

- 1. Acceptance** - Acceptance of Buyer's purchase order is expressly limited to the terms and conditions set forth in this purchase order and any relevant Supply Agreement (the "Supply Agreement"). This purchase order shall be deemed to be accepted by Seller and to become a contract (a) upon receipt by Buyer of an acknowledgement of the purchase order being accepted by the Seller (b) commencement by Seller of performance of the work call for herein, or (c) shipment of any materials called for herein by Seller to Buyer. The work "material" as used herein means goods, parts, property and services furnished by Buyer to Seller. Any proposal for additional, different or inconsistent terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance, any other documents or otherwise is deemed material and is hereby objected to and rejected, but any such proposals shall not operate as a rejection of this offer, unless such variance are in the terms of the description, quantity, price or delivery schedule of the goods or services, and this offer shall be deemed accepted by Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms set forth herein. The Seller agrees that this purchase order contains the complete, exclusive and entire statement of the terms of the agreement and supersedes any previous oral or written representations, and no other agreement, understanding or proposal, including without limitation, provisions in Seller's quotations, proposals, acknowledgements, invoices or other documents which modifies or changes any term or condition of the purchase order, or includes any other additional, different or inconsistent terms from those contained in this purchase order, shall be binding unless it has been reduced to writing and specifically accepted in writing by Buyer. No course of dealing, course of performance or usage of trade shall be applicable unless expressly incorporated by this purchase order. Any clerical errors contained in this purchase order are subject to correction by Buyer.
- 2. Purchase Prices** – Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, the materials specified on the purchase order or in the Supply Agreement, at the prices specified on the purchase order or in the Supply Agreement, and on the other terms and conditions specified herein. Such prices shall constitute the full and complete prices for the materials, inclusive of all costs and expenses, including, without limitation, those related to freight, handling, shipping, packaging, storage, taxes and all other fees and charges related to the materials and the delivery of the materials to Buyer (all of which shall be the sole responsibility of the Seller), and no additional charges of any type shall be added without Buyer's express written consent. Seller warrants that the prices for the materials are no less favorable than those currently extended to any other customer for the same or similar materials in similar or lesser quantities. Seller agrees to participate in and to provide materials in compliance with the requirements of any cost reduction program in which Buyer is obligated by its customer(s) to participate. Buyer shall also receive the full benefit of all discounts, premiums and other favorable terms of payment customarily offered by Seller to its customers. In the event Seller reduces its prices for the materials during the term of this purchase order, Seller agrees to reduce the prices to Buyer correspondingly. No price increases shall be effective unless agreed to in writing by Buyer. All discounts shall be based on the full amount of each invoice. In addition to any other remedies that may be available to Buyer at law or equity. Buyer shall be entitled to an appropriate reduction in any relevant price with respect to any shortages of materials ordered or any defective materials or materials that are rejected.
- 3. Payment Terms** – Buyer shall pay Seller the amount agreed upon and specified in the applicable purchase order. Payment shall not constitute acceptance. Seller shall invoice Buyer for all Goods delivered within thirty (30) days of delivery of Goods and must reference the applicable purchase order, and Buyer reserves the right to return all incorrect invoices. Unless otherwise specified on the face of a purchase order, Buyer shall pay the invoiced amount within thirty (30) days after receipt of a correct invoice.

4. **Inspection** – Buyer shall have a reasonable time after receipt of Goods and before payment to inspect them for conformity hereto, and goods received prior to inspections shall not be deemed accepted until Buyer has run an adequate test to determine whether the Goods conform to the specifications hereof. Use of a portion of the Goods for the purpose of testing shall not constitute an acceptance of the Goods. If Goods tendered do not wholly conform to the provisions hereof, Buyer shall have the right to reject such Goods. Nonconforming Goods will be returned to Seller freight collect and risk of loss will pass to Seller upon Buyer delivery to the common carrier.
5. **Warranties** – Seller warrants that all Goods provided will be new and will not be used or refurbished. Seller warrants that all Goods delivered shall be free from defects in materials and workmanship and shall conform to all applicable specifications for a period of twelve (12) months from the date of delivery to Buyer or for the period provided in Seller’s standard warranty covering the Goods, whichever is longer. All warranties shall be construed as conditions as well as warranties and shall not be exclusive. Seller shall furnish to Buyer Seller’s standard warranty and service guarantee applicable to the Goods. If Buyer identifies a warranty problem with the Goods during the warranty period, Buyer will promptly notify Seller of such problems and will return the Goods to Seller, at Seller’s expense. Seller shall, at Buyer’s option, either repair or replace such Goods, or credit Buyer’s account for the same. Replacement and repaired Goods shall be warranted for the remainder of the warranty period or six (6) months, whichever is longer.
6. **Quality** – Seller shall establish and maintain a quality management system acceptable to Buyer for the items or services purchased under this order. Seller shall permit Buyer to review procedures, practices, processes and related documents to determine such acceptability. Seller acknowledges their contribution to product or service conformity, product safety and the importance of Ethical behavior. Buyer is committed to conducting its business fairly and in an ethical and proper manner. Seller shall have a continuing obligation to promptly notify Buyer of any violation or deviation. Buyer and/or its customer, and regulatory authorities, to the extent practicable at all times and facilities including the period of manufacture or performance, may inspect and test material, work in process, services, and supplies. Seller retains the obligation to ensure proper inspection and testing.
7. **Counterfeit Work** - The following definitions apply to this clause:
  - a. "Counterfeit Work" means Work that is or contains unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used Work represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.  
"Suspect Counterfeit Work" means Work for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the Work part is authentic.
  - b. SELLER shall not deliver Counterfeit Work or Suspect Counterfeit Work to PARAGON under this Contract.
  - c. SELLER shall only purchase products to be delivered or incorporated as Work to PARAGON directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. SELLER may use another source only if (i) the foregoing sources are unavailable, (ii) SELLER’s inspection and other counterfeit risk mitigation processes will be employed to ensure the authenticity of the Work, and (iii) SELLER obtains the advance written approval of PARAGON.
  - d. SELLER shall maintain counterfeit risk mitigation processes in accordance with industry recognized standards and with any other specific requirements identified in this Contract.
  - e. SELLER shall immediately notify PARAGON with the pertinent facts if SELLER becomes aware that it has delivered Counterfeit Work or Suspect Counterfeit Work. When requested by PARAGON, SELLER shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM. SELLER, at its expense, shall provide reasonable cooperation to PARAGON in conducting any investigation regarding the delivery of Counterfeit Work or Suspect Counterfeit Work under this Contract.

