

FCC STANDARD TERMS AND CONDITIONS

Article 1. Application. The terms and conditions set forth herein shall govern (the "**Terms**") shall supplement any long term agreements between FCC and Supplier (each a "**Long Term Agreement**") and shall apply to all individual purchase orders issued by FCC to Supplier (each, a "**Purchase Order**" and together with such applicable Long Term Agreement, the "**Agreements**"). If there is conflict between these Terms and Conditions, the Long Term Agreement, or any applicable Purchase Order, the following order of precedence applies: (i) the Purchase Order; (ii) the Long Term Agreement; and (iii) these Terms. These Terms shall be deemed accepted by Supplier upon fulfillment of FCC's order following receipt of such Terms, unless written objection hereto is received by FCC within ten (10) days of Supplier's receipt, or unless the Parties mutually agree in writing to terms other than those set forth herein. Any terms not defined in these Terms shall have the meaning set forth in the applicable Long Term Agreement. Additional or different terms contained in any documentation provided by Supplier beyond those terms contained in these Terms or the Agreements are expressly rejected and shall not be binding on FCC, nor shall they become part of the Agreements absent an amendment agreed to and executed in writing by the parties.

Article 2. Content, Formation and Amendment of Purchase Orders. Each Purchase Order shall specify, with respect to each Component and/or Services ordered, an order date, a description of the Component or Services, delivery date, delivery location, completion date, price, and other transaction terms; provided, however, that matters common to the Purchase Orders may be specified in advance upon consultation by FCC and Supplier. If Supplier does not refuse an order in writing within three (3) days following Supplier's receipt of the Purchase Order, Supplier will be deemed to have accepted such order and the terms of such Purchase Order shall be enforced. If requested by Supplier, FCC shall provide a non-binding forecast of Components or Services expected to be ordered for the following ninety (90) days. If Supplier reasonably expects that it cannot meet the forecasted demand for Components or Services needed by FCC, Supplier shall promptly inform FCC of that fact, and provide a timeline within which Supplier believes it can fulfill FCC's needs. Purchase Orders may be revised by FCC at any time prior to shipment of the Components or provision of Services ordered.

Article 3. Delivery; Inspection; Remedies.

A. **Delivery.** Supplier shall arrange all transportation for Components, and shall deliver Components to FCC DDP (Incoterms 2010) to the FCC facility designated on the applicable Purchase Order, unless FCC directs Supplier in writing to send them to a different destination prior to shipment of the Components. Time is of the essence. Supplier shall notify FCC electronically at the time of shipment, in a format approved by FCC, of the Purchase Order number, the Components contained therein, the quantity and description of such Components, and the method of transportation used. If Supplier is unable to meet the delivery requirements set forth in the applicable Purchase Order, Supplier shall immediately notify FCC, and deliver the Components as soon as possible. FCC reserves the right to reduce payment for Components or Services received after the scheduled delivery date, or, alternatively, to seek replacement Components