1. **Acceptance and Agreement:** Noregon Systems, Inc. ("Buyer") shall not be bound by any Purchase Order (together with these Terms and Conditions, collectively, the "Order") until the party to whom such Purchase Order is addressed ("Seller") returns a written acknowledgement of this Order to Buyer or starts to perform in accordance with the Order. "Goods" as used herein shall mean the goods (including, without limitation, equipment, Spare parts, components, software and hardware) ordered by this Order that are provided by Seller to Buyer. Goods also encompasses associated articles, documentation, materials, drawings, data, information and property, including any Goods licensed by Buyer from Seller under this Order. "Services" as used herein means any service set forth in this Order. Execution and return of such acknowledgement or commencement of work to satisfy this Order shall constitute acknowledgment that Seller has read and understands the Order, and constitutes acceptance hereof by Seller of all terms and conditions contained in this Order, and Buyer may withdraw this Order at any time prior to such acceptance by Seller. No agreement or understanding to modify this Order shall be valid unless made in writing and signed by Buyer. Buyer shall not be bound by any terms and conditions not appearing in this Order and written acceptance of this Order or performance in accordance therewith shall constitute a waiver by Seller of all terms and conditions contained in any acceptance form or any other communications which are inconsistent with the terms and conditions set forth on this Order unless specifically agreed to in writing by Buyer. This Order constitutes the sole and entire agreement with respect to the Order and supersedes all prior or contemporaneous understandings, agreements or negotiations with respect to the subject matter of the Order. These Terms and Conditions expressly exclude any of Seller's general terms and conditions of sale or any other document issued by Seller in connection with this Order.

2. **Prices/Payment and Taxes:** Seller agrees to deliver the Goods and/or Services stated on this Order at the prices stated on the Order. All such prices are firm, and no additional charges or price changes or adjustments will be allowed unless specifically agreed to in writing in advance by Buyer. Seller warrants and agrees that the net prices charged to Buyer for the Goods and/or Services, and the terms applicable to the purchase of the same, are not and shall not be less favorable to Buyer than those prices and terms currently in effect or offered by Seller to any other customer for the same or like Goods or Services in equal or lesser quantities. In the event Seller reduces its price for any of the Goods or Services prior to delivery of all Goods or Services under this Order, Seller shall reduce, correspondingly, the price of the Goods or Services covered under this Order. Without prejudice to all other rights and remedies available to it, Buyer may offset any amounts due to Seller from Buyer against amounts due to Buyer receiving the Goods or Services or receiving a corrected invoice covering the same, whichever is later. Upon request and pursuant to written confirmation, Buyer will pay all undisputed amounts reflected on an invoice related to this Order net sixty (60) days after Buyer receiving the Goods or Services or receiving a corrected invoice covering the same, whichever is later. Upon request and pursuant to written confirmation, Buyer will pay all undisputed amounts reflected on an invoice related to this Order net thirty (30) days after Buyer receives the Goods or Services or upon receiving a corrected invoice covering the same, whichever is later, provided in exchange, Buyer receives a one percent (1%) price reduction for each Good or Service reflected on said invoice. Likewise, upon request and pursuant to written confirmation, Buyer will pay all undisputed amounts reflected on an invoice related to this Order net ten (10) days after Buyer receives the Goods or Services or upon receiving a corrected invoice covering the same, whichever is later, provided in exchange, Buyer receives a two percent (2%) price reduction for each Good or Service reflected on said invoice. Buyer shall not be liable for any national, federal, provincial, state, municipal or local taxes, duties, customs or assessments in connection with the sale, purchase, importation, transportation, use or possession of the Goods or Services ordered hereunder, other than those expressly set forth in the Order.

