

PURCHASE ORDER TERMS AND CONDITIONS (rev. 09/17)

1. **Definitions:** The term "<u>PO</u>" means a purchase order or a purchase order revision issued by Company for the purchase of the Work that is governed by and subject to these Terms and Conditions. The term "<u>Terms and Conditions</u>" means these Purchase Order Terms and Conditions. The term "<u>Company</u>" means Fujikura Automotive America LLC or any company that is a subsidiary of, an affiliate of, or related to Fujikura Automotive America LLC. The term "<u>Seller</u>" means any individual, corporation or other entity obligated to perform or provide the Work under a PO. The term "<u>Work</u>" means all items, materials, equipment, goods, labor or other services that are the subject of a PO.

2. Contract; No Additional Terms: A PO will become a binding contract upon (a) Seller's acceptance of a PO, (b) Seller's shipment of any permitted unit or partial unit of the Work or performance of any Work pursuant to a PO, or (c) any other conduct by Seller recognizing the existence of a contract. A PO is an offer, limited to the terms on the face of the PO and these Terms and Conditions, and Company objects to and expressly rejects any additional or conflicting terms and conditions proposed by or contained in Seller's acceptance of a PO. No different or additional term in Seller's acceptance, invoice or other document shall apply or become part of the contract or otherwise amend or modify a PO or these Terms and Conditions without Company's written consent.

3. Warranty: Seller represents and warrants to Company and Company's subsidiaries, affiliates, successors, assigns, their customers and end-users: (a) that title to the Work is good, marketable and free and clear of any and all liens, taxes, charges, or other encumbrances; (b) that the Work is and will be merchantable and free from all defects in design, workmanship, and materials for a period of one year after the final acceptance of the Work, or such longer period as may be otherwise provided on the face of a PO; (c) that the Work is fit and sufficient for its stated use, ordinary intended purposes and any purposes specified herein or reasonably known to Seller; (d) that the Work conforms to the descriptions on its labeling and packaging; (e) that the Work and its components are new and not previously used (unless specifically designated on the face of a PO as refurbished, rebuilt, or used), (f) that the Work conforms to Company's specifications, drawings, plans, and other documents furnished to Seller; (g) that the Work is merchantable and of good quality and workmanship; (h) that the Work conforms to all applicable laws, orders, regulations and standards in countries where the Work or vehicles or other products incorporating the Work are to be sold, including without limitation the National Traffic and Motor Vehicle Safety Act, United States motor vehicle safety standards and European Union Directive 2000/53/ EC; and (i) that the Work will be competitive worldwide in terms of price, quality, delivery and technology. The foregoing warranties are in addition to those warranties otherwise available to Company by law whether express or implied, including implied warranties of merchantability, fitness for a particular purpose and noninfringement. If Seller breaches any such warranty, Seller, at 1207607:4:NASHVILLE

Company's option, will either repair the defective Work, replace the defective Work or refund the purchase price. If Company selects repair or replacement, any defects will be remedied by Seller without cost to Company, including but not limited to, the costs of removal, shipping, repair and replacement of the defective Work, and reinstallation of new Work, all of which shall be paid by Seller. All such defective Work that is so remedied will be similarly warranted as stated above. If the Work involves the sale of goods, this transaction will be governed by the Uniform Commercial Code, latest revision, as enacted by the State of South Carolina, including all warranty protection (express or implied) and all buyer remedies. These warranties are intended to provide the Company with protection from any and all warranty claims brought against the Company by its customers, including customer-required warranties relating to the Work or any products into which such Work are incorporated. All such customer-required warranties are incorporated herein by reference. The foregoing warranties are in addition to those otherwise available to the Company by law. The warranty period is the longest of: (i) one year from the date the Company accepts the Work; (ii) the warranty period provided by applicable law; or (iii) the warranty period offered by the Company's customer(s) to end-users for Work installed on or as part of vehicles, and provided further that if the Company or any customer voluntarily or pursuant to a government mandate, makes an offer to owners of vehicles (or other finished products) on which the Work, or any parts, components or systems incorporating the Work, are installed to provide remedial action or to address a defect or condition that relates to motor vehicle safety or the failure of a vehicle to comply with any applicable law, safety standard or corrective service action ("Remedial Action"), the warranty shall continue for such period of time as may be dictated by customer(s) or the federal, state, local or foreign government where the Work is used or provided. Seller will immediately notify the Company, in writing, when it becomes aware of any ingredient, component, design or defect in the Work that is or may become harmful to persons or property. The Company's approval of any design, drawing, material, process or specifications will not relieve Seller of these warranties. To mitigate its damages, the Company may fully defend any claim from any customer that any Work supplied by Seller are defective, in breach of warranty, or otherwise did not meet applicable legal or contractual requirements because such customer may attempt to hold the Company responsible for problems caused in whole or in part by Seller. Seller and the Company agree that this defense is in the interest of both Seller and Company. Seller waives the right to argue that the fact that the Company took any such position in any way limits the Company's right to assert a claim against Seller by the Company for breach of warranty, contribution, indemnification or other claim that may arise from or be related to the subject matter of any of the foregoing.

