

jawTEK, LLC

TERMS AND CONDITIONS OF SALE

1. **Formation of Contract.** These terms and conditions (the "Terms and Conditions") are the sole terms and conditions for the sale of products or services by jawTEK, LLC., a Michigan limited liability company ("jawTEK") to the buyer of such products or services ("Buyer"). Any contract made for the sale of products or services by jawTEK is expressly conditioned on Buyer's assent to these Terms and Conditions. Any provision in a purchase order, confirming order, or other acknowledgment that is inconsistent with these Terms and Conditions shall have no force or effect. jawTEK disclaims, objects to, and rejects any Buyer document, including any purchase order, confirming order, or other acknowledgment, that is inconsistent with, adds to, or in any other way attempts to alter these Terms and Conditions. No course of prior or current dealings between the parties and no usage of trade shall be relevant to supplement or explain these Terms and Conditions. In the event of any dispute between these Terms and Conditions and Buyer's document, these Terms and Conditions shall control. These Terms and Conditions may only be amended by a writing signed by duly authorized officers of jawTEK and Buyer.

2. **Price.** Subject to Sub-paragraph 2(b) of this Paragraph 2, jawTEK's products and services are sold based on the applicable price set forth in jawTEK's price list in effect as of the date of order, which is subject to change at any time without notice to Buyer.

(a) **Exclusions.** The applicable price does not include applicable taxes such as city, state or federal, sales, use, or excise taxes. All taxes and charges shall be Buyer's responsibility and may be added to the invoice as a separate and additional charge to Buyer unless an acceptable exemption certificate is presented to jawTEK. jawTEK shall also have the right to separately bill Buyer, at any time, for any taxes and charges that are attributable to this sale that the jawTEK may be required to pay. Buyer shall reimburse jawTEK on demand for all such amounts.

(b) **Price Increases.** jawTEK shall have the right to increase its prices on account of increases in jawTEK's cost of labor, materials, and/or other expenses. In the event that the price of any product ordered by Buyer increases between the date of order and the date of shipment, jawTEK will inform Buyer of the price increase in writing. Unless Buyer notifies jawTEK within five (5) business days that it does not agree to the price increase, Buyer shall be deemed to have agreed to the price increase.

3. **Payment Terms.** The payment terms specifically stated on jawTEK's invoices shall apply. To the extent an invoice from jawTEK does not contain specific payment terms, the applicable payment terms shall be net thirty (30) days after invoice. Any portion of the price not paid in accordance with these terms shall bear interest from the due date in the amount of 1.5% per month or the maximum rate permitted by applicable law, whichever is lower. Buyer authorizes jawTEK to investigate Buyer's credit and financial standing, and upon the request of jawTEK, shall provide financial information and individual guaranties before, during, or after the fulfillment of any order. If a payment is delinquent, jawTEK may stop all work on any pending orders without notice and/or terminate this agreement. If a payment is

delinquent, all amounts owed by Buyer to jawTEK shall become due and payable immediately. Buyer shall reimburse jawTEK for all actual costs and attorneys' fees incurred in enforcing any provision of these Terms and Conditions.

4. **Security Interest.** Buyer hereby grants to jawTEK a continuing purchase money security interest in all products furnished or to be furnished by jawTEK to Buyer, together with all parts, attachments, accessories, or appurtenances to such products, all substitutions, improvements and replacements of such products, all additions to such products, and all proceeds of such products and any of the foregoing.

5. **Perfection of Security Interest.** Buyer hereby authorizes jawTEK to cause all financing statements or other instruments in respect of the security interest granted hereby, including without limitation all Uniform Commercial Code financing statements, to be filed and recorded or re-filed and re-recorded. Buyer agrees to execute, or otherwise authenticate, and hereby does authenticate and deliver any statement, instrument or other document requested by jawTEK for such purpose. Buyer further agrees that it shall execute, or otherwise authenticate, and hereby does authenticate and deliver to jawTEK upon jawTEK's request such further instruments, assurances and other documents as jawTEK deems necessary or advisable for the confirmation of perfection of jawTEK's rights hereunder. Buyer authorizes jawTEK to file any such instrument or other document, including without limitation, any Uniform Commercial Code financing statement, without Buyer's signature and, if the signature of Buyer is required thereon, Buyer irrevocably appoints jawTEK as Buyer's attorney-in-fact to execute and file any such statement or other instrument in the name and on behalf of Buyer.

