## **BFI STANDARD TERMS OF SALE**

These Standard Terms of Sale ("Standard Terms") apply to all quotations (each, a "Seller Quote") issued by Bourdon Forge Co., Inc. ("Seller").

Each Seller Quote is between the Seller and the buyer listed in the Seller Quote ("Buyer"). The Seller Quote constitutes Seller's offer to Buyer to supply the products set forth in the Seller Quote ("Purchased Product") and Seller's offer is expressly limited to acceptance of the terms and conditions stated in Seller's Quote and the terms set forth herein ("Standard Terms"). No amendment to the Standard Terms, including additional conditions stated by Buyer in any purchase order (each, a "Buyer PO") shall be binding upon Seller unless expressly agreed to by Seller in writing ("Valid Additional Terms"). In the event there are conflicting terms between (i) Standard Terms and Valid Additional Terms or (ii) Seller Quote and Valid Additional Terms, the Valid Additional Terms will supersede; in the event there are conflict terms between the Standard Terms and Seller Quote, the Seller Quote will supersede.

- 1. Prices; Payment Terms. Subject to the terms of this Section, prices contained in a Seller Quote are firm for 30 days. Typographical errors in a Seller Quote shall not be binding on the Seller and Seller may refuse any Buyer PO placed for Purchased Product listed at an incorrect price. Seller has the right to amend its prices at any time upon notice to Buyer to reflect any unusual or unforeseen increase in Seller's costs, including but not limited to, an increase in the cost of materials or labor. In the event the Seller Quote sets forth a deposit requirement, Buyer shall be required to pay the deposit prior to Seller's commencement of services and all deposits are nonrefundable. Buyer shall pay Seller for the Purchased Product in the amount set forth in the Seller Quote within 30 days of the shipment of the Purchased Product. Any payment not made when due shall accrue a late charge of 1.5% per month. Payment shall be made at Seller's office, located at 99 Tuttle Road, Middletown, Connecticut, 06457. All payments shall be made in U.S. Dollars and made by credit card, check, ACH or bank wire (Buyer shall be responsible for all bank and wire fees). If Buyer fails to make payment to Seller when due, Seller may cease providing services until Buyer makes payment for all outstanding amounts due.
- **2. Buyer Acceptance**. By delivering a Buyer PO, Buyer (i) accepts the Seller Quote and the Standard Terms and (ii) authorizes Seller to purchase components and/or services necessary to manufacture the Purchased Product. Buyer may deliver a Buyer PO verbally or in writing.
- **3.** Amendment or Cancellation. Once the Seller Quote is accepted, Buyer may not amend or cancel its purchase without Seller's written consent, which may be withheld in Seller's sole and absolute discretion. In the event Seller grants its consent to Buyer's amendment request, Buyer shall pay all charges reasonably assessed by Seller with respect to such changes. In the event Seller consents to Buyer's cancellation request, Buyer shall pay Seller all costs and expenses incurred and allocated profits in relation to Seller Quote before the cancellation ("Cancellation Charges"). If Buyer puts a hold on a Seller Quote for 60 days or more, Seller may deem such hold as a cancellation request by Buyer, in which such event Buyer must pay the Cancellation Charges. All payments arising under this Section 3 shall be paid in accordance with Section 1.
- **4. Shipping and Delivery**. Delivery shall be made to the destination set forth in the Seller Quote and at Buyer's cost unless otherwise agreed to by Seller in writing. The terms of shipping shall be FOB Origin. Shipping, delivery, and performance dates are estimates only, calculated from the date of receipt of Buyer's PO and complete drawing, specifications, designs, samples and other information reasonably requested by Seller to manufacture the Purchased Product (collectively, "Buyer Specifications"). Seller

shall not incur any liability, direct or indirect, nor shall any order be canceled because or as a result of delays in meeting such dates or schedules. Seller reserves the right to recalculate any projected shipping, delivery, or performance dates upon receipt of the Buyer PO or the Buyer Specifications. Buyer shall designate their preference regarding shipment and routing of the Purchased Product in the Buyer PO; such preference shall not be binding on Seller, and Seller may deviate from Buyer's instruction in consultation with Buyer. Title to the Purchased Product shall remain with Seller until payment in full is received.

