

JR AUTOMATION TERMS OF PURCHASE
(Rev. January 2022)

These Terms of Purchase (“Terms”) apply to all deliveries of goods (“Goods”) and services (“Services”) from the party set forth on the face of the purchase order (“Seller”) to JR Automation (“Buyer”) or its Affiliates. In these Terms, “Affiliate” means any entity directly or indirectly controlled by Buyer. No terms and conditions other than these Terms shall be binding upon the parties unless agreed to in writing and signed by both Buyer and Seller. All terms and conditions contained in any communication which are different from or in addition to the Terms are expressly rejected.

1. **Purchase Order.** Buyer will issue a purchase order (“Order”) to Seller in writing which will be binding upon Seller’s acceptance in writing. Any modifications to the Order by Seller will be a rejection of Buyer’s offer to purchase Goods and/or Services unless accepted by Buyer in writing. If Seller does not reject Buyer’s Order within three (3) business days of receipt, or if Seller begins performance of any part of the Order, the Order will be deemed unconditionally accepted by Seller.
2. **Price and Payment.** Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes arising because of Buyer’s purchase from Seller. Buyer shall not be required to pay any late charge, interest, finance charge, restocking fee(s), or similar charge. Buyer’s payment of the purchase price does not indicate its acceptance of the Goods or Services. Unless Buyer agrees otherwise in writing, payment terms, including discount periods, shall run from the latest of (1) the scheduled date for delivery or performance, (2) the actual date of delivery of conforming goods or performance of conforming services, (3) the date of Seller’s invoice, (4) in the case of capital equipment, completion of Buyer’s final inspection and acceptance after installation and (5) in the case of tooling, Buyer’s approval of production pieces produced by the tooling at Buyer’s facility.
3. **Delivery.** Unless Buyer agrees otherwise in writing, Seller shall deliver the Goods FCA, Seller’s facility (Incoterms 2020). Time of delivery or performance is of the essence. In the event Seller reasonably believes a delivery will be delayed, Seller shall immediately notify Buyer of the known or anticipated event(s) that may prevent or delay Seller’s ability to meet the stated delivery or performance date. Such notice shall indicate the anticipated duration of the delay, a detailed plan of Seller’s proposed remedy, and procurement alternatives to avoid interruption to Buyer’s production. Upon receipt of the notice, Buyer shall have the right, in its sole discretion, to purchase Goods from third parties and charge Seller with the cost of cover. Unless agreed to by Buyer in a signed writing, Buyer’s stated delivery or performance date and the date for performance of any other obligation of Seller shall not be extended or excused for any reason. If Seller delivers more Goods than Buyer ordered, then, unless Buyer agrees otherwise in writing, Buyer shall not have to pay for the excess. Seller shall deliver all of the Goods in a single delivery and not in installments. Buyer’s acceptance of a delivery that contains less than the required quantity shall not relieve Seller of its obligation to deliver the balance of the ordered Goods at the price and on the other terms that the Order specifies. If Seller delivers the Goods before the scheduled delivery date, then Buyer may, at Seller’s expense and risk, either store them or return them to Seller. Buyer’s acceptance of an early delivery shall not change the payment terms.
4. **Export and Import Requirements; Drawback and Refund Rights.** If applicable, Seller shall prepare, maintain and submit all information and documentation that is necessary to comply with the customs and export and import requirements of each country from which the Goods will be exported and each country into which they will be imported. Upon Buyer’s request, Seller shall promptly furnish to Buyer copies of required information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country into which the Goods are to be imported and shall maintain compliance with all applicable export control requirements. Seller assigns and transfers to Buyer all transferable customs duty and tax drawback or refund rights relating to the Goods, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller shall promptly inform Buyer of each such right and, upon Buyer’s request, shall promptly provide to Buyer all documents and information that are required for Buyer to obtain each such drawback and refund. Seller shall maintain and shall cause each of its suppliers, including logistics providers, to maintain strict security measures that are reasonably calculated to prevent acts of terrorism with respect to the Goods.
5. **Inspection and Tests.** Upon advanced written notice to Seller, Buyer’s employees or agents may, during regular business hours, enter Seller’s premises to inspect and test the Goods, Seller’s process of manufacturing of the Goods, and any materials, components, or work-in-process that Seller will use in their manufacture.
6. **Blanket Order.** If the face of the Order states that it is a blanket purchase order, then (1) Seller is obligated to deliver to or perform for Buyer all Goods or Services that Buyer orders or releases during the period or in accordance with any delivery or performance schedule specified on the face of the Order, (2) Buyer is not obligated to order, release or purchase from Seller any particular quantity or volume of Goods or Services, regardless of any estimates or projections of future purchases, and (3) Buyer may purchase any or all of the Goods or Services from others.