6. **Shipping and Risk of Loss.** Unless otherwise expressly agreed in writing by jawTEK, delivery shall be made F.O.B., jawTEK's facility, or, in the case of an international shipment, Ex Works (Incoterms 2010), jawTEK's facility. Regardless of the F.O.B. or Ex Works point, Buyer is solely responsible for all costs of shipping and insurance for the products and shall bear all risk of loss or damage to the products during transit. Freight may be prepaid by jawTEK at its option and added to the invoice. Any dates or schedules that are specified for delivery of products are stated only as good faith estimates, calculated from the date of receipt of Buyer's order. jawTEK shall not incur any liability, direct or indirect, nor shall any order be canceled because of any delay in meeting such dates or schedules, regardless of the reason for delay. Buyer shall promptly inspect all products received from jawTEK and notify jawTEK of any defects or shortages within fourteen (14) days after delivery, which notification must include the invoice number and date of the order and a description of the defect.

7. **Reasonable Efforts.** jawTEK will use commercially reasonable efforts to supply Buyer with products offered by jawTEK and ordered by Buyer. If Buyer causes or requests delay in the shipment of products or the provision of services, Buyer shall pay jawTEK for all expenses and losses of jawTEK resulting therefrom. In times of short supply, jawTEK is entitled to allocate products among its customers as it determines in its sole discretion to be appropriate under the circumstances. Under no circumstances will jawTEK be liable for any failure to

deliver products ordered by Buyer that is caused by the lack of availability of necessary raw materials.

8. Limited Warranty; Disclaimer. Subject to the remaining terms of this Paragraph 8, jawTEK warrants its products against defects in materials or workmanship under normal use consistent with product instructions for a period of twelve (12) months from the date of delivery. If warranted products contain defects covered under this warranty, jawTEK's obligation shall be limited to, in jawTEK's sole and absolute discretion, repairing or replacing the defective parts. Unless otherwise agreed by the parties, Buyer shall be responsible for all shipping costs. Repaired or replaced parts are warranted for the remainder of the original warranty period. In the event of a warranty claim, Buyer must provide jawTEK the following: (1) the date the defect was discovered; (2) a description of the defect; (3) the serial number(s) of the product(s); (4) the original purchase date of the product; (5) the location of the product; and (6) the name, address, and phone number of the party making the warranty claim. jawTEK reserves the right to an on-site inspection by an authorized service representative. Buyer is required to provide adequate access to the product for any such repair or inspection. This limited warranty will not apply under any of the following circumstances: (1) if any part of the product has been altered, modified, or repaired by anyone other than an authorized representative of jawTEK; (2) if any part of the product has not been installed, operated, repaired, or maintained in accordance with the product's instructions; (3) if any part of the product has been the subject of incorrect voltage, insufficient ventilation, misuse, misapplication, improper maintenance or repair, damage caused by the fault or negligence of anyone other than an authorized representative of jawTEK, damage caused by severe weather or acts of God, or any other act or event beyond the control of jawTEK; (4) if any changes are made to the settings or parameters (except changes for which Buyer obtains the prior written consent of jawTEK or (5) if the warranty seal has been broken.

DISCLAIMER

EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH ABOVE, jawTEK EXPRESSLY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE SOLE REMEDY THAT WILL BE AVAILABLE TO BUYER FOR A BREACH OF WARRANTY BY jawTEK, IF ANY, WILL BE REPLACEMENT OR REPAIR OF ANY DEFECTIVE PART. jawTEK DISCLAIMS ANY OTHER REMEDIES OF ANY KIND OR NATURE RESULTING FROM BREACH OF WARRANTY OR OTHERWISE.

