Kurz-Kasch the extent performed by Kurz-Kasch nor shall any such action directly or indirectly result in a waiver of, change, or otherwise extend the terms hereof and the legal responsibilities of Kurz-Kasch of Seller in any manner whatsoever.

Inspection and Testing – All Products are subject to inspection and testing at all times and places, either before, during, or after shipment, in accordance with procedures established from time to time by Kurz-Kasch. Where rejection of non-conforming Products exceeds Kurz-Kasch's established acceptable quality levels, Kurz-Kasch may conduct a 100% inspection and charge Seller the cost thereof. Seller's facilities for producing and furnishing Products shall at all times be subject to inspection by Kurz-Kasch. Seller shall maintain complete and detailed records of all inspections and tests which shall indicate the nature and number of observations made, the number and type of deficiencies found, the quantities approved and rejected, and the nature of any corrective action taken. Such records shall be available to Kurz-Kasch at all times, and unless otherwise agreed to in writing by an authorized representative of Kurz-Kasch, shall be retained by Seller for a period of at least five (5) years from the date of the last delivery hereunder. The Seller shall have on file, subject to audit by Kurz-Kasch, adequate data showing the physical and chemical properties of all Products as well as components and raw material incorporated therein, and shall impose the same requirements on any subcontractors.

Confidentiality, Inventions – All information furnished or made available by Buyer to Seller's employees or subcontractors in connection with the items or services covered by this order shall be treated as confidential and shall not be disclosed by Seller, its employees and subcontractors to any third party either in whole or in part, without Buyer's prior written consent. Seller agrees that all designs, drawings, processes, compositions of material, specifications, or other technical information made or furnished by Seller in connection with the items or services covered by this order, including all rights thereto, shall be the sole and exclusive property of Buyer, free from any restriction, and Seller shall protect same against unauthorized disclosure to or use by any third party. Seller agrees that, as to all inventions and improvements in such designs, drawings, processes, compositions of material, specifications, or other technical information made or furnished by Seller in connection with the items or services covered by this order, Seller will promptly identify and disclose such inventions or improvements to Buyer and execute or obtain the execution of any papers as may be necessary to perfect ownership of the inventions or improvements in Buyer or as may be necessary in the obtainment, maintenance, or enforcement by Buyer or any patent, trademark, copyright, trade secret, other proprietary right pertaining to the inventions or improvements. The confidentiality provisions and the obligations of this paragraph shall survive termination or completion of this order.

Confidential Information of Seller – If any information which Seller discloses to Kurz-Kasch in connection with this Order is considered confidential and/or proprietary by Seller, prior to disclosure Seller shall conspicuously notify Kurz-Kasch of that fact, and Kurz-Kasch shall thereafter take precautions to protect Seller's interest therein, which precautions shall be conclusively presumed adequate and acceptable to Seller unless Seller shall request a written particularization of Kurz-Kasch's intended precautions and shall object to their adequacy prior to making disclosure of the information sought to be protected. Such particularized precautions, if taken, as furnished in writing to Seller, shall be conclusively presumed adequate, Seller's sole option

**TERMS AND CONDITIONS**  
**(Kurz-Kasch Purchasing from Vendors)**

being to decline to disclose such confidential or proprietary information until such written particularization, if accomplished, is acceptable to Seller.

Patents – Seller agrees to indemnify and hold harmless Kurz-Kasch, its successors, assigns, customers, and users of its products against any, and all liability, loss and expense (including but not limited to attorney fees and court costs) by reason of any claim, action or litigation arising out of any alleged or actual, direct or contributory infringement of patents arising from the purchase, use or sale of the Products. In case the purchase, use or sale of the Products or any part thereof, is held to constitute infringement and/or is enjoined, Seller shall, at its own expense, procure for Kurz-Kasch, its successors, assigns, customers and users of its products, the right to continue the purchase, use and sale of the Products; or, with the approval of Kurz-Kasch, modify the Products so they become non-infringing; or remove the Products and refund the price and installation, transportation, and storage costs thereof. If this order involves experimentation, research or development work, Seller agrees to grant to Kurz-Kasch an irrevocable, non-exclusive, and royalty-free license to make, have made, use, and sell any inventions resulting from work under this Order.

