

**1. Applicability.** a) This purchase order is an offer by A-dec, Inc. (“A-dec”) for the purchase of the goods (“Goods”) and/or services (“Services”) specified on the face of this purchase order (“Purchase Order”) from the party to whom the Purchase Order is addressed (“Supplier”) in accordance with and subject to these terms and conditions (“Terms”). Notwithstanding anything to the contrary, if a written master agreement (e.g., Master Supply Agreement or Master Services Agreement) signed by both parties is in existence covering the sale of the Goods or Services, the terms and conditions of that agreement will prevail to the extent they are inconsistent with these Terms. This Purchase Order and these Terms, together with any documents incorporated herein by reference, constitute the sole and entire agreement of the parties with respect to the Purchase Order, and supersedes all prior or contemporaneous understandings and agreements. Supplier’s terms and conditions that are different from or in addition to these Terms, whether contained in any acknowledgment of this Purchase Order, or with delivery of the Goods and/Services, or otherwise, will not be binding on A-dec and A-dec rejects them. (b) These Terms apply to any repaired Goods or replacement Goods or Services provided by Supplier. (c) A-dec is not obligated to any minimum purchase or future purchase obligations under this Purchase Order.

**2. Acceptance of Purchase Order.** A-dec requests a written or electronic acknowledgment of this Purchase Order. Supplier will be bound by this Purchase Order and these Terms if Supplier acknowledges this Purchase Order in writing or orally, commences performance, or accepts any payment from A-dec under this Purchase Order.

**3. Delivery; Shipping; Performance.** (a) Supplier will deliver the Goods in the quantities, at the prices, and on the date(s) specified in the Purchase Order (“Delivery Date”) or as otherwise agreed in writing by the parties. A-dec has the right to return any Goods delivered prior to the Delivery Date at Supplier’s expense and Supplier will redeliver such Goods on the Delivery Date if requested by A-dec. (b) Supplier will deliver all Goods to the address specified in the Purchase Order (“Delivery Point”) during A-dec’s normal business hours or as otherwise instructed by A-dec. Supplier will, at its expense, pack all Goods for shipment according to A-dec’s instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in undamaged condition. A packing list will accompany each shipment and will specify the Purchase Order number and describe the Goods and quantity shipped. (c) If Supplier fails to deliver the Goods in full on the Delivery Date, A-dec may terminate the Purchase Order immediately by providing written notice to Supplier, and Supplier will take full responsibility for financial losses incurred by A-dec that are attributable to Supplier’s failure to deliver the Goods on the Delivery Date. If Supplier can fulfill its delivery obligations via expedited shipping, then charges for such shipping will be at Supplier’s expense. (d) If Supplier delivers more or less than the quantity of Goods ordered, A-dec may reject all or any excess Goods. Any such rejected Goods may be returned to Supplier at Supplier’s sole risk and expense. If A-dec does not reject the Goods and instead accepts the delivery of Goods at the increased or reduced quantity, the price for the Goods will be adjusted on a pro-rata basis. (e) Shipping will be made in accordance with the terms on the Purchase Order. Title and risk of loss passes to A-dec upon delivery of the Goods at the Delivery Point. (f) Supplier will provide the Services to A-dec as described and in accordance with any schedule set forth on the Purchase Order. (g) Supplier acknowledges that time is of the essence with respect to Supplier’s obligations hereunder and the timely delivery of the Goods and Services, including all performance dates, timetables, project milestones, and other requirements in the Purchase Order.

**4. Inspection and Rejection.** A-dec has the right to inspect the Goods on or after the Delivery Date. A-dec, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If A-dec rejects any portion of the Goods, A-dec has the right, effective upon written notice to Supplier, to: (a) rescind the Purchase Order in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If A-dec requires replacement of the Goods, Supplier will, at its expense, promptly replace the nonconforming or defective Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of such Goods and the delivery of replacement Goods. If Supplier fails to timely deliver replacement Goods, A-dec may replace them with goods from a third party and charge Supplier the cost and terminate the Purchase Order. Any inspection or other action by A-dec will not reduce or otherwise affect Supplier’s obligations under this Purchase Order and these Terms, and A-dec will have the right to conduct further inspections after Supplier has carried out its remedial actions. Payment for the Goods and/or Services will not constitute acceptance of the Goods and/or Services.

**5. Change Orders.** By written notice to Supplier, A-dec may at any time prior to delivery of the Services or shipment of the Goods make reasonable changes to the scope of work, milestones, quantities, specifications, delivery schedules, and/or methods of shipment stated in this Purchase Order. If any change in this Purchase Order made by A-dec causes an increase or decrease in the cost or time required for performance by Supplier, an equitable adjustment in the price or delivery schedule will be made and the Purchase Order modified in writing accordingly. Any claim by Supplier for an adjustment under this paragraph must be submitted to A-dec in writing

within 30 days after Supplier receives notice of the change requiring the adjustment. Nothing in this paragraph excuses Supplier from performing this Purchase Order as changed, notwithstanding the failure of A-dec and Supplier to agree to an adjustment in the price or delivery schedule.