4. Intellectual Property Rights; License: Seller agrees to indemnify, defend, reimburse and save harmless Company, its customers and users of the Work or products related to the Work, from



any and all liabilities, demands, claims, losses, actions, damages and expenses of any nature or kind, including, without limitation attorneys' fees and court costs, arising out of any infringement or alleged infringement of patents, trademarks, copyrights, industrial design or process, trade secrets, or any other intellectual property right arising out of or relating to Company's purchase, use or sale of the Work supplied under a PO. Seller further agrees to defend, at Seller's expense, including reasonable attorneys' fees, any and all suits or actions, based on such claims. All such obligations of Seller to indemnify, reimburse, hold harmless, protect and defend Company and its successors and assigns are in addition to Seller's warranty obligations and all other rights or remedies of the Company and will survive acceptance and use of, and payment for the Work and completion, termination, or cancellation of a PO. Seller irrevocably waives any claim against the Company, its affiliates, subsidiaries, successors, assigns, customers and users of the Work, that such infringement arose out of the Company, its affiliates, subsidiaries, their successors and assigns' specifications. Seller hereby grants Company, its subsidiaries and affiliates and their respective successors and assigns, and Company hereby accepts, a royalty-free, non-exclusive, perpetual, irrevocable, worldwide license, including the right to sublicense to others in connection with the Work, under (i) patents, industrial designs, technical information, know-how, processes of manufacture and other intellectual property, owned or controlled by Seller or its affiliates and relating to the Work; and (ii) any works of authorship fixed in any tangible medium of expression (including drawings, prints, manuals and specifications) furnished by Seller in the course of Seller's activity under a PO, to reproduce, distribute and display such works and to prepare derivative works based thereon, subject to the other provisions of a PO (all items in clauses (i) and (ii) above, collectively "<u>Seller's Intellectual Property</u>", and such license the "<u>License</u>".) Seller acknowledges and understands that this License shall be effective from the first date of delivery of the Work under a PO (or such earlier date as specified below) and extend for so long as the Company or its subsidiaries and affiliates, have contractual obligations to customers relating to the Work.

5. Quality Assurance; Audits; Inspection: Seller represents and warrants that it has and will maintain an adequate quality control/assurance program with respect to the Work and that it creates and maintains adequate quality control/assurance reports, certificates, affidavits, and other such records relating to the Work. The Company will have at any time the right to inspect the Work and, to the extent applicable, perform any and all, tests, and audits deemed necessary or convenient by the Company or its agent. Seller agrees to provide the Company, its employees, agents or representatives, access to its facilities at all reasonable times for such inspection, tests, and audits, and, at no additional cost, to provide all assistance and facilities reasonably necessary to perform the same. Neither the inspection, testing, or auditing of any of the Work, nor the failure to do so, before delivery to the Company shall constitute acceptance of any Work, or relieve Seller from exclusive responsibility for furnishing Work in strict conformance with the Company's specifications. Seller agrees that,

