



VEGA Americas, Inc.
4241 Allendorf Drive
Cincinnati, OH 45209 USA

[toll] 800.FOR.LEVEL
[tel] 513.272.0131
[fax] 513.272.0133

VEGA Americas, Inc. (as Buyer) Terms and Conditions

GENERAL TERMS AND CONDITIONS

Parties: In all of these terms and conditions, VEGA Americas is referred to as "Buyer" and the vendor is referred to as "Seller". All terms and conditions contained in this document are also applicable to sub-vendors and sub-contractors of Seller.

Acceptance: The contract or purchase order is limited to these terms and conditions. No modification may be made to these terms and conditions without the written consent of both Buyer and Seller.

Any requests for information, reviews, or approvals by Buyer under these terms and conditions shall not constitute a waiver of and shall not reduce or relieve the Seller of its obligations and liabilities under this agreement.

Pricing: Seller warrants that the prices charged to Buyer are not less favorable than those currently extended to any other customer for the same or like goods in equal quantities. No price increases are allowed without 60 day notice and written consent of Buyer.

Taxes: Unless otherwise agreed, Seller will obtain all necessary permits and pay any taxes imposed by law upon or on account of the material ordered.

Title and Risk of Loss: Notwithstanding the FOB point specified on any shipping instructions, Seller shall assume and pay for any and all loss or damage to the goods from any cause until goods are received by Buyer. Title to the goods transfers to Buyer upon receipt.

Warranty: Seller warrants to Buyer that the goods and any services covered by the purchase order shall conform to all applicable samples, drawings and specifications; shall be new and of the best quality, and free from all defects in design, manufacture and materials for at least two years after the goods are delivered or the service performed.

Patents: The goods purchased by Buyer, as well as any components used therein, must not infringe upon any US or international patent regulations. Seller agrees to indemnify Buyer against any claims or costs arising from the use or sale (domestic or international) of the material delivered under this order.

Government regulations: Seller warrants compliance with all applicable laws, rules and regulations of any governmental authority covering the production, sale and delivery of the material or services specified herein.

Buyer and Seller shall abide by the requirements of 41CFR 60-1.4(a), 60-300.5(a), and 60-741.5(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 or national origin. Moreover, these regulations require that covered contractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

Subcontracting: To the extent applicable, Seller agrees to comply with the provisions of government requirements for Utilization of Small, Small Disadvantaged, Women Owned Businesses, Minority Owned Businesses, and Executive Order 13496.

Fair Labor Standards Act: Seller warrants that all material delivered under this order will have been produced in compliance with the requirements of the Fair Labor Standards Act.

Force Majeure: Both Seller and Buyer shall be excused from any failure to deliver or perform when and to the extent that such

performance is delayed or prevented by any circumstances reasonably beyond their control, including, but not limited to, acts of God, fire, explosion, work stoppages, civil disturbances, interruptions of power or communications, natural disasters, or any act or omission of any government authority.

Suspension and Termination: Buyer may at any time upon notice to Seller terminate the purchase order as regards all or any part or parts of the goods or services which have not been delivered or completed at the time of termination. All work completed by Seller will be paid for by Buyer. However, if Buyer terminates the order due to Seller failing to comply with the terms and conditions set forth here, or due to Seller failing to meet the time deadlines set forth in the order, Buyer shall have no obligation to pay for any work not yet delivered.

Indemnification: Seller shall defend and indemnify Buyer against any and all claims, suits or liability for injuries to property, injuries to persons including death, and from any other claims, suits or liability, on account of any act or omission of Seller, even if it is caused in part by the negligence of the Buyer; provided, however, that Seller's duty to defend and indemnify shall not arise if such claims, suits or liability arise due to the sole negligence of the Buyer.

Insurance: Seller will maintain in effect with companies satisfactory to Buyer:

Workers' Compensation/Employer Liability insurance (minimum \$1 million)

General liability insurance (minimum \$1 million)

Professional Liability (if applicable)

Pollution Liability (if applicable)

Ownership of documents, drawings, etc: Title to all plans, specifications, and technical information provided by Buyer remains with the Buyer. All such information shall be treated as confidential.