LIMITATION OF LIABILITY

jawTEK SHALL NOT BE LIABLE, IN CONTRACT, TORT, OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOST PROFITS, OR INCREASED OPERATING OR MAINTENANCE EXPENSE) ARISING FROM OR RELATED TO jawTEK'S PROVISION OF PRODUCTS OR SERVICES. UNDER NO CIRCUMSTANCE SHALL jawTEK'S LIABILITY TO BUYER EXTEND BEYOND REPLACEMENT OR REPAIR OF DEFECTIVE PARTS, IN jawTEK'S SOLE AND ABSOLUTE DISCRETION.

9. Buyer Specifications. This section shall apply to products supplied by jawTEK that are produced according to any drawings, instructions, directions and/or specifications (collectively, "Specifications") provided by Buyer. Buyer acknowledges that

Buyer is not relying on jawTEK in any way for the adequacy of the Specifications provided by Buyer. jawTEK has no responsibility for the formulation, design, engineering or other advice regarding any Specifications provided by Buyer. Buyer shall defend, indemnify and hold jawTEK harmless against all product liability, product recall, and other claims, liabilities and expenses, including but not limited to actual attorneys' fees, incurred by jawTEK arising out of any claimed design or engineering defect relating to Specifications provided by Buyer to jawTEK.

10. License Regarding Buyer's Specifications. Buyer grants to jawTEK an irrevocable nonexclusive license to produce products pursuant to any Specifications provided by Buyer. Buyer warrants that it has the authority to grant this license to jawTEK, and that neither the granting of this license nor jawTEK's manufacture and sale of products produced according to Buyer's Specifications will violate any agreement to which Buyer is subject, any patent or other intellectual property right of any party, or any applicable law.

11. Buyer's Representations and Warranties. Buyer represents and warrants to jawTEK, its successors and assigns, and agrees, that the following statements are true and correct: (a) these Terms and Conditions are the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms; (b) Buyer has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under these Terms and Conditions; (c) Buyer is and, at the time of each delivery of the products will be, solvent; (d) neither Buyer nor Buyer's agents have offered or given, and shall not offer or give, any gratuity or thing of value to any employee of jawTEK or of any affiliate of jawTEK; (e) Buyer is and shall continue to be in compliance with all applicable federal, state, local and foreign laws, regulations, standards and orders; and (f) the consummation of the transactions governed by these Terms and Conditions will not violate any applicable federal, state, local or foreign laws, regulations, standards or orders. Buyer is responsible to provide jawTEK any information requested by jawTEK that is necessary or helpful to jawTEK in complying with any and all federal, state, local and foreign laws, regulations, standards and orders that may apply to the products or services provided by jawTEK to Buyer.

12. Indemnification of jawTEK (General). Buyer agrees to indemnify and hold harmless jawTEK and each affiliate of jawTEK and jawTEK's and each such affiliate's directors, officers, managers, employees, agents, shareholders, members and customers (collectively, with jawTEK, the "Indemnitees") and defend any Indemnitees, if jawTEK requests, as to any claims, liabilities, losses, damages (including incidental, consequential, lost profits and all other damages) and expenses (including, without limitation, attorneys' fees and other legal expenses) brought against or incurred by any Indemnitee arising out of or related to: (1) any breach of a warranty or representation made by Buyer under these Terms and Conditions; (2) any breach in the performance of Buyer's obligations under these Terms and Conditions; (3) Buyer's negligence in the performance of its obligations under these Terms and Conditions; or (4) any of Buyer's actions or omissions concerning or related to the products or services supplied by jawTEK, including negligence or reckless conduct, storage or handling of the products, additions or modifications to the products, or use of the products.

13. Indemnification of jawTEK (Patents). Buyer agrees to indemnify and hold each Indemnitee harmless from all claims, liabilities, and expenses, including but not limited to actual attorney fees, arising out of any claim of infringement of a patent, copyright, trademark, trade name, or other proprietary right, or claim of unfair trade or of unfair competition in connection with the manufacture,

sale, or use of the products sold to Buyer, except to the extent that any claim, liability, or expense arises solely from specifications developed by jawTEK.