- **5. Taxes**. All taxes and other charges imposed by federal, state, local, or foreign governments on the manufacture, sale, shipment, import, export, or use of the Purchased Product (other than income taxes) are not included in Seller's stated prices and shall be paid by Buyer. Buyer shall defend, indemnify, and hold harmless Seller form and against all liabilities for such taxes or charges.
- **6. Buyer's Use; Buyer's Materials**. Buyer assumes sole responsibility for analyzing and determining the suitability of any Purchased Product for any particular use or purpose. Buyer is responsible for obtaining any permits, inspection or license required in connection with Buyer's use of the Purchased Product. Buyer shall properly and adequately maintain and care for the Purchased Product. If any of the Purchased Product is incorporated or installed by Buyer in a different product, Buyer shall indemnify Seller for any claims of negligence related to Buyer's design specifications or installation or modification of the product by Buyer. All of Buyer's tooling, goods, and other property in Seller's possession shall be fully insured by Buyer, and Buyer releases Seller from all liability or loss or damage to such material caused by Seller.
- **7**. **Force Majeure**. Seller shall be relieved from any and all liability under or in connection with a Seller Quote to the extent such liability arises from failure to perform any of its obligations as a result of any event or circumstances or cause whatsoever beyond the reasonable control of Seller, including but not limited to, casualty, labor trouble, unavailability or supplies or transportation, supply chain disruptions, Buyer's failure to timely deliver Specifications or approvals, fire, flood, governmental act or regulation, riot, terrorist act, equipment or power failure, unscheduled maintenance, acceded or act of God.
- **8. Changes to Services**. Seller shall have the right to make design or engineering changes in its parts, equipment processes, and methods of production in consultation with the Buyer. Notwithstanding the foregoing, Seller will not make any changes to the Buyer Specifications unless consented to in writing by Buyer.

## 9. Rejection of Purchased Product.

A. <u>Rejection of Purchased Product</u>. Buyer shall provide written notice ("Defect Notice") to Seller of any Purchased Product that does not meet Buyer's Specifications ("Rejected Product") within 60 days of the shipment date of the Purchased Product. The Defect Notice shall state Buyer's reasons for the rejection. The Defect Notice shall be transmitted electronically to Seller in accordance with Section 13. Other than securing and properly storing the Rejected Purchased Product, Buyer shall take no action with respect to Rejected Purchased Product until it receives written instructions from Seller.

B. <u>Seller Determination</u>. Seller shall have 30 days from receipt of the Defect Notice to acknowledge receipt and shall determine within a reasonable amount of time whether a Rejected Product does not meet Buyer's Specifications as described in the Defect Notice. To evaluate the Rejected Product, Seller may instruct Buyer to return some or all of the Rejected Product, or to permit Seller's

personnel to inspect to the Rejected Product at Buyer's facilities with Buyer personnel. The Rejected Product shall be deemed to satisfy Buyer's Specifications if any deficiency is (i) attributable to Buyer's improper unloading or storage of the Rejected Product, (ii) such deficiency is purely cosmetic, or (iii) if the Rejected Product conforms to industry accepted tolerances.