- f. This clause applies in addition to and is not altered, changed, or superseded by any quality provision, specification, statement of work, regulatory flow down, or other provision included in this Contract addressing the authenticity of Work.
  - g. SELLER shall include paragraphs (a) through (f) and this paragraph of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as Work to PARAGON.
- 8. Nonconforming Product** – In the event Seller is a subcontractor and damages materials provided by Buyer that causes the product to be nonconforming, Seller will contact Buyer immediately. Arrangement for the approval of nonconforming material must be as directed by Buyers authorized manager or designee.
- 9. Change of Scope** – Seller is required to notify Buyer of any changes to the product and/or process and obtain approval from buyer to proceed.
- 10. Indemnification** – Buyer agrees to indemnify and hold harmless Seller, its affiliates and employees and agents of any of them from and against any and all actual or threatened liabilities, damages, losses, demands, judgments, causes of actions, claims (including by not limited to, claims or patent, copyright and/or trade secret infringement), expenses and costs including attorney’s fees and investigation, fines, penalties and any other charge should arise from or relate to Buyer’s actual or intended use of the products or the performances, non-performance or purported performance of any covenant or agreement, or the breach of any representation, warranty, covenant or agreement hereunder.
- 11. Compliance with Laws** – supplier, and any goods or services supplied by Supplier, shall comply with all applicable laws, rules, regulations, orders, conventions, ordinances or standards that relate to the manufacture, performance, labeling, transportation, importation, exportation. Licensing, approval or certification of goods or services, including, but not limited to, those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health and safety and motor vehicle safety. By delivering the goods or services covered by a Purchase order, Supplier certifies compliance with the foregoing. Supplier shall indemnify and hold Buyer, its officers, directors, employees and shareholders harmless from and against any liability claims, demands or expenses (including attorney’s or other professional fees and expenses) arising from or relating to Supplier’s noncompliance.
- 12. Changes & Specifications** – Buyer shall have the right at any time to make any changes, additions to alterations in the items, quantities, destinations, specifications, drawings, designs or delivery schedules, or to direct temporary suspension of scheduled shipments, with respect to materials governed by this purchase order. The parties will undertake to negotiate an appropriate adjustment in price and terms where the Seller’s direct costs are materially affected by such changes. Any request by Seller for such an adjustment in price or terms must be made within thirty (3) days of any such change. All changes and adjustments, if any, must be in writing and signed by a duly authorize representative of Buyer.
- 13. Conflict Minerals** – Supplier recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten, gold, cobalt and mica (the “Conflict Minerals”) from the Democratic Republic of the Congo and adjoining countries (“DRC countries”). Accordingly, Supplier commits to comply with Section 1502 of the Act and is implementing regulations; to the extent Supplier is not a “Registrant” as defined in the Act, Supplier shall comply with Section 1502 of the Act and its implementation regulations except for the filing requirements. In particular, Supplier commits to have in place a supply chain policy and processes to undertake (i) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into Goods it provides Paragon; (ii) due diligence of its supply chain following a nationally or internationally recognized due diligence framework, as necessary, to determine if Conflict Minerals sourced from the DRC countries directly or indirectly support unlawful

conflict there, and (iii) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Supplier shall take all other measures as are necessary to comply with Section 1502 of the Act and its implementing regulations, including any amendments thereto.

- 14. Confidentiality** – Seller may acquire knowledge of Buyer confidential information in connection with its performance hereunder and agrees to keep such information in confidence during and following termination or expiration of the Agreement. Seller agrees to limit its internal distribution of Buyer confidential information to Seller’s Assistants who have a need to know, and further agrees not to use such information except in the course of performing hereunder and will not use such information for its own benefit or for the benefit of any third party.
- 15. Setoff** – All claims for monies due or to become due from Buyer under this purchase order are subject to deduction by Buyer for any setoff or counterclaim that Buyer may have against Seller.
- 16. Governing Law** – This Agreement shall be construed in accordance with, and disputes shall be governed by, the laws of the State of Michigan, excluding its conflict of law rules. The state and federal courts in Grand Rapids, Michigan, USA shall have jurisdiction and venue over all controversies arising out of, or relating to, this Agreement.
- 17. Severability** – If any term of any Purchase Order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of such Purchase Order shall remain in full force and effect.
- 18. Entire Agreement** – This agreement is the complete, final and exclusive statement of the terms of the agreement between the parties and supersedes any and all other prior and contemporaneous negotiation and agreements, whether oral or written, between them relating to the subject matter hereof, The terms and conditions of the Agreement shall prevail notwithstanding any variance with the terms and conditions of any acknowledgment or other document submitted by Seller.