**6. Payment.** Supplier will issue an invoice to A-dec upon shipment of the Goods or upon completion of the Services, as applicable. A-dec will pay undisputed amounts due within the timeframe specified in the Purchase Order or as otherwise agreed in writing measured from the date of A-dec’s receipt of the invoice. All payments will be made in the currency specified in the Purchase Order or as otherwise agreed by the parties in writing. Without prejudice to any other right or remedy it may have, A-dec reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by A-dec to Supplier. The parties will seek to resolve any payment disputes expeditiously and in good faith. Supplier will continue performing its obligations under this Purchase Order and these Terms notwithstanding any payment dispute.

**7. Subcontractors.** Supplier will obtain A-dec’s written consent, which will not be unreasonably withheld or delayed, prior to entering into agreements with or otherwise engaging subcontractors to provide any Goods or Services to A-dec. A-dec’s approval will not relieve Supplier of its obligations under this Purchase Order and these Terms, and Supplier will remain fully responsible for the performance of any such subcontractors.

**8. Termination.** (a) Without limiting any other rights or remedies it may have, A-dec, by written notice to Supplier, may terminate this Purchase Order (i) prior to delivery of the Services or shipment of the Goods, (ii) if Supplier breaches any provision of these Terms or this Purchase Order, (iii) if Supplier becomes insolvent, enters voluntary or involuntary bankruptcy or receivership proceedings, makes an assignment for the benefit of creditors, (iv) if Supplier is unable at any time to provide reasonable assurance to A-dec of the ability to perform this Purchase Order, or (v) as to the unrecieved portions if delivery of the Goods or Services is not timely. (b) Upon termination, A-dec is relieved of all further obligations to Supplier. If A-dec terminates under (a)(ii)-(v), then Supplier will be liable to A-dec for all costs incurred by A-dec in completing or procuring performance of any remainder of this Purchase Order. (c) Supplier’s sole and exclusive remedy for A-dec’s termination of this Purchase Order in whole or in part is payment for the Goods and/or Services received and accepted by A-dec prior to termination.

**9. Hazardous Substances; Specifications.** (a) Supplier will provide A-dec, immediately upon acceptance of this Purchase Order, a complete material safety data sheet (MSDS) for each hazardous substance for which an MSDS is required by 29 CFR §1910.1200 and any similar information required by federal or state laws and regulations in effect at the time of acceptance of this Purchase Order. Supplier will label, tag, or mark Goods in a manner reasonably designed to alert handlers to any hazardous substances. (b) Supplier will comply with the expectations and requirements set forth in A-dec General Specification GS-008: REACH-RoHS Compliance and Safety Critical Components available at <https://www.a-dec.com/supplier-compliance>.

**10. A-dec Property; Work Product; Confidential Information.** (a) Designs, drawings, information, equipment, data, materials, tooling and other property supplied to Supplier by A-dec under this Purchase Order (“A-dec Property”) belong to A-dec and will remain the property of A-dec. Upon request, Supplier will provide a copy of insurance as proof to A-dec that A-dec Property in Supplier’s possession is adequately covered. Supplier will not use any A-dec Property for any purpose other than the performance of this Purchase Order. When no longer needed for this Purchase Order or other purchase order of A-dec, A-dec Property will be returned to A-dec unless A-dec instructs otherwise. (b) Upon payment of the Services, A-dec will own all right, title, and interest in and to the Work Product. “Work Product” means all material and information conceived or developed in whole or in part by Supplier as a result of the Services provided under this Purchase Order. Work Product includes but is not limited to designs, know-how, input and output materials and information, data, drawings, materials, and software and/or code in any format. Work Product does not include any of Supplier’s general know-how or material or information conceived or developed by Supplier while performing work wholly unrelated to this Purchase Order. (c) All non-public, confidential or proprietary information of A-dec disclosed by A-dec to Supplier, including but not limited to, the A-dec Property, as well as the Work Product (“Confidential Information”), whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential” is confidential. Confidential Information may be used solely for the purpose of performing this Purchase Order and these Terms and disclosed to Supplier employees and subcontractors who need to know to provide the Goods or Services and only if such employees and subcontractors are subject to substantially similar written confidentiality obligations. Upon A-dec’s request, Supplier will promptly return or destroy all Confidential Information. (d) A-dec will be entitled to injunctive relief for any breach of this section.

**11. Compliance with Laws.** (a) Supplier will comply with and is responsible for ensuring that its subsidiaries, affiliates, and subcontractors comply with all applicable federal, state, local, and foreign laws, rules and regulations in the performance of this

Purchase Order. (b) Supplier acknowledges that it has reviewed the Third Party Standards of Ethics and Compliance available under the Legal section at [www.a-dec.com](http://www.a-dec.com) and that it understands and agrees to comply with them. (c) Supplier acknowledges that A-dec contracts with U.S. and state governments and that Supplier may be a “subcontractor” or “supplier” under various federal and state statutes, Executive Orders, and regulations, in which case Supplier is subject to the additional terms in A-dec’s Government Contracts Standard Terms and Conditions available under the Legal section at [www.a-dec.com](http://www.a-dec.com). Supplier generally certifies to A-dec that Supplier fully complies with all applicable federal and state statutes, Executive Orders, and regulations.