upon request and at no additional charge, it will promptly furnish authenticated copies thereof, as well as applicable certificates of conformance and/ or compliance acceptable to Company, at the time of, or promptly after, delivery. Company's right to audit Seller includes the right to request from Seller, following reasonable notice to Seller, evidence of Seller's formation, good standing, if applicable, registration with the corresponding governmental offices and/or registries, copies of official identifications for Seller's legal representatives signing any documents, current unaudited and audited financial statements, as well as evidence of compliance by Seller with its legal, tax, labor and other obligations at the federal, state and local level. The Work will be received subject to inspection and approval by the Company after delivery. Upon inspection, the Company may give Seller notice of rejection or revocation of acceptance, notwithstanding any payment, approval, prior test or inspection. No inspection, approval, test, delay or failure to inspect or test, or failure to discover any defect or other nonconformance, will relieve Seller of any obligations under these Terms and Conditions or impair or waive any right or remedy of the Company with respect to Seller's performance hereunder. If, in the Company's judgment, the Work does not conform with the requirements of a PO, the Company will have the right to reject the Work and, in addition to any other rights and remedies it may have, the Company may, in its sole discretion: (1) return any or all nonconforming Work to Seller for reimbursement, credit, replacement, or repair as the Company may direct; (2) correct, rework, and/or repair the Work with all costs associated therewith to be charged to and paid by Seller; or (3) hold any or all nonconforming Work, at Seller's risk and expense, for disposal or correction according to Seller's instructions. Any Work rejected by the Company and returned to Seller will be returned, at Seller's risk and expense, with the cost of packaging, handling, inspection, examination, transportation and any other costs incidental thereto to be charged to and paid by Seller. Such Work will not thereafter be tendered to the Company for acceptance unless the previous rejection and requirement of correction are disclosed to the Company in writing. All such nonconforming Work that are so remedied will have the same warranty as stated in a PO.

6. **Risk of Loss**; **Title**; **Inspection**: Seller shall bear all risk of loss on the Work until physically received at Company's site, when title and risk of loss shall transfer to Company. Delivery of the Work shall not be deemed complete until the Work has actually been received and inspected at Company's site and tested and accepted by Company. Company will inspect and test the Work within a reasonable time after receipt, irrespective of payment dates and other payment terms.

7. Seller's Liability and Indemnification: Seller will indemnify, defend, reimburse, save and hold Company harmless from and against all liabilities, claims and demands, and damages on account of personal injuries, including death, or property loss or damage to Company or to others (including Seller and employees and invitees of Seller and of Company) arising out of or in any manner connected with the performance of such Work or any defect in the Work, or caused by the negligent or willful act or omission to act of Seller, or a supplier of Seller, or employees, representatives, independent contractors or



invitees of either of them, and Seller will, at its own expense, defend any and all actions based on such negligent or willful acts or omissions to act, and will pay all charges of attorneys and all costs and other expenses arising out of these obligations of indemnification. Seller further agrees to indemnify, defend, reimburse, save and hold harmless Company from and against all claims, liabilities, losses, damages, demands, judgments, settlements, deficiencies, and expenses (including reasonable attorneys' fees and court costs) arising out of any allegation that the Work or Company's purchase, use or sale of the Work, infringes the patents, copyrights or other intellectual property right of any third party.

8. LIMITATION OF LIABILITY: COMPANY SHALL NOT IN ANY EVENT BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION, ENVIRONMENTAL CLAIMS OR LOSS OF REVENUES, BUSINESS OR PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9. Insurance: If Seller, either as principal or by agent or employee, enters upon the property of Company in order to do any Work, Seller agrees to maintain the following types of insurance coverage: (a) Worker's Compensation Insurance or qualification as a self-insurer to satisfy the laws of the country and/or state in which the Work will be performed; (b) Employers' Liability Insurance for Bodily Injury per accident with limits of not less than \$100,000 and Bodily Injury by Disease with limits of not less than \$100,000 per policy;(c) Commercial General Liability Insurance for personal injury and property damage, including contractual liability insurance, with combined limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and (d) Automobile Liability Insurance for personal injury and property damage with combined limits of not less than \$1,000,000 per occurrence. Seller's Workers' Compensation insurer or Seller, if selfinsured, agrees to waive all rights of subrogation against Company except for claims caused by Company's sole negligence. Also, Seller will name Company as an additional insured by endorsement to the policies on its Commercial General Liability and Automobile Liability policies. Seller's insurance will be primary without right of contribution of any other insurance carried by or on behalf of Company. Upon Company's request, Seller will provide Company with written certification, reasonably acceptable to Company, of Seller's compliance with the requirements listed in this Section 9. The requirements in this Section 9 are separate and distinct from any other obligations of Seller under a PO. All insurance obtained by Sellers pursuant to this Section 9 shall be issued in compliance with the laws applicable to the specific jurisdiction where the Work will be performed, including, as applicable, being issued by insurance companies authorized to provide insurance in the specific jurisdiction.