3. **Customs/Export & Import Controls:** Credits or benefits resulting or arising from the Order, including trade credits, export credits or the refund of duties, taxes or fees, shall belong to Buyer. Seller shall provide all information necessary (including written documentation and electronic transaction records) to permit Buyer to receive such benefits or credits, as well as to fulfill its customs related obligations, origin marking or labeling requirements and local content origin requirements, if any. Export licenses or authorizations necessary for the export of the Goods or performance of the Services shall be the responsibility of Seller unless otherwise indicated in the Order. Seller shall undertake such arrangements as necessary for the Goods to be covered by any duty deferral or free trade zone program(s) of the country of import. For Seller's Goods to be imported into the United States, Seller shall comply with and upon request, certify to Buyer, compliance with, all applicable minimum-security criteria recommendations or requirements of the United States Customs and Border Protection Agency. Seller shall be liable for all losses (including without limitation any penalties) imposed on or incurred by Buyer as a result of Seller's noncompliance with these import control laws and regulations. Seller shall indemnify and hold harmless Buyer from and against any such losses. Supplier hereby agrees that it will not ship or otherwise transport Goods to the United States except in full compliance with all applicable U.S. import control laws and regulations.

4. **Compliance with Laws/Employment & Business Practices:** Seller, and any Goods or Services supplied by Seller, shall comply with all applicable material laws, rules, regulations, orders, conventions, ordinances or standards of the country(ies) of destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of the Goods or Services, including but not limited to, those relating to environmental matters, data protection and privacy, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. Seller shall inform Buyer of contents not produced in the United States in Seller’s production of Goods including, but not limited to, the country of origin and dollar value of material and labor therein. Seller further represents that neither it nor any of its
5. **Packaging and Shipping**: Seller shall be responsible for safe packing, marking, insuring and shipping the Goods in accordance with Buyer's written specification, which without limitation, require Seller to prepare and package all Goods for shipment in a manner to prevent damage or deterioration thereeto, and which packaging must conform with any tariffs or carrier requirements. Seller shall mark and ship the Goods in accordance with the requirements of Buyer, the involved carrier, and if applicable, the country of destination. Seller shall provide a packing slip with each shipment referencing Buyer's Order and a date of shipment; Seller shall also properly mark each package with a label/tag according to Buyer's instructions and shall promptly forward the original bill of lading or other shipping receipt for each shipment to Buyer. Buyer shall ship all packages with adult signature required. No extra charge shall be assessed to Buyer for packaging or shipping materials, or any other fees or charges, unless expressly agreed to by Buyer in writing. All Goods must be shipped in accordance with shipping instructions stated on the face of the Order or otherwise specified by Buyer in writing. Freight charges shall be paid by Seller unless this Order specifies otherwise.

6. **Delivery**: Time is of the essence in this Order. Seller shall deliver the Goods and Services in the quantities and on the dates specified in the Order to the delivery location on the face of this Order. Buyer reserves the right to cancel the Order and reject the Goods or Services upon default by Seller in time of delivery, or Buyer at its option, and without limitation of its other rights under the Order, may: approve in writing a revised delivery schedule or, direct expedited routing of the Goods and any resulted excess costs incurred must be paid by Seller and be subject to offset by Buyer. Goods shipped to Buyer in advance of delivery date or shipments made in excess of Buyer's Purchase Order may be rejected or returned to Seller at Seller's expense, or Buyer may defer payment of advanced/excessive deliveries until scheduled delivery dates. No acts of Buyer, including, without limitation, modification of this Order or acceptance of late deliveries, shall constitute waiver of this provision. Seller shall notify Buyer immediately of any event, including actual or potential labor dispute, which is delaying or threatens to delay the time and performance of this Order.

7. **Title and Risk of Loss**: Title shall pass to Buyer upon delivery and acceptance of the Goods in accordance with the delivery terms and specifications set forth in the Order. Seller shall bear all risk of loss or damage with respect to the Goods prior to such delivery and acceptance.

8. **Changes**: Buyer shall have the right to make changes in the Order, including changes to the delivery schedule, packaging, testing or delivery location by a notice in writing to Seller prior to delivery. Seller shall use best commercial efforts to minimize any cost increase or later delivery schedule resulting from such changes. Unless identified by Seller within five (5) business days of Buyer's notification to Seller of such changes, Seller waives any right to increase cost or delay delivery due to said change. No changes in or additions to this Order proposed by Seller shall be binding upon Buyer unless approved by Buyer in writing.