7. **Seller Representations.** Seller represents and warrants to Buyer, and agrees, that (1) Seller has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under the Order, (2) the Order is the valid and binding obligation of Seller, enforceable against Seller in accordance with these Terms, (3) Seller is and, at the time of each order will be, solvent, (4) the Goods will be delivered with good title, free and clear of all liens and encumbrances, (5) Seller has not offered or given, and shall not offer or give, any gratuity or thing of value to any employee of Buyer or of any affiliate of Buyer and (6) Seller is and shall continue to be in compliance with all equal employment and affirmative action provisions of Executive Order 11246, the Vietnam Era Veterans’ Readjustment Assistance Act (“VEVRAA”), Section 503 of the Rehabilitation Act of 1973 and all implementing regulations under that Order, VEVRAA and Section 503.
8. **Warranty.** For a period of eighteen (18) months from delivery at Buyer’s facility, Seller warrants to Buyer, and agrees, that (1) the Goods shall be new, (2) the Goods and Services shall be merchantable, of good material, workmanship and quality, fit for the purposes for which Buyer intends them and free from faults and defects, (3) the Goods and Services shall conform to any samples, drawings, specifications, performance criteria standards or other requirements that are referred to on the face of the Order or that Buyer has otherwise specified or agreed to in writing, (4) the Goods, their manufacture, packaging, labeling, branding and sale and the Services shall comply with all applicable federal, state and local laws, regulations, standards and orders, including, without limitation, the Fair Labor Standards Act of 1938 and the Occupational Safety and Health Act of 1970, as amended, and all environmental laws, (5) the prices of the Goods or Services and any discounts, advertising allowances or other merchandising payments or services that the Order requires Seller to provide to Buyer are as favorable to Buyer as the lowest prices and the highest discounts, advertising allowances or other merchandising payments or services that Seller provides to other buyers of comparable Goods or Services, (6) Seller shall promptly furnish to Buyer all information and copies of documents (including, but not limited to, complaints, inquiries, test or inspection results and warnings) that Seller receives from an end-user of the Goods, a government agency, an employee or agent of Seller or any other person or source and that suggests or indicates that the Goods may not conform to the requirements of this paragraph, and (7) Seller has and follows, and will continue to have and follow, adequate quality and security procedures that will assure that the Goods and Services will comply with the foregoing warranties and representations. Upon Buyer’s request, Seller shall give Buyer certificates of compliance with applicable laws and regulations. Buyer’s approval of a sample, drawing, specification, or standard shall not relieve Seller of any of its warranties under this paragraph, including, without limitation, its warranties of merchantability, fitness, and compliance with laws. Seller’s warranties extend to future performance of the Goods and Services and survive inspection, tests, acceptance, and payment and shall be considered to have been given not only to Buyer but also to Buyer’s customers and to end-users of the Goods.
9. **Nonconforming Goods.** Any manner or way in which the Goods or Services do not conform to the warranties or representations set forth in these Terms shall be considered a nonconformity. If a nonconformity occurs, Buyer may, upon prompt notice to Seller, at its sole option may: (1) require Seller to promptly to repair or replace the Goods or reperform the Services within a commercially reasonable time, not to exceed five (5) business days, or other mutually agreed upon time, at Seller’s sole expense, (2) return nonconforming Goods to Seller, at Seller’s risk and expense, and require Seller to give Buyer full credit against the price, (3) retain nonconforming Goods and set off losses against any amount that Buyer owes Seller, or (4) repair or replace nonconforming Goods or reperform nonconforming Services and charge Seller with the expense. If Buyer incurred damages as a result of a nonconformity, including, without limitation, any cost of “cover” or from Buyer completing the manufacture or processing of the Goods or Services, Buyer will pay to Seller any unpaid part of the purchase price properly allocable to conforming Goods or Services, work-in-process, and raw materials that Seller delivered to Buyer less Buyer’s damages. In addition to Buyer’s rights described in these Terms, Buyer reserves all rights and remedies that the law gives to buyers, including the right to recover incidental and consequential damages that result from Seller’s breach. Buyer shall not lose any right just because it does not exercise it. A reasonable time for Buyer to reject or revoke acceptance of the Goods is not less than one year from the date of delivery.
