

## General Terms and Conditions of Purchase

Unless specifically provided for otherwise in writing on the face of a purchase order or work order (a "Purchase Order" or "PO") issued by Sturm, Inc. or any of its affiliates (hereinafter referred to as "Purchaser"), any Purchase Orders are specifically conditioned on the following terms and conditions (the "Terms and Conditions"). The recipient of a Purchase Order and/or supplier of goods or services is referred to as "Seller":

1. **BASIS OF AGREEMENT:** Delivery of goods and/or performance of services at the quality and price levels and time specified on a Purchase Order are the essence of any resulting supply or service contract (a "Purchase").
2. **ACCEPTANCE OF PURCHASE ORDER:** A Purchase Order becomes binding on Seller in the form of a supply or service contract when Seller (a) gives written acceptance; or (b) makes a delivery of conforming goods within the time specified herein; or (c) renders services within the time specified herein; or (d) commences work on goods to be specially manufactured for Purchaser.
3. **PREVAILING CONDITIONS:** The Purchaser expressly intends that these, and only these terms and conditions and, if applicable, a Master Supply Agreement between the Seller and Purchaser and documentation referenced therein, shall exclusively govern any Purchase. Only Purchaser's written consent will bind it to any terms hereafter transmitted or proposed by Seller.
4. **PACKING, MARKING AND DELIVERY:** (a) Unless otherwise specified in a Purchase Order, all goods shall, at Seller's expense, be properly packed, marked and delivered in accordance with the specifications in a PO or, if not specified therein, in accordance with good and accepted practices (i) for ensuring on-time delivery and no damage; (ii) to secure lowest transportation rates; (iii) to meet carrier's requirements; and (iv) to insure arrival at the "ship to" point specified on the PO or otherwise in connection with the Purchase free of damage. Seller retains responsibility for all goods until delivery at the designated f.o.b. delivery point on the PO, regardless of point of inspection. (b) Purchaser shall not be liable to Seller to pay for or return any containers, packing or crating materials; and (c) Seller shall process shipping documents and route shipment to the f.o.b. delivery point as directed by Purchaser. Unless specifically authorized by Purchaser in writing, any goods delivered and any packaging shall be absolutely free of silicon.
5. **TIME OF DELIVERY:** Seller understands that time is of the essence and that Seller is responsible for strict adherence to the scheduled delivery date(s). Seller agrees that if delivery is delayed beyond the scheduled delivery date for any reason, Seller is responsible for all charges and expenses of delivery to Purchaser occasioned by such delay, including, without limitation, express transportation and delivery charges, including air freight, and weekend delivery charges. Seller also agrees that upon such delay, Seller is responsible for any and all incidental and consequential damages of Purchaser, including, without limitation, overtime wage and related employee benefit costs; incremental operational costs; express transportation and delivery charges, including air freight; weekend delivery charges; and, other costs, expenses, fees, and losses resulting from the inability of the Purchaser to comply with the terms of another agreement due to the Seller's delay in performance.
6. **INSPECTION AND REJECTION:** Seller agrees that Purchaser has the right to inspect and test the goods, work, and workmanship to the extent Purchaser deems practicable at any time and place including during the time of manufacture; that Purchaser also has the right, notwithstanding prior payment or tests, to notify Seller that the goods or services tendered are rejected or require correction or repair thereof; and that Seller, at its sole expense, will promptly take all steps necessary to obtain conformance with any applicable Purchase Order in all respects.
7. **TITLE:** Purchaser shall obtain free and clear title to the goods and services purchased from Seller upon Purchaser's acceptance of such goods and services. Title shall be deemed to transfer in the State of South Carolina.
8. **WARRANTY:** Seller warrants that the goods or services delivered or otherwise provided by Seller will comply with the applicable PO and any specifications, drawings, descriptions or samples furnished or specified by Purchaser and that the same will be merchantable, of good material and workmanship, free from defect, and unless specifically authorized otherwise by Purchaser in writing be absolutely free of any silicon. Seller warrants that any goods furnished that are custom designed or selected by Seller according to general Purchaser specifications will be fit and sufficient for the purposes intended. Seller is responsible for full reimbursement of reasonable costs associated with nonconforming products or services. Seller expressly agrees to defend, indemnify and hold harmless Purchaser from and against any and all claims, losses, damages, and settlement expenses including all litigation costs resulting from or arising out of a breach of Seller's warranties. The terms of this Clause 8 survive the termination or expiration of any Purchase.
9. **ASSIGNMENT OF PERFORMANCE BY SELLER:** Seller agrees not to assign, sub-contract, or delegate the performance of its duties under a Purchase without the express prior written consent of Purchaser, which may be withheld for any reason and which at no time shall constitute or be deemed to constitute a novation, and Seller shall at all times remain liable to Purchaser for any assignee's breach of the terms hereof.