14. Cure. If a shipment of products is rejected by Buyer, jawTEK shall have the right to cure in any reasonable manner the error, defect, shortage or other nonconformity giving rise to the rejection.

15. Force Majeure. Any delay or failure of jawTEK to perform its obligations will be excused if and to the extent that it is caused by an event or occurrence beyond jawTEK's reasonable control, such as: acts of God; governmental actions; product recalls; embargoes; fires; explosions; natural disasters; riots; wars; sabotage; terrorist acts, utility interruptions, failures or delays by jawTEK's vendors (including without limitation the lack of availability of necessary products, ingredients or other inputs), or court injunction or order.

16. Cancellation or Change of Orders. Buyer shall not withdraw, cancel, or defer any order unless agreed to by jawTEK in writing, in which case Buyer shall pay jawTEK a cancellation or deferral charge in a reasonable amount acceptable to jawTEK. If Buyer requests changes in its order after its receipt by jawTEK, Buyer shall be responsible for all charges reasonably assessed by jawTEK as to such changes. Upon the bankruptcy or insolvency of Buyer, jawTEK may, in its sole discretion, cancel its contract with Buyer, but such cancellation shall not relieve Buyer of its liability for any obligation incurred before cancellation.

17. jawTEK's Property. Any designs, drawings, specifications, intellectual property, documents and other information jawTEK provides in connection with jawTEK's provision of the products or performance of the services ("jawTEK Property") are and shall at all times be jawTEK's sole and exclusive property. While in Buyer's possession, Buyer shall (a) preserve and protect all jawTEK Property, (b) bear the risk of loss with respect to any jawTEK Property, (c) refrain from using any jawTEK Property for any purpose other than fulfilling its obligations to jawTEK, and (d) turn over all or any portion of jawTEK Property to jawTEK upon demand. If Buyer breaches or threatens to breach this Paragraph of these Terms and Conditions, then jawTEK's remedies at law will be inadequate. Therefore, jawTEK shall have the right of specific performance or injunctive relief, or both, in addition to any and all other remedies and rights at law or in equity, and jawTEK's rights and remedies shall be cumulative.

18. Intellectual Property and Other Proprietary Rights. All inventions (whether or not patentable), devices, technologies, ideas, improvements, processes, systems, trademarks, trade names, trade dress, service marks, names, and other works and matters that jawTEK creates or develops in the course of jawTEK's performance of the services or jawTEK's design, development or manufacture of the products for Buyer, including all proprietary rights in the foregoing ("Intellectual Property") shall be jawTEK's sole property, and Buyer hereby assigns, and agrees to assign, to jawTEK all right, title and interest that Buyer now has or in the future acquires in the Intellectual Property. Buyer hereby assigns, and agrees to assign to jawTEK, all right, title and interest that Buyer now has or in the future acquires in all copyrightable works that jawTEK creates or develops in the course of jawTEK's performance of the services or jawTEK's design, development or manufacture of the products for Buyer whether considered a "work made for hire" within the meaning of the federal Copyright Act of 1976, as amended, or otherwise. If the products or their design are subject to any pre-

existing patent rights or other proprietary rights that Buyer holds, then Buyer grants to jawTEK an irrevocable, perpetual, non-exclusive, royalty-free license of the patent rights and other proprietary rights to the extent necessary to enable jawTEK to design, develop, manufacture or supply the products. This license is in addition to all licenses impliedly granted to jawTEK as a supplier of the products. Buyer shall not use jawTEK's name or any trademark, trade name, service mark or trade dress that jawTEK owns or that is licensed to jawTEK or to any affiliate of jawTEK, without jawTEK's express, written consent. If Buyer and jawTEK have signed a separate agreement that addresses some or all of the subject matter of this Paragraph, then both the other agreement and this Paragraph shall be effective, but if there is a direct conflict between them, then the conflicting provision of the other agreement shall control.