Material Furnished by Kurz-Kasch – Unless otherwise expressly stated in writing, any material furnished by Kurz-Kasch in connection with order shall remain Kurz-Kasch's property. All such materials not used in the manufacture of Products shall, as directed, be returned to Kurz-Kasch at Seller's expense, and if not accounted for or so returned shall be paid for by the Seller. The furnishing of any material or other items by Kurz-Kasch shall in no way release Seller from Seller's obligations hereunder.

Special Tooling – All special dies, tools, patterns, designs, drawings, materials, information, and/or equipment directly or indirectly used in the furnishing of Products; either furnished or paid for by Kurz-Kasch or purchased from funds furnished by Kurz-Kasch as allocated on Seller's books, belong to and shall be the property of Kurz-Kasch, and shall not be used by Seller for the benefit of any other entity, and may be removed by Kurz-Kasch at any time. All such items while in the possession of Seller shall be maintained and cared for at Seller's expense and Seller shall bear the risk of loss and damage to same.

Notice – Any notice required or permitted to be given to Kurz-Kasch hereunder shall be sufficient if received by Kurz-Kasch's Purchasing Agent at the address first above written. Any notice required or permitted to be given to Seller shall be sufficient if sent to Seller at the address first above written. Either party hereto may change its address for notice purposes by written notice to the other party.

Captions – Captions on sections of these terms and conditions are inserted only for convenience and reference, and shall not be construed to limit the scope or intention of any provision thereof.

Limitation of Actions – Any action for Kurz-Kasch's alleged breach of the agreement created hereby must be commenced within twelve (12) months after occurrence of the facts alleged to constitute a breach.

Errors – Errors in the non-printed portion thereof other typographical or clerical are subject to correction by Kurz-Kasch.

Severability – If any clause hereof is determined to be contrary to law, unconscionable, or otherwise unenforceable by any third party with authority to make a binding determination, the clause in question shall be modified in its effect only to the extent necessary to bring it within the minimum standard required, and if so modified the clause shall remain binding upon the parties. The remaining provisions of this instrument shall not be affected by such modification.

Controlling Law – This transaction shall be construed according to the laws of the state in which Kurz-Kasch's receiving point is located as indicated by the address on the face of this Order.

All suppliers to Kurz-Kasch must meet the requirements specified in our Supplier Quality Manual which is located at [www.kurz-kasch.com](http://www.kurz-kasch.com). These requirements that are to be met by our suppliers include but, are not limited to...

- a. Must obtain approval by Kurz-Kasch for any product or process changes. (ex...tooling change, material change, supplier change, location change)
- b. Must have methods to assure that personnel performing work are qualified and trained to do work performed.
- c. Must have Quality Management Systems appropriate for the type of product you are supplying. If you are supplying Automotive product then you are to be compliant to ISO / TS 16949. If you are supplying Aerospace Product you are to be compliant to AS9100.
- d. Drawings and specifications are to be controlled and revisions are to be tracked.
- e. Requirements for any / all design, testing, and inspection are to be agreed to prior to production. Variable data and / or statistical data is to be maintained per agreement. (storage, quantity, methods)
- f. Supplier must notify us of Non-conforming product and is to have our approval prior to shipping any such product. Any disposition of said product must be approved by Kurz-Kasch.

**TERMS AND CONDITIONS**  
**(Kurz-Kasch Purchasing from Vendors)**

- g. Suppliers must assure flow down of any requirements forwarded to you by Kurz-Kasch. We must be sure that sub-suppliers are aware of specific requirements covered by our PO and SQM.
- h. Supplier must maintain production records for a minimum of 11 years from end of production.
- i. Kurz-Kasch reserves the right of access to any area of our supply chain for review of production of our parts and or related records.