9. **Confidentiality**: Seller will keep confidential all information Seller receives from Buyer or about Buyer in relation to this Order, including but not limited to: all non-public, confidential or proprietary information of Buyer, including any specifications, programs, drawings, blueprints, nomenclature, samples, models, data, and other information supplied to it by Buyer, regardless of the method of transmission and whether or not marked as "confidential" (individually and collectively: "Confidential Information") and not disclose the Confidential Information to any other party without Buyer's prior written consent. Seller will not use the Confidential Information for any purpose other than the direct performance of this Order. Seller shall provide for the physical, managerial and electronic security of Buyer's Confidential Information such that Buyer's Confidential Information is reasonably maintained and secured, ensuring it is safe from loss, theft, unauthorized access, copying, modification, use or disclosure during utilization, transmission and storage. Should any unauthorized breach occur, Seller shall notify Buyer immediately upon becoming aware of such breach. Upon completion of Seller's use of Buyer's Confidential Information, Seller will return all copies of Buyer's information to Buyer or, at Buyer's request, will destroy Buyer's information and certify such destruction to Buyer. Seller recognizes that the disclosure of Buyer's information may give rise to irreparable injury and acknowledges that remedies other than injunctive relief may not be adequate. Accordingly, Buyer has the right to seek equitable and injunctive relief to prevent the unauthorized disclosure of any of Buyer's information, as well as such damages or other relief as is occasioned by such unauthorized use or disclosure.

10. ** Intellectual Property**: Seller agrees: (a) to defend, hold harmless and indemnify Buyer, its successors and customers against any claims of infringement (including patent, trademark, copyright, industrial design right, or other proprietary right, or misuse or misappropriation of trade secret) and resulting damages and expenses (including reasonable attorney's and other professional fees) arising in any way in relation to the Goods or Services, including such claims where Seller has provided only part of the Goods or Services; Seller expressly waives any claim against Buyer that such infringement arose out of compliance with Buyer's specification; (b) that Buyer has the right to repair, reconstruct or rebuild the specific Goods delivered under the Order; (c) that none of Buyer's intellectual property will be used for Seller's own purposes or sold to third parties without Buyer's express written authorization; and (d) to the extent that this Order is issued for the creation of copyrightable works, the works shall be considered "works made for hire;" to the extent that the works do not qualify as "works made for hire," Seller hereby assigns to Buyer all right, title and interest in all copyrights and materials therein.
11. **Inspection and Rejection**: All Goods furnished hereunder shall conform to Buyer’s specifications. Only new and authentic materials are to be used in the Goods. No counterfeit parts are to be contained within the Goods and parts shall be purchased directly from the original component manufacturer, or through the original component manufacturer’s authorized distributor. Documentation must be available that authenticates traceability to the applicable original component manufacturer. Non-authorized distributors, brokers or others shall not be used without written consent from Buyer. All Goods are subject to inspection and test by Buyer at place of manufacture, at delivery destination, or any other location designated by Buyer. Buyer shall have the right to enter Seller’s facility at reasonable times to inspect the facility, Goods, materials, processes, and any property of Buyer covered by the Order. Buyer’s inspection of the Goods, whether during manufacture or prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work-in-process or finished Goods. Buyer’s inspection shall not limit or impair Buyer’s right to assert any legal or equitable remedy or relieve Seller of responsibility for non-conforming Goods. If any of the Goods are found to be defective in material, quantity, or workmanship (including Goods damaged because of unsatisfactory packaging by Seller), or otherwise not in strict conformity with the requirements of the Order, including drawings and specifications and approved samples, Buyer shall have the right to reject and return such Goods at Seller’s expense and to receive full credit or refund (at Buyer’s option) for any such rejected Goods within a reasonable time (which return shall be at Seller’s expense). Seller agrees to provide Buyer with replacement Goods or instructions for the disposition of the nonconforming Goods within five (5) working days. All expenses to Buyer in returning or holding nonconforming Goods, including but not limited to, storage, transportation, handling and associated processing costs, shall be borne by Seller. Payment for nonconforming Goods shall not constitute acceptance of them, or in any way limit or impair Buyer’s right to assert any legal or equitable remedy or relieve Seller’s responsibility. Seller will not replace the rejected Goods without a new Order or written demand from Buyer.