10. **PURCHASER'S TERMINATION OPTION:** (a) Purchaser, at its option, may terminate the performance of work in whole or in part by written notice to Seller, upon receipt of which notice Seller will promptly stop work on the date and to the extent specified in such notice and terminate all orders and/or contracts to the extent the same relate to the termination of such Purchase; (b) Seller, immediately upon receipt of notice of termination of a Purchase, shall advise Purchaser of the quantities of materials and work on hand or purchased and received prior to termination hereof and the most favorable disposition Seller can make thereof. Seller will comply with Purchaser's instructions regarding transfer and disposition of title and possession of such work and goods; (c) Purchaser will pay to Seller the order price for finished work and/or goods accepted by Purchaser and the cost to Seller of work in process and raw materials allocable to the terminated work, subject to any audit Purchaser may conduct.
11. **CANCELLATION UPON DEFAULT:** If Seller (a) fails to deliver goods or perform services at the times specified in a PO or as otherwise expressly agreed by Seller; (b) fails to perform any of the other provisions of a Purchase and does not cure such default(s) within 10 days after receipt of notice from Purchaser specifying such default(s); (c) becomes insolvent, makes an assignment in favor of creditors or enters bankruptcy or dissolution procedures; or (d) is merged into another company and/or is expropriated or nationalized, Purchaser, by written notice to Seller, may cancel all or any part of a Purchase without any liability except for the price as specified in the PO for completed services and completed goods delivered to, and accepted by, Purchaser. With respect to finished or in process or otherwise unfinished work under a terminated or cancelled Purchase, Purchaser reserves the right to take full title and possession, free and clear of any liens, of all or part of such work immediately upon notice to Seller to that effect, whether or not final price terms have been agreed upon. Purchaser shall pay the contract price or if such price has not been established the fair value for all goods and work so acquired offsetting any damage due for the breach by Seller. If after notice of default under this Clause 11 it is determined that Seller was not in default, work affected by such termination shall be deemed terminated pursuant to Clause 10 above, and the rights and obligations of the parties shall be governed by said clause.
12. **CHANGES:** Purchaser, at any time and by written notice to Seller, may make changes within the general scope of any Purchase. If any such change causes an increase or decrease in the cost of, or time required for, performance of any part of a Purchase, the contract price, delivery time or both shall be equitably adjusted.
13. **CONFIDENTIALITY:** Seller shall keep strictly confidential the terms of any Purchase Order or Purchase, the fact that it sells or provided services to the Purchaser, that Seller has been contacted by the Purchaser with respect to supplying goods and services to Purchaser, and all information exchanged in connection with a Purchase that is not readily available to the public. Seller further agrees not to use Purchaser's name in any manner, including but not limited to, advertising or other promotional materials or publications without first obtaining Purchaser's advance written consent.
14. **INTELLECTUAL PROPERTY RIGHTS:** Seller warrants that the sale or use of any goods and/or services does not infringe or contribute to the infringement of any patent, copyright, trademark, service mark or other intellectual property of any third party. Seller covenants that it will defend, indemnify and hold harmless Purchaser from and against any and every infringement suit in any country and any and all liability arising therefrom, including but not limited to attorneys' fees and court costs. All samples, jigs, dies, molds, patterns, special taps, gauges, test equipment, drawings, plans, specifications and any and all related materials supplied to Seller in connection with a planned or actual Purchase shall remain the property of the Purchaser; and, Seller shall keep the same confidential, and shall make no use thereof other than to make offers and or supply goods and/or services to Purchaser and shall immediately return to Purchaser all such materials upon the completion of a Purchase by fulfillment.
15. **FORCE MAJEURE:** Any Purchase is subject to modification by Purchaser in event of fire, accident, strikes, government acts or other conditions beyond Purchaser's control.
16. **REMEDIES CUMULATIVE:** The rights and remedies herein reserved to Purchaser are cumulative and in addition to any other or further rights and remedies available at law or in equity. No waiver of any breach or default will constitute a waiver of any other breach or default or of any of Purchaser's rights.
17. **GOVERNMENT REGULATIONS:** To the extent any of its operation, contract, or labor relationship are in any way connected to a Purchase, Seller agrees to be in compliance with all applicable federal, state, and local laws and regulations, including but not limited to applicable provisions of the Equal Opportunity clause set forth in Title 41 of the Code of Federal Regulations, the Occupational Health and Safety Act, the Fair Labor Standards Act, any business, professional, or trade licensing requirements and any workers comp insurance requirements for its workers. Seller covenants that it will defend, indemnify and hold harmless Purchaser from and against any and every law suit, liability or penalty related to any laws and regulations or other violation of the preceding requirements, including but not limited to attorneys' fees and court costs.
18. **GOVERNING LAW:** The laws of the State of South Carolina shall govern any Purchase Order and any Purchase without any reference to conflicts of law provisions that may cause other states' laws to be applicable. Sole and exclusive venue shall reside in the courts of the State of South Carolina.
19. **MERGER:** These Terms and Conditions supersede all prior agreements and understandings, oral or written, between the Purchaser and the Seller, other than those referenced herein, and are intended to be the final expression of their agreement.