10. **Spare Parts.** Seller agrees to provide Buyer with a list of recommended spare parts. The spare parts list will include the individual purchase price, OEM information, OEM part number, Seller part number, physical description, and whether or not the part is stocked at the OEM warehouse. Seller warrants that all spare parts will be

replaceable for at least ten (10) years from the date of delivery. The prices of such parts may be adjusted in accordance with Seller's list price, which shall not exceed commercially reasonable prices.

11. **Indemnity.** Seller shall indemnify and hold Buyer and its directors, officers and employees ("**Representatives**") harmless (and defend Buyer and its Representatives if it requests) as to any claims, liabilities, losses, damages and expenses (including, without limitation, attorneys' fees and other legal expenses) brought against or incurred by Buyer or its Representatives because of (1) any breach by Seller of any of its warranties to, or agreements with, Buyer, (2) any claim that any of the Goods or Services infringes any patent, trademark, copyright, or other intellectual property right, anywhere in the world, (3) any death, injury or damage to any person or property alleged to have been caused by the Goods or Services or by Seller's manufacture of the Goods or performance of the Services, or (4) any claim arising as a result of and to the extent Seller was directed by Buyer's end user.
12. **Changes.** Upon written notice to Seller, Buyer may change the specifications, scope, time or place of delivery or performance, method of packing or shipment, or the quantity of Goods or scope of Services ("**Change Request**"). If a Change Request impacts the purchase price or Seller's time of performance, a mutually agreed upon equitable adjustment shall be made in writing. If Seller does not submit a written request for an adjustment within ten (10) business days after receipt of a Change Request, Seller agrees to carry out the change as requested and waives any future claims for adjustment.
13. **Termination.**
 - a. **Termination for Convenience.** Upon thirty (30) days written notice to Seller, Buyer may terminate an Order, in whole or in part at any time, in writing outlining the terms and effective date of the termination. Not later than thirty (30) days after the effective date of termination, Seller may submit to Buyer its claim, if any, for reasonable compensation due to Buyer's termination. Buyer shall have the right to audit and inspect Seller's books, records and other documents that relate to the termination claim. If Seller does not submit a written claim within thirty (30) days after the effective date of termination, Seller waives future claims for compensation. If the parties cannot agree within a reasonable time upon the amount of fair compensation for the termination claim, Buyer will pay to Seller, without duplication: (1) the Order price for conforming Goods or Services that Seller has completed and delivered or performed in accordance with the provisions of the Order that Buyer has not paid for and (2) the actual costs that Seller incurs and that are properly allocable or apportionable to the terminated portion of the Order, not to exceed the Order price for the terminated portion of the Order, less any payments that Buyer made and the value to Seller of any raw materials, work-in-process, or finished goods that Seller retains and that are allocable to the terminated portion of the Order. Buyer will pay these amounts, net 90, after Seller delivers any completed or otherwise agreed upon Goods to Buyer. If Buyer made payments to Seller that exceed the total amount payable by Buyer to Seller under the preceding provisions, then Seller shall promptly refund the excess to Buyer.
 - b. **Termination for Cause.** If at any time (a) Seller defaults in the performance of any of Seller's obligations to Buyer under the Order, (b) Seller repudiates the Order, or (c) any warranty or representation that Seller made to Buyer in connection with the Order is false or misleading in any material respect, then Buyer may terminate the Order, in whole or part, without liability to Seller. Seller shall promptly pay to Buyer all damages that Buyer incurred as a result of the termination and due to the event or circumstance on the basis of which Buyer terminated.
 - c. **Obligations upon Termination.** When Seller receives notice of termination, Seller shall, unless otherwise directed by Buyer, stop work and acquisition of materials under the Order and protect property in Seller's possession in which Buyer has or may acquire an interest. If and to the extent Buyer demands, Seller shall immediately deliver to Buyer all Goods that conform to the specifications or otherwise meet Buyer's requirements, including all associated designs, drawings, specifications, and software. Additionally, Buyer may demand delivery of all work-in-process; raw materials; source, object, and pseudo code; all pre-existing programs intended to be incorporated in the software; and all intellectual property rights in the foregoing to the extent necessary for the manufacture or use of the Goods or Services. Termination under this Section 13 shall terminate only Seller's obligation and right to deliver Goods or provide Services as set forth herein and shall not terminate or impair Seller's other obligations, or any of Buyer's rights, under these Terms.
14. **Government Orders.** If Buyer will use the Goods or Services covered by the Order in connection with a contract with the United States or other government, then all terms and conditions that the government contract or any law or regulation required to be included in any order formed pursuant to the contract ("**Government Contract**") are incorporated in the Order by reference. If any provision of the Order is inconsistent with any Government Contract, then the Government Contract shall control.