**12. Express Warranties.** (a) Supplier warrants to A-dec that the Goods: are of merchantable quality; are fit for the purposes for which goods of that type are ordinarily used as well as for any purposes that A-dec or Supplier has specified or advertised; meet all Supplier specifications given to A-dec and any specifications given to Supplier by A-dec; are free, as of the date of delivery, of all defects in design, materials, workmanship, and title; do not infringe patents, trademarks, copyrights, or similar rights; and conform in every respect to the specifications of the Purchase Order. Supplier further incorporates by reference and passes on to A-dec the benefits of all warranties given to Supplier by persons from whom Supplier purchased any of the Goods. In the event A-dec receives a claim that is determined to be Supplier defective product or workmanship, Supplier will take full responsibility for financial losses incurred by A-dec. (b) Supplier warrants to A-dec that it will perform the Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and will devote adequate resources to meet its obligations. (c) These warranties survive any delivery, inspection, acceptance or payment of or for the Goods or Services by A-dec and are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of A-dec’s discovery of the noncompliance of the Goods or Services with the foregoing warranties. (d) If A-dec gives Supplier notice of noncompliance pursuant to this section, Supplier will, at its own cost and expense, promptly (i) replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Supplier and the delivery of repaired or replacement Goods to A-dec, and, if applicable, (ii) repair or re-perform the applicable Services.

**13. Indemnification; Limitation of Liability.** (a) Supplier will defend (at A-dec’s request), indemnify, and hold harmless A-dec and its affiliates and its and their directors, officers, employees, and subcontractors from and against any third party actions, proceedings, disputes, suits, claims, losses, damages, liabilities, expenses, or fees (including reasonable attorney fees) (collectively, “**Claims**”) arising out of or in connection with (i) the Goods or Services, (ii) the negligence or willful misconduct of Supplier or its employees or subcontractors, (iii) a material breach of this Purchase Order or these Terms, or (iv) the Goods, Services, or Work Product allegedly or actually infringing upon or misappropriating the intellectual property rights of a third party. (b) A-dec will defend, indemnify, and hold harmless Supplier and its affiliates and its and their directors, officers, employees, and subcontractors from and against any Claims arising out of or in connection with (i) the negligence or willful misconduct of A-dec or its employees or subcontractors, or (ii) any A-dec Property infringing upon or misappropriating the intellectual property rights of a third party provided that the A-dec Property has not been altered or misused by Supplier. (c) The indemnifying party will not settle any Claims without the indemnified party’s prior written consent, such consent not to be unreasonably withheld or delayed. (d) A-DEC WILL NOT BE LIABLE TO SUPPLIER FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, OR LOST PROFITS OR REVENUES, EVEN IF SUCH DAMAGES WERE FORESEEABLE BY A-DEC OR A-DEC WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY UPON WHICH THE LIABILITY IS BASED. THIS LIMITATION OF LIABILITY WILL NOT APPLY TO ANY GROSSLY NEGLIGENT OR FRAUDULENT ACTS OR OMISSIONS.

**14. Force Majeure.** A-dec will not be liable or responsible to Supplier, nor be deemed to have defaulted under or breached this Purchase Order or these Terms, for any failure or delay in fulfilling or performing A-dec’s obligations when and to the extent such failure or delay is caused by or results from any cause beyond A-dec’s reasonable control.

**15. Governing Law and Venue.** This Purchase Order and these Terms and the rights and obligations contained in them or otherwise arising between the parties will be governed by and construed in accordance with the laws of the State of Oregon, U.S.A., without regard to any choice of law or conflicts of law principles. IN NO EVENT WILL THE U.N. CONVENTION ON THE INTERNATIONAL SALE OF GOODS APPLY. The parties waive their respective rights to trial by jury in any action or proceeding arising out of this Purchase Order or these Terms or otherwise related to any claim by one party against the other. The sole venue for any legal proceedings between the parties will be in the state or federal courts in Multnomah County, Oregon, U.S.A., and each party consents to the exclusive jurisdiction of such courts.

**16. Miscellaneous.** No remedy provided in these Terms will be deemed exclusive of any other remedy allowed by law. A-dec’s rights under this Purchase Order and these Terms or by operation of law are not waived by any previous waiver, forbearance, or course of dealing. If any term or provision of these Terms is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of these Terms or invalidate or render unenforceable such term or provision in any other jurisdiction. Those provisions of these Terms that by their nature are intended to survive any termination or expiration will so survive. These Terms may be amended or modified in a writing signed by both parties.