10. **Price Warranties and Competitiveness:** Seller represents and warrants that the prices for the Work are, and shall ensure that such 1207607:4:NASHVILLE

prices remain, no less favorable to the Company than the prices currently extended to any other customer of Seller for the same or substantially similar Work, in the same or substantially similar quantities and delivery requirements. If Seller reduces the prices of such same or substantially similar goods or services during the term of a PO, Seller shall automatically reduce the prices of the Work correspondingly and apply such reduction retroactively and a rebate or credit, at the Company's option, shall be applied. Further, Seller shall ensure that the Work remains competitive in terms of price, technology and guality, with substantially similar goods and services available to the Company from other suppliers. Unless applicable, Seller represents and warrants that the prices in a PO shall be complete, and no surcharges, premiums or other additional charges of any type shall be added (except if such surcharges, premiums or additional charges are reflected in the face of a PO), without the Company's prior written consent. Seller expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any foreign exchange rate changes, increases in raw materials, costs, inflation, increases in labor and other manufacturing costs.

11. Company's Property and Parts: All property of any kind supplied to Seller, or paid for by Company, if any, will be and remain the Company's property, and Seller will maintain such property in good condition and repair, except to the extent that such property is integrated into Work rendered hereunder. Materials or parts provided by, or on behalf of, Company which have been, or are to be, processed by Seller are consigned to Seller solely for purposes of such processing and remain Company's property. All Company property, while in Seller's custody or control, will be held at Seller's risk, free of all liens, encumbrances or security interests of Seller or third parties, and will be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Company. Seller will indemnify, protect, reimburse, defend and hold harmless Company, its successors and assigns from and against all loss or damage to such property occurring while in Seller's custody or control. All property of the Company is subject to removal by Company at any time, and to return upon termination of a PO for any reason whatsoever, or upon Company's request, without the need for judicial involvement or declaration. In addition to Seller's obligations above, Seller agrees that: (a) Seller will fully cooperate with the Company, promptly upon Company's request, to prepare inventory lists describing with detail and accuracy all of the assets, equipment, tooling, fixtures, dies, molds and all other items that are controlled by or in the possession of Seller but are owned by the Company (or by Company's affiliates or subsidiaries) or leased, consigned or otherwise granted to the Company; (b) Seller agrees that unless a separate lease agreement is in place, if it has under its possession Company's property, it holds such under a fully revocable free bailment agreement, and Seller will fully cooperate with the Company in executing a written and formal free bailment agreement and related recognitions of title, when so requested by the Company; (c) Seller grants the Company the right to immediate access Seller's facilities, without the need for a prior notice, cause or need for judicial



involvement or declaration, to inspect, repair, replace and/or remove any and/or all of the Company's property; (d) Seller shall not include the Company's property in its financial statements and will not grant, nor purport to grant, a security interest in the Company's property to any person or entity; (e) in case a lien is secured against the Company's property by Seller's creditors, Seller shall immediately inform the Company and take all actions to replace such security by providing its creditors with alternate guaranties and release the Company's property; and (f) nothing provided in these Terms and Conditions shall be construed to create or constitute a lease of the Company's property to Seller.

12. Termination: Company shall have the right to terminate a PO in the event of Seller's material default or breach of its warranties or obligations hereunder. Company shall also have the right to terminate a PO for Company's convenience at any time, subject to an equitable adjustment with Seller for the Work completed as of the termination date. After receiving written notice of termination, Seller will immediately cease the Work indicated in the notice of termination. In the event of such a termination and subject to any Company set-off, recoupment or other remedy, payment for costs incurred by Seller will be negotiated by Company and Seller on the basis of Seller's actual costs plus a reasonable profit for the Work completed as of the termination date. Notwithstanding the foregoing, Seller acknowledges that, subject to Company's termination rights pursuant to the terms hereof, and to the extent applicable to automotive parts or systems, the agreement formed by a PO is binding on the parties for the length of the applicable Original Equipment Manufacturer ("OEM") vehicle program production life (including model refreshes as determined by the applicable OEM customer), and both the Company and Seller acknowledge the risk of the vehicle program production life being cancelled or extended by the OEM.