12. **Buyer Property**: Buyer shall retain title to any designs, sketches, drawings, programs, blueprints, patterns, dyes, models, molds, tools, tooling, plates, stencils, fixtures, special appliances, intellectual property, and materials furnished to Seller by or paid for by Buyer in connection with this Order (collectively, "Buyer Property"). Buyer Property shall be recorded and identified as property of Buyer and retained by Seller on consignment, subject to commission by Buyer. Buyer Property shall be held at Seller’s risk and shall be replaced by Seller if lost, damaged or destroyed. Buyer Property shall be maintained in good condition at Seller’s expense and kept insured by Seller with loss payable to Buyer and with insurance coverage types and amounts that are adequate and reasonable under the circumstances, and in compliance with the terms further set out herein. Buyer Property shall be used exclusively in the production of Goods or Services for Buyer and shall not be used in the production, manufacture or design of any products for any other person without prior written consent of Buyer. Buyer Property shall be subject to disposition of Buyer at any and all times. Upon demand, Buyer Property shall be returned to Buyer immediately, including any unused materials furnished by Buyer and all spoiled or defective materials or parts which contain any secret or patented device unless Buyer shall otherwise direct in writing. Nothing in this Order shall be construed as imposing any obligation on Buyer to furnish any Buyer Property to Buyer’s end-use customer, whichever period is longer. All warranties shall survive any representations and warranties will run for a period of two (2) years from the date of Buyer’s final acceptance of the Goods or Services, or for at least as long as Buyer’s warranties for its products to Buyer’s end-use customer, whichever period is longer. All warranties shall survive any inspection, delivery or acceptance of the Goods or Services, or payment therefor, delivered and such warranty shall run to Buyer, Buyer’s customers and/or Buyer’s successors and assigns and shall not be deemed exclusive of any other warranties, express or implied.

13. **Indemnification and Insurance**: Seller agrees to defend, indemnify and hold harmless Buyer, and its affiliates, successors and assigns, and their respective officers, directors, managers, members, employees, customers and users of the Goods and Services, from and against any loss, injury, death, damages, liability, claim, action, fine, cost, judgment, penalties, or expense (including, without limitation, reasonable attorney and professional fees and costs) (collectively, "Losses") arising out of or in connection with the purchase and/or use of the Goods or Services arising from or relating to: (a) non-conforming or defective Goods or Services; (b) any acts or omissions of Seller, its employees, subcontractors and agents in performing under this Order; (c) personal injury, death, or property damage; (d) breach or other violation of this Order; and (e) strict liability in tort or products liability of any other kinds. To the maximum extent permitted by applicable law, the foregoing indemnity shall apply to all claims that arise from any negligence, misconduct or other fault of Seller. These obligations shall not be limited by benefits payable by Seller under any acts or insurance. Seller agrees to maintain during the term of this Order all insurance or bonds required by law or this Order, including but not limited to: (a) workers’ compensation and related insurance as required by the law of the state in which Seller is performing and/or Goods are delivered with “Broad Form All States” endorsement and employer’s liability of not less than Two Hundred and Fifty Thousand dollars ($250,000.00); (b) employer’s liability insurance with limits of at least Two Million dollars ($2,000,000.00) for each occurrence; and (c) comprehensive general liability insurance including products liability, bodily injury liability and contractual liability endorsements, and if the use of motor vehicles is required, comprehensive motor vehicle liability insurance including bodily injury liability and property damage liability endorsements, each with limits of at least Two Million dollars ($2,000,000.00) for combined single limit for bodily injury, including death, and/or property damage. Seller waives its rights of subrogation against Buyer. Upon request by Buyer, Seller shall furnish certificates or evidence of the foregoing insurance indicating the amount and nature of such coverage.