- C. <u>Cure</u>. In the event Seller determines that a defect exists, Seller shall cure the defect in accordance with this Section 9.C., provided that Buyer has first made payment for all Purchased Project that is not subject to the Defect Notice and Buyer follows all reasonable instructions of Seller. To cure, Seller may elect, in its sole discretion, to (i) rework the Rejected Product, (ii) replace the Rejected Product, or (iii) refund the price of the Rejected Product. Buyer shall follow all instructions of Seller in connection with Seller's cure of the defect. This paragraph shall set forth Buyer's sole and exclusive remedies for any defect.
- D. <u>Dispute</u>. If Buyer and Seller are unable to resolve a dispute regarding Rejected Product, the dispute will be resolved in accordance with Section 17.
- 10. Intellectual Property. All of Seller's proprietary processes, tools, computer applications, trade secrets or know-how are the intellectual property of Seller and Seller shall be the sole owner of all drawings, inventions, tooling design and improvements made by Seller in connection with its performance. Buyer shall not reproduce any drawings furnished by Seller. Buyer shall not use or disclose any of Seller's trade secrets or confidential information (whether or not designated as such).
- 11. Solvency; Security Interest and Statutory Rights. Buyer represents that Buyer is solvent. Seller shall retain title to the Purchased Product until Seller receives payment in full and Buyer grants a security interest in the Purchased Products to secure payment of the price and all other indebtedness now and in the future owing by Buyer to Seller. Nothing contained in the Seller Quote and/or these Standard Terms shall be construed as a waiver or modification of Seller's statutory rights, including statutory lien rights under Connecticut law.
- **12. Insecurity and Adequate Assurances**. If Seller shall at any time doubt Buyer's solvency, Seller may demand adequate assurance of due performance or decline to make shipments of Purchased Product. If Seller demands adequate assurance of due performance, Buyer shall provide adequate assurances of due performance within 10 days of Seller's demand. If Buyer fails to provide adequate assurance of due performance, Seller may at its option (i) defer shipments of Purchased Product or (ii) cancel each outstanding Buyer PO and recover damages.
- **13. Notices**. All defect and quality related notices under this Agreement to Seller must be sent by email to [Quality@BourdonForge.com]. All notices to Buyer shall be sent to the address listed on Buyer PO, or as otherwise set forth in writing by Buyer from time to time.
- **14. Indemnification**. Buyer shall indemnify, hold harmless, and defend Seller, and its owners, employees, agents, contractors, invitees, officers, directors, affiliates, and subsidiaries, from and against any and all third party claims, actions, damages, liabilities, and expenses, including attorney's fees ("**Losses**"), arising from any claims against the Buyer in connection with the Purchased Product, except if such Losses are a result of Seller's fraudulent or willfully negligent actions, in which case Seller shall indemnify, hold harmless and defend Buyer, and its owners, employees, contractors, invitees, officers, directors, affiliates, and subsidiaries.

- 15. Limitation of Liability. In NO EVENT WILL SELLER OR ITS AFFILIATES, OFFICERS, PARTNERS, OWNERS, EMPLOYEES, CONTRACTORS, OR AGENTS BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES OR LOST REVENUE, LOST PROFITS, LOSS OF GOODWILL/REPUTATION, OR LOST ANTICIPATED BUSINESS (EVEN IF SELLER HAS BEEN ADVISED OR COULD HAVE ANTICIPATED THE POSSIBILITY OF SUCH DAMAGES) ARISING FROM OR RELATING TO THE AGREEMENT, REGARDLESS OF THE FORM OR THEORY OF LIABILITY. SELLER'S AGGREGATE LIABILITY FOR ANY LIABILITIES, LOSSES, COSTS, DAMAGES AND EXPENSES ASSOCIATED WITH ANY CLAIM OR ACTION RELATED TO, IN CONNECTION WITH, OR ARISING UNDER THE SELLER QUOTE AND/OR STANDARD TERMS, REGARDLESS OF THE FORM OF ACTION OR THEORY OF LIABILITY, WILL NOT EXCEED AMOUNT PAID BY BUYER FOR THE APPLICABLE PURCHASED PRODUCT.
- **16. Disclaimer of Warranties**. THE PURCHASED PRODUCT AND SERVICES ARE PROVIDED ON AN "AS-IS" BASIS. SELLER DISCLAIMS, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 17. Dispute Resolution. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Middlesex County, Connecticut (or as geographically near to Middlesex County, Connecticut as possible) before one arbitrator. The arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. In any arbitration arising out of or related to this Agreement, the arbitrator (i) may not award any incidental, indirect or consequential damages, including damages for lost profits and (ii) shall award the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the arbitration. If the arbitrator determines a party to be the prevailing party under circumstances where the prevailing party won on some but not all of the claims and counterclaims, the arbitrator(s) may award the prevailing party an appropriate percentage of the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the arbitration. The parties shall maintain the confidential nature of the arbitration proceeding and the Award, including the Hearing, except as may be necessary to prepare the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an Award or its enforcement, or unless otherwise required by law or judicial decision.
- **18. Miscellaneous**. The Agreement constitutes the entire agreement and understanding of the parties. Seller's failure to enforce any right or provision under the Agreement will not operate as a waiver of such right or provision. If any provision of the Agreement is determined to be unlawful, void, or unenforceable, the parties intend that the offending provision be modified to the minimum extent necessary to be lawful and enforceable. Portions of the Agreement which by their nature would survive termination of the Agreement shall be deemed to survive. The Agreement does not create any joint venture, partnership, employment or agency relationship between the parties. The Agreement is binding upon and shall inure to the benefit of Seller, Buyer and their respective successors and assigns.