Business Ethics/Standards: Seller adheres to VEGA Grieshaber KG Binding Code of Conduct which can be referenced at https://www.vega.com/en/home_us/Company/Legal-Notice



VEGA Americas, Inc.
4241 Allendorf Drive
Cincinnati, OH 45209 USA

[toll] 800.FOR.LEVEL
[tel] 513.272.0131
[fax] 513.272.0133

VEGA Americas, Inc. (as Buyer) Terms and Conditions

PURCHASING TERMS AND CONDITIONS

Order Acceptance: Acknowledgement and acceptance of the order must be e-mailed or faxed by Seller within 2 days of receipt. After 2 days the order will be considered accepted as written. A firm ship date must be confirmed.

Variations and change orders: Buyer may direct in writing changes in one or more of the following: specifications, drawings, quantities, delivery schedule. If such change causes an increase or decrease in the cost or timing required to provide the products, an equitable adjustment will be made and the purchase order modified. No modification of the terms of this purchase order shall be valid unless in writing and signed by both parties.

Obsolescence: Buyer must be notified in writing of product obsolescence. Alternatives may be suggested by Seller.

Terms/Cash Discounts: Payment will be made Net 45 days on non-cash discount invoices. Under no circumstances will Buyer assume or be held liable for any charge for late payment of invoices. Payment will be made by check, wire or ACH at Buyer's discretion.

All allowable discounts will be calculated from the date an acceptable invoice or the shipment is received by Buyer, whichever is later.

Separate invoices must be rendered for each order and each shipment. When transportation charges are added to the invoice they must appear as a separate line item and a copy of the freight bill must accompany the invoice.

Buyer's purchase order numbers and part numbers must appear on all packing lists and invoices. An original bill of lading must accompany each invoice.

Deliveries: Order must be delivered on the date mutually agreed upon by Buyer and Seller. A shipping notice must be e-mailed or faxed to Buyer on the date of shipment.

Buyer must be notified of changes in lead times as soon as possible. Buyer must be notified of potential late orders no less than 48 hours before the shipment is due.

Goods rejected and/or supplied in excess of purchase order quantity may be returned to Seller at its expense. In addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repackaging and reshipping such goods.

Shipping: All freight charges will be collect unless otherwise previously agreed. Transportation routings, when specified, must be strictly observed unless agreement is negotiated with Buyer prior to shipment.

Performance: Parts must be free of defects and received by the due date. Buyer reserves the right to cancel the order or any part thereof, without penalty, if the Seller does not comply with all provisions of this order.

Buyer Supplied Material: Seller shall be responsible at its sole expense for replacing material supplied by Buyer that is lost or damaged while in Seller's possession.

If Buyer in its sole discretion determines that material supplied by Buyer is not manufactured/processed to Buyer's specifications, resulting in such material being scrapped, Seller shall be responsible at its sole expense for replacing such material supplied by Buyer, adhering to Buyer's specifications for such material.

Expediting: All orders are subject to expediting by Buyer. As required by Buyer, Seller shall provide schedules and progress reports.

Safety: All work performed by Seller at Buyer's facilities will be in a prudent and safe manner by trained and qualified employees of Seller or its sub-vendors. Buyer's safety regulations will be complied with at all times. Seller and any sub-vendors performing work at Buyer's facilities must have a substance abuse program. If required by Buyer, Seller must perform a background screen on any employee who will perform work at Buyer's facilities.

MSDS: All chemical substances sold to Buyer must be properly labeled and accompanied by a Material Safety Data Sheet.

QUALITY TERMS AND CONDITIONS

Quality System requirements: Seller will maintain an ISO-9000 quality control and inspection system or its equivalent.

If Seller is not ISO-9000 certified, Seller must provide to Buyer a written description of its quality standards, stating at the minimum its procedures for:

Incoming inspection

In-process inspection

Final inspection and test

Segregation of non-conforming materials

Corrective and preventive actions

Buyer reserves the right to review and approve Seller's quality and inspection systems.