13. Termination for Breach or Nonperformance: (a) In addition to the termination rights set forth in Section 12, the Company may terminate all or any part of a PO, without liability to Seller, if Seller: (i) repudiates, breaches or threatens to breach any of the terms of a PO (including without limitation Seller's warranties and world-class supplier provisions); (ii) fails or threatens not to perform Work in connection with a PO; (iii) fails to make progress or to meet reasonable guality requirements so as to endanger timely and proper completion or delivery of Work and does not correct the failure or breach within ten (10) days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of written notice from the Company specifying the failure or breach or the Company terminates for breach any other purchase order issued by the Company to Seller in accordance with the terms of such other purchase order (whether or not such other purchase order is related to a PO); (iv) enters or offers to enter into a transaction that includes a sale of a substantial portion of its assets used for the Work for the Company or a merger, sale or exchange of stock or other equity interests that would result in a change in control of Seller, or (v) fails to remain competitive with respect to quality, technology, delivery, service or pricing of the Work. Seller will notify the Company within ten

(10) days after entering into any negotiations that could lead to the situation specified in subsection (iv) above, provided that upon Seller's request, the Company will enter into an appropriate nondisclosure agreement related to information disclosed to the Company in relation to such transaction. (b) Seller may terminate a PO only for nonpayment of the purchase price for Work which are one hundred twenty (120) or more days past due and material in amount, and then only if: (i) Seller first provides the Company written notice specifying the amounts past due (including the relevant PO and invoices numbers and dates) and Seller's intent to terminate a PO if the past due amount is not paid; and (ii) the Company, within sixty (60) days of such notice, does not either: (A) pay the past due amounts, or (B) notify Seller that the amounts claimed to be unpaid are disputed by the Company. When permitted hereunder, Seller may terminate under this Section 13 by delivering a written termination notice to the Company. Seller may not terminate or cancel a PO for any reason except as permitted under this Section 13. Seller may not suspend performance of a PO for any reason.

14. Taxes: Seller will bear and pay all applicable taxes, which are based on or measured by net income, gross income or gross receipts including any withholding taxes levied against Seller for the privilege of doing business in a jurisdiction. If Seller is required by law to collect sales and use tax (including any gross receipts tax or value added tax imposed similar to a sales and use tax) from the Company on behalf of any taxing jurisdiction, Seller will provide to Company invoices which separately state and clearly indicate the amount of tax and Company will remit any such tax to Seller, subject to any required withholdings. All invoices for the Work must reference a PO's number, amendment or release number, Company's part number, Seller's part number, where applicable, quantity of pieces in the shipment, number of cartons or containers in the shipment, bill of lading number, country of origin, applicable tariff classification (HTS) number and any other information required by the Company. All invoices must also be accompanied by NAFTA or other conforming certificates of origin, as may be applicable. Seller will have the responsibility of complying with all applicable foreign, national, state or local laws regarding value added tax and sales and use tax or substitutes therefore including registration, collection of taxes and the filing of returns where applicable. Notwithstanding whether Seller must collect sales and use tax from Company, Seller will state on every invoice the taxing jurisdiction (e.g. country, state and local jurisdiction) in which Work was provided. With the exception of sales, value added tax and use tax as described above, all other taxes, however denominated or measured, imposed upon the Seller, or the price or compensation under a PO, or upon the Work provided hereunder, shall be the responsibility and liability of Seller. In the case of imported Work, Seller, for first-hand sales, must include the respective importation and any other legal requirements in its invoices, as per applicable law. The Company is not responsible for any business activity taxes, payroll taxes or any foreign, federal, state, local or other taxes on Seller's income or assets. Where applicable, all expenses, taxes, fees and any other expenditure related directly or indirectly to the importation of Work (including but not limited to importation duties, countervailing



duties, customs broker fees, value added tax on importation, customs fees, and any other similar charges or fees, will be paid by Seller. To the extent any Work covered by a PO are to be imported into the United States of America, Seller shall comply will all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("<u>C-TPAT</u>") initiative. Upon request, Seller shall certify in writing its compliance with the C-TPAT initiative.