19. Non-Government Contract. Unless otherwise expressly agreed in writing by jawTEK, jawTEK does not accept government contract or grant related clauses or requirements through flow down, incorporation by reference or otherwise, including pricing and domestic preference requirements and makes no representations or warranties regarding compliance with any such government requirements, regulations or statutes.

20. Buyer's Default. Buyer is in default if any of the following occurs:

- (a) Buyer breaches, repudiates, or threatens to breach any agreement, representation or warranty or any other term in the contract evidenced by these Terms and Conditions or in any other agreement between Buyer and jawTEK, including but not limited to a failure to pay all sums when due;
- (b) Insolvency of Buyer or filing a voluntary or involuntary petition in bankruptcy with respect to Buyer;
- (c) Appointment of a receiver or trustee for Buyer;
- (d) Buyer's credit becomes impaired; or
- (e) Execution of an assignment for the benefit of creditors of Buyer.

21. jawTEK's Remedies. In the event of Buyer's default, jawTEK shall have the following remedies:

- (a) jawTEK may require payment in advance; (b) jawTEK may ship products only via C.O.D.;
- (c) jawTEK may suspend performance or cancel all or any part of the balance of any contract with Buyer;
- (d) jawTEK may reduce any unpaid debt of Buyer by enforcing its security interest, created hereby, in all products furnished by jawTEK to Buyer (and proceeds therefrom);
- (e) jawTEK may take any other steps necessary or desirable to secure jawTEK fully with respect to Buyer's payment for products and services furnished or to be furnished by jawTEK to Buyer; and
- (f) Buyer shall reimburse jawTEK for all damages suffered due to Buyer's breach, including but not limited to incidental, consequential, and other damages, as well as lost profits, attorney fees, and court costs.

The remedies in this document shall be cumulative and in addition to any other remedies available to jawTEK under applicable law or at equity. No waiver by jawTEK of any breach or remedy shall be a waiver of any other breach or remedy.

22. Insurance. jawTEK shall have no obligation to maintain insurance in excess of jawTEK's usual business needs as determined by jawTEK in its sole discretion.

23. Independent Contractor. jawTEK shall at all times be deemed to be an independent contractor. Nothing herein shall be deemed to make jawTEK or its employees or agents an employee, partner or joint venturer of Buyer.

24. Time for Bringing Action. Except with respect to claims for which longer or shorter periods are specifically set forth herein, any claim by Buyer against jawTEK for breach of jawTEK's obligations hereunder or for any other claim arising out of or relating to the products or their design, manufacture, sale or delivery must be brought within one (1) year after the cause of action accrues.

25. General.

(a) Waiver. No right or remedy of jawTEK shall be deemed to have been waived or renounced, in whole or in part, unless that waiver or renunciation is supported by consideration and is in writing signed by jawTEK.

(b) Setoff. jawTEK has the right to deductions or setoffs of any sums due to jawTEK from Buyer (whether or not arising from this agreement) against any sums due to Buyer from jawTEK (whether or not arising in connection with these Terms and Conditions).

(c) Assignment. Buyer shall not assign its rights or delegate its duties under these Terms and Conditions without jawTEK's prior written consent. jawTEK may assign to any third party its rights and obligations with respect to Buyer.

(d) Severability. All terms shall be enforced only to the maximum extent permitted by law. If any term is invalid or unenforceable, all other terms shall remain in effect.

(e) State Law. The sale of products and services in accordance with this document shall be governed in all respects by the laws of the State of Michigan. The application of the United Nations Convention on Contracts for the International Sale of Products is expressly excluded.

(f) Jurisdiction and Venue. jawTEK and Buyer agree that any action arising out of the sale of products or services in accordance with these Terms and Conditions will be brought, heard and decided exclusively in Ottawa County, Michigan. Buyer submits to personal jurisdiction in Michigan and acknowledges that venue for such action in Ottawa County, Michigan is proper and appropriate.

Revised and effective as of October 1, 2015

Agreed:

jawTEK, LLC

Signed: _____

Title: General Manager

Buyer (Company Name): _____

Signed: _____

Title: _____