14. **Warranties**: Seller warrants that the Goods delivered from Seller are: (a) free from defects in materials, workmanship, design and fabrication; (b) of a quality, quantity, size, description and dimension specified and strictly in accordance with Buyer’s specifications, drawings and approved samples, if any; (c) suitable for the intended purpose(s) and operate as intended; (d) free and clear of all liens; and (e) do not infringe or misappropriate any third party’s intellectual property rights. These Seller representations and warranties will run for a period of two (2) years from the date of Buyer’s final acceptance of the Goods or Services, or for at least as long as Buyer’s warranties for its products to Buyer’s end-use customer, whichever period is longer. All warranties shall survive any inspection, delivery or acceptance of the Goods or Services, or payment therefore, delivered and such warranty shall run to Buyer, Buyer’s customers and/or Buyer’s successors and assigns and shall not be deemed exclusive of any other warranties, express or implied.

15. **Relationship of Parties**: Seller and Buyer are independent contracting parties and nothing in the Order shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. No relationship of exclusivity shall be deemed to exist from this Order.
**Assignment:** - Seller shall not, without Buyer’s prior written consent, in any manner, assign or subcontract all or any part of this Order, nor assign any rights or claims under this Order. This Order is binding and will inure to the benefit of approved successors and assigns.

**No Advertising:** Prior to obtaining written consent of Buyer, Seller may not advertise or publish the fact that Seller has entered into this Order or has contracted with Buyer. Additionally, Seller may not use Buyer’s trademarks or trade names in Seller’s advertising or promotional materials.

**Force Majeure:** Any delay or failure of either party to perform its obligations hereunder shall be excused if Seller is unable to produce, sell or deliver, or Buyer is unable to accept delivery, buy or use the Goods or Services covered under the Order, as a result of an event or occurrence beyond the reasonable control of the party and without its fault or negligence, including but not limited to, acts of God, actions by any governmental authority (whether valid or invalid), illegality or regulatory restriction, fires, floods, windstorms, explosions, riots, natural disasters, wars or other casualty, sabotage, pandemic, epidemic, or strike (excluding such party’s own employees) (“Force Majeure Event”); provided that written notice of such delay, including the anticipated duration, shall be given by the affected party to the other party in writing immediately. The affected party shall make all commercially reasonable efforts to remove or overcome the effects of the Force Majeure Event and resume performance as soon as possible. During the period of such delay or failure to perform by Seller, Buyer at its option, may purchase Goods or Services from other sources and reduce its order to Seller by such quantities without liability to Seller. In addition, Buyer shall have the right to cancel this Order in the case of a Force Majeure Event.

**Insolvency:** Buyer may immediately terminate the Order without liability to Seller if any of the following occurs: (1) Seller is insolvent; (b) the filing of a voluntary petition in bankruptcy by Seller; (c) the filing of any involuntary petition in bankruptcy against Seller; (d) the appointment of a receiver or trustee for Seller; or (e) the execution of an assignment for the benefit of creditors by Seller.

**Disputes:** Prior to initiating any litigation under this Order, Buyer and Seller shall exercise their good faith efforts for a minimum of thirty (30) days after written notice of such disagreement by one party to the other to resolve such dispute by negotiations between executives who have authority to settle the controversy. Any legal action or proceeding under this Order shall be brought in federal or state courts located in Guilford County, North Carolina and each of Buyer and Seller irrevocably submits to the exclusive jurisdiction of such courts.

**Governing Law:** The contract resulting from the acceptance of this Order shall be interpreted according to the laws of the State of North Carolina without giving effect to any choice of law rules. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Order, nor does any conflict of law provision that would require application of another choice of law.

**Waiver:** No waiver of any of the provisions contained in this Order shall be valid unless made in writing and executed by both Buyer and Seller. Failure of Buyer to insist upon strict performance shall not constitute a waiver of any of the provisions of this Order or waiver of any other default. Any waiver by Buyer will be provided in writing, and no such waiver shall be or be construed as a waiver of any other or subsequent breach. Buyer’s rights and remedies provided hereunder and by law shall be cumulative.

**Survival:** The terms and provisions of this Order that by their nature or by their express term apply beyond the fulfillment or completion of this Order shall remain in full force and effect following any termination or expiration of this Order.