15. Service and Replacement Parts: During any applicable vehicle program production life and for five years after vehicle design concludes production or specific part concludes production (unless a different period is agreed in writing by the parties or is established in any other document produced by the Company), Seller will supply Company "replacement parts" and "service parts" orders for the same Work, component parts and materials at the price(s) set forth on the face of a PO plus any actual cost differential for special packaging. For an additional ten years, or so long as the related customer requires service parts, whichever is longer (or different period if agreed in writing by the parties or is established in any other documents produced by the Company), Seller will sell Work to the Company in order to fulfill the Company's or the OEM's past model service and replacement parts requirements, at price(s) based on the most recent price(s) under a PO, taking into account actual, documented differences in the cost of materials, packaging and costs of production after any of Company's current model purchases have been completed, as mutually and reasonably agreed by the parties. Unless otherwise expressly agreed in writing by an authorized representative of the Company, Seller's obligations under this Section 15 shall survive the termination or expiration of a PO for any reason.

16. No Liens: Seller guarantees that no lien, encumbrance or security interest will be filed by anyone against Company, Company's property or the Work for materials or labor or both furnished under a PO and will indemnify, defend, reimburse and hold Company harmless from any such liens, encumbrances or security interests and will pay all attorneys' fees and all other costs and expenses arising from such liens, encumbrances or security interests.

17. Set-Off; Recoupment; Remedies: Company shall be entitled to set-off any amount owing at any time from Seller to Company or any of Company's affiliates against any amount payable at any time by Company in connection with a PO. In addition to any right of setoff or recoupment provided by law, all amounts due to Seller will be considered net of indebtedness of Seller and its affiliates or subsidiaries to the Company and its affiliates or subsidiaries. Company will have the right to set off against or to recoup from any payment or other obligation owed to Seller, in whole or in part, any amounts due to Company or its affiliates or subsidiaries from Seller or its affiliates or subsidiaries. The Company will provide Seller with a statement describing any offset or recoupment taken by Company. All Company's rights and remedies herein are cumulative and not alternative, and are in addition to all other rights and remedies available at law or in equity.

18. Independent Contractor; Labor Matters: The relationship between Seller and Company is that of independent contractors. Seller is not an employee or agent of Company. Nothing contained in these Terms and Conditions shall be construed to create a principal-agent or employer-employee relationship between the parties. Neither party shall represent to others that it is the agent of the other. Seller is not eligible for Company benefits or employee plans. Company disclaims any right to control the manner of performance by Seller and Company will not control the manner of performance by Seller. Seller has no authority to direct or control the performance of any employee of Company. Seller's role will be that of an adviser and not of master to any Company employee. Seller does not have any Company title and Seller is not eligible for Company benefits or employee plans. Seller will indemnify, defend, reimburse and save the Company harmless from any claims or lawsuits brought against the Company, including, to the extent applicable in any given jurisdiction, substitute employer and similar claims or lawsuits filed by Seller's personnel, a union or by any government or entity. To the extent applicable, Seller is obligated to use workers and employees that have been previously registered with any mandatory social security or similar agencies. Breach of this provision will subject Seller to the payment of all damages caused to the Company with the Company also having the right to immediately terminate a PO without the need for judicial involvement or declaration.

19. Assignment: A PO cannot be assigned, transferred or delegated without Company's prior written consent. The Work, as a whole, covered by a PO and amounts payable by Company to Seller under a PO are not assignable or delegable by Seller without the prior written consent of Company.

20. No Violation of Law: Seller represents and warrants that it will comply with all foreign, federal, state and local laws, executive orders, ordinances, rules and regulations, including but not limited to the U.S. Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C., §78dd-1 et. seq., which prohibits any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

21. **Export and Trade Compliance:** Seller acknowledges and agrees to comply at all times with all U.S. or other export laws and regulations and AFL's US Export/Trade Compliance provisions hereby incorporated by reference and available at: http://www.aflglobal.com/Resources/Trade-Compliance/US-Export-and-Trade-Compliance.aspx.

22. Prohibition of Child Labor: Seller warrants that the delivered goods were exclusively manufactured without child labor. Seller



furthermore guarantees that all of its suppliers manufacture their goods and provide their services without making use of child labor.