15. **Insurance.** Seller shall maintain insurance coverage that will fully protect both Seller and Buyer from any and all claims and liabilities of any kind or nature for property damage, personal injury, death and economic damage, to any person, that arises from the Goods or their use or the performance of the Services or any activities connected with the Services. Seller shall maintain employee's liability and compensation insurance that will protect Buyer from any and all claims and liabilities that Seller or any employee or agent of Seller makes under any applicable worker's compensation or occupational disease acts. All insurance that this paragraph requires shall be in amounts and coverages, and shall be issued by insurers, that are satisfactory to Buyer. Upon Buyer's request at any time, Seller shall furnish to Buyer certificates evidencing required insurance.
16. **Prepayment.** If Buyer pays any part of the purchase price of the Goods before Seller delivers them to Buyer, then (1) title (but not risk of loss) to each item of the Goods shall pass to Buyer upon identification of the item to the Order, (2) to the extent necessary to protect Buyer's title to the Goods, Seller grants Buyer a security interest in the Goods to secure Seller's obligation to deliver them to Buyer and all of Seller's other present and future obligations to Buyer and (3) Seller shall obtain from each person that holds a security interest in or lien upon the Goods a written agreement releasing that security interest or lien or subordinating it to Buyer's interest in the Goods.
17. **Work on Premises.** If Seller's performance of Services or delivery or installation of Goods involves operations by its employees or subcontractors on Buyer's premises or the premises of a customer of Buyer, then (1) Seller shall at all times enforce strict discipline and maintain good order among all persons engaged in the activity on the premises and shall cause them to comply with all fire prevention and safety rules and regulations in force at the premises and (2) Seller shall keep the premises free from accumulation of waste materials and rubbish that its employees or subcontractors cause and upon completion shall promptly remove all of Seller's equipment and surplus materials.
18. **Independent Contractor.** If the Order covers Services, then (1) Seller is an independent contractor, and neither Seller nor any of Seller's employees or agents shall be considered agents or employees of Buyer and (2) Seller shall furnish, at Seller's expense, all labor, materials, equipment, transportation, facilities, and other items that are necessary to perform the Services.
19. **Non-Solicitation.** Neither party shall, for a period of one (1) year from completion of an Order, solicit, either directly or indirectly, any employee of the other party with whom it has worked during the performance of the Order. Neither party shall be in violation of this provision based on an advertisement or general solicitation that is not specifically directed at employees of the other party.
20. **Confidentiality.** All information, in any form, provided or made available by Buyer or its Affiliates to Seller that is identified as confidential or that Seller knows or should know to be confidential given the nature of the information shall only be disclosed on a need-to-know basis ("**Confidential Information**"). For purposes of these Terms and any Order hereunder, any designs or specifications for the Goods, Buyer Property, information about Buyer's business, operations, or activities including, without limitation, Buyer's present or proposed products, product developments, plans, strategies, finances, know-how, sales, customers, and marketing or sales techniques are considered Confidential Information. Seller shall use reasonable care to protect Confidential Information from misuse and unauthorized disclosure. Seller may disclose Confidential Information to a third party (other than a competitor of Buyer or a subsidiary or affiliate of a competitor) to the extent disclosure is necessary for Seller to perform its obligations under the Order. Seller shall not use Buyer's name or any trademark, trade name, service mark, or trade dress that Buyer owns or that is licensed to Buyer or to any affiliate of Buyer, without Buyer's express, written consent, and Seller shall not sell to anyone other than Buyer any Goods bearing any such trademark, trade name, service mark or trade dress. If Seller breaches or threatens to breach this paragraph or Paragraph 21 then Buyer's remedies at law will be inadequate. Buyer shall have the right of specific performance or injunctive relief, or both, in addition to all other remedies and rights at law or in equity, and Buyer's rights and remedies shall be cumulative.