Production Processing: The processing of parts/materials which are critical to Buyer's finished product shall be approved by Buyer during Seller's first unit processing. The first article produced shall be inspected at Buyer's discretion. Any subsequent change in processing must be approved by Buyer. After an accepted change in processing, first article critical parts must be inspected at Buyer's discretion.

Inspection at Seller: Products must be inspected before shipment to Buyer. Buyer may require specific inspections to be performed for critical dimensions. In addition to the initial design/quote phase, this requirement may be invoked at any time during the life of the product, due to design changes or non-conformities. Records of all inspections must be maintained by Seller and may be reviewed by Buyer.

Production and Testing: Seller shall perform all testing at its expense. Buyer reserves the right to have a representative present at such tests. Buyer's customer may also be present. Two week notice of upcoming testing is to be provided to Buyer. Buyer may utilize Seller's quality gauges or personal protective equipment. Seller will bear the cost of providing material handling during a sort or inspection of Seller's product, at either Seller's or Buyer's site.

Buyer shall have access with 24 hour notice to the goods for inspection, at the Seller's location and that of its suppliers and sub-suppliers.

Workmanship: Quality expectations for workmanship are available on VEGA reference form 350-02-002-R1 "Workmanship Guidelines". A copy is available from Buyer. Seller's compliance with all applicable items is mandatory.



VEGA Americas, Inc.
 4241 Allendorf Drive
 Cincinnati, OH 45209 USA

[toll] 800.FOR.LEVEL
 [tel] 513.272.0131
 [fax] 513.272.0133

VEGA Americas, Inc. (as Buyer) Terms and Conditions

Special Processes: Seller must request Buyer's standards for special processes from the Quality Department.

All welding must be performed by qualified welders to Buyer's standards.

All parts must be cleaned and free of all oil, chips, grease, and any other substances before Seller shipment.

Packaging: Seller will package parts to protect from damage in transit. Buyer will notify Seller of shipping instructions and requirements for special packaging or storage. Seller must accommodate these requirements.

Returnable containers may be furnished for use in packaging. These are considered Buyer property and are to be handled with care.

Non-conforming or Defective Material: Buyer will not pay for defective or non-conforming goods. Buyer will determine, at its discretion, whether the goods are to be repaired or replaced. Seller will bear all costs associated with the repair or replacement, including transportation costs. Seller will notify Buyer before shipping the replaced goods. At its discretion, Buyer may accept non-conforming goods for use under a deviation request for the characteristic in question. This deviation will be issued by the Buyer's Quality Department. If material supplied by Buyer is used in any defective or non-conforming work, the material cost will be back charged to Seller.

Product Returned to Seller: Any returned product will have a Non-Conforming Product (NCP) tag on it describing the problem. If Seller disagrees with Buyer's assessment, Seller must contact the Purchasing Agent, who will involve other personnel as needed to resolve the issue.

If the NCP is a recurring problem or has a major impact on VEGA Americas, Buyer may request a Corrective Action Report be completed by Seller. This will include:

Process Description

Containment

- What will be done with NCP at Seller's location?
- What will be done on the next order to prevent recurrence?

Potential Root Cause/Causes of the problem

Preventive Action Plan

Continuous Improvement: Buyer expects Seller to recommend improvements in manufacturability, design, cost and processing.

Communication: Buyer will provide to its high volume and/or critical suppliers a monthly Supplier Scorecard which measures performance in quality and delivery.

AGREED:

 Company Name

 Authorized Signature and Printed Name

 Date



VEGA Americas, Inc.
4241 Allendorf Drive
Cincinnati, OH 45209 USA

[toll] 800.FOR.LEVEL

[tel] 513.272.0131

[fax] 513.272.0133

VEGA Americas, Inc. (as Buyer) Terms and Conditions

Revision Notes

Revision 6

- Removed "Damages."
- Updated Approval titles.

Approvals

Purchasing Manager

Bobby Muennich

Quality Manager

Gretchen Lisi

Co-CEO

John Kronenberger