23. Prohibition of Procurement of Conflict Metals: Raw metals used in the electronics industry are, at times, sourced from regions of the world known as "conflict regions". Such are especially regions where mines are controlled by non-government military groups or unlawful military factions where the illegal mine(s) profits have contributed to human rights abuses, severe environmental damage, and theft from citizens. Seller is obliged to take appropriate due diligence and continuous monitoring of the supply chain as are reasonably necessary to avoid procurement or use of conflict metals.

24. Corporate Social Responsibility Compliance: Seller shall review and comply with at all times the Fujikura Group Corporate Social Responsibility Guidelines for Suppliers (the "CSR Guidelines"). The CSR Guidelines are available at http://www.fujikura.co.jp/eng/csr/web_report/fair_practices/csr_guide __line.pdf.

25.Environment, Health, Safety and Security: We are proud to be environmentally friendly by complying with applicable laws, preventing pollution and continually improving as an organization. If Seller, either as principal or by agent or employee, enters upon the property of Company, Seller agrees to comply with Company's rules and regulations including its environmental, health, safety and security rules and regulations.

26. Hazardous and Dangerous Goods and Materials: For any goods or materials furnished in accordance with a PO which are defined as hazardous or dangerous under applicable law, Seller will provide Company with hazardous warning and safe handling information in the form of a material safety data sheet (MSDS) and appropriate labeling for such goods or materials.

27. Equal Employment Opportunity: Unless a PO is exempted by law, Seller will comply with Executive Order 11246, the Rehabilitation Action of 1973, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, the Americans with Disabilities Act, as they have been or will be amended from time to time, and regulations implementing such statutes; and any similar state and local laws and ordinances and the regulations implementing such statutes. If requested by Company, Seller will furnish to Company an executed Certificate of Nonsegregated Facilities.

28. **Changes:** Company may, at any time, in writing, make changes to the general scope of a PO, If any such change causes an increase or decrease in the cost of or time required for the performance of any Work under a PO, an equitable adjustment will be made to the price or delivery schedule, or both, and a PO will be modified in writing accordingly.

29. Electronic Commerce: At Company's request, Company and Seller will facilitate business transactions by electronically transmitting data. Any data digitally signed pursuant to this Section 29 and electronically transmitted will be as legally sufficient as a written, signed, paper document exchanged between the parties, notwithstanding any legal requirement that the data be in writing or signed. Each authorized representative of a party will adopt a unique, verifiable digital identification consisting of symbols or codes to be transmitted with each transmission. Use of the digital identification will be deemed for all purposes to constitute a "signature" and will have the same effect as a signature on a written document.

30. **Governing Law**; **Jurisdiction**: Each PO and these Terms and Conditions will be construed and enforced in accordance with the applicable laws of the State of Texas (excluding its conflicts of law provisions). The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the sale of goods or other items under any PO governed by these Terms and Conditions. Any litigation relating to a PO must be brought in state or federal district court in San Antonio, Texas.

31. Entire Agreement: A PO and these Terms and Conditions sets forth the entire agreement between Company and Seller. By accepting a PO it is understood that Seller agrees to these Terms and Conditions. Any changes, amendments or modifications to these Terms and Conditions must be agreed to in writing by Company. When accepted, a PO supersedes any and all prior agreements, purchase orders, quotations, proposals or other communications regarding the Work, except that a prior agreement signed by an authorized representative of the Company, such as an award letter, a statement of work, a confidentiality agreement will continue to apply. A PO may only be modified by a written amendment executed by authorized representatives of each party. The Company may modify these Terms and Conditions from time to time by posting revised PO terms and conditions to Company's internet website (or such other website as may be directed through links available on such website) as specified on the face of a PO ("Company's Website") http://www.fujikuraauto.com/PO-Terms-and-Conditions/. Such revised PO terms and conditions shall apply to all PO revisions/amendments and new POs issued on or after the effective date thereof. Seller shall be responsible to review the Company's Website periodically. The Company's Website may also contain specific additional requirements for certain items covered by a PO, including labeling, packaging, shipping, delivery and quality specifications, procedures, directions and/or instructions. Any such requirements shall be deemed to form part of these terms and conditions and a PO. The Company may periodically update such requirements by posting revisions thereto on the Company's Website. In the event of any inconsistency between a PO and the Company's Website, the terms of a PO shall prevail, unless the requirements specified on the Company's Website expressly provide otherwise.