21. **Intellectual Property.** All inventions (whether or not patentable), devices, technologies, ideas, improvements, processes, systems, trademarks, trade names, trade dress, service marks, names, software, and other works and matters that Seller creates or develops in the course of Seller's performance of the Services or Seller's design or development of the Goods for Buyer, including all proprietary rights in the foregoing ("**Intellectual Property**") shall be Buyer's sole property, and Seller assigns, and agrees to assign, to Buyer all right, title, and interest that Seller now has or in the future acquires in the Intellectual Property. All copyrightable works that Seller creates or develops in the course of Seller's performance of the Services or Seller's design or development of the Goods for Buyer shall be considered "works made for hire" within the meaning of the federal Copyright Act of 1976, as amended, and under the equivalent laws of any other country. To the extent that any such copyrightable work is not

- considered a “work made for hire,” it shall be the sole property of Buyer, and Seller assigns, and agrees to assign, to Buyer all right, title, and interest that Seller now has or in the future acquires in it and in all copyright rights in it. Seller shall sign and deliver to Buyer all assignments and other documents, and Seller shall take all other actions, that Buyer requests for the purpose of perfecting Buyer’s ownership of and title to the Intellectual Property and in any copyrightable work that is not considered a “work made for hire” and in all copyright rights in it. If the Goods or their design are subject to any pre-existing patent rights or other proprietary rights that Seller holds, then Seller grants to Buyer an irrevocable, non-exclusive, royalty-free license of the patent rights and other proprietary rights to the extent necessary to enable Buyer to modify, repair, or rebuild all or any portion of the Goods. This license is in addition to all licenses impliedly granted to Buyer as a purchaser of the Goods.
22. **Buyer’s Property.** Any designs, drawings, specifications, methods of manufacture, intellectual property, documents, and other information and any tooling, equipment or other property that Buyer furnishes to, or acquires from Seller in connection with Seller’s manufacture of the Goods or performance of the Services (“**Buyer Property**”) are and shall at all times be Buyer’s sole and exclusive property. Seller shall (1) maintain the Buyer Property in good condition, (2) mark the Buyer Property “**PROPERTY OF JR AUTOMATION,**” (3) not commingle the Buyer Property with property of Seller or third parties, (4) allow Buyer to inspect and examine the Buyer Property at any time and (5) return the Buyer Property to Buyer upon its request.
 23. **Directed Seller.** In the event Seller has been directed by Buyer’s end user, Seller agrees to resolve all commercial issues arising from or related to the Goods or Services directly and exclusively with Buyer’s end user.
 24. **Force Majeure.** Neither party shall be liable for any non-performance or delay in performance caused by a strike, lockout, riot, war, insurrection or act of God or public enemy, or any other event or circumstance that is beyond a party’s reasonable control (“Event of Force Majeure”). Upon the occurrence of an Event of Force Majeure, Seller must immediately notify Buyer and give Buyer a detailed description of the non-performance or delay that it will cause. Buyer shall then have the right to terminate the Order, without liability to Seller. Except as provided in this paragraph, no event or circumstance shall limit Seller’s liability for any non-performance or delay.
 25. **Subcontractors.** Seller may not delegate or subcontractor any of its obligations under the order or the Order without Buyer’s prior written consent. If Buyer approves Seller’s use of a subcontractor, Seller will remain fully responsible the work and activities of its subcontractors. Seller represents and warrants that any such subcontractor shall be bound by terms substantially similar in nature to those as set forth herein.
 26. **Other Terms.** Upon advanced written notice to Seller, Buyer may deduct, recoup, and setoff any amounts that Buyer at any time owes to Seller under the Order from and against any damages or other amounts that Seller then owes to Buyer, whether under the Order or otherwise and whether or not Seller shall have assigned to another (“**Assignee**”) its rights to receive amounts that Buyer is required to pay under the Order. All such rights of an Assignee shall be subject these Terms and any additional terms contained on the face of the applicable Order and to all claims and defenses that Buyer at any time has against Seller, whether arising under the Order or otherwise. If at any time Buyer has reasonable grounds for insecurity as to Seller’s performance, then Seller shall provide written adequate assurance of due performance within ten (10) days after Buyer demands the assurance, which shall be considered to be a reasonable time. Buyer shall continue to have all of its rights under the Order even if it does not fully and promptly exercise them on all occasions. Buyer’s failure to exercise, or Buyer’s waiver of, a right or remedy on one occasion is not a waiver of that right or remedy with respect to any future occasion.
 27. **Applicable Law.** The Order shall be governed by, and interpreted according to, Michigan law, excluding the United Nations Convention on Contracts for the International Sale of Goods. Any state or federal court in Ottawa County, Michigan, may handle any action based upon or arising out of the Order, and Seller irrevocably consents that the court shall have personal jurisdiction over Seller and waives any objection that the court is an inconvenient forum.
 28. **Complete Agreement.** Seller has not made any promises or representations to Buyer, and Buyer has not made any to Seller, that are not in the Order. Any change in, or waiver of, any provision of the order or the Order must be contained in a writing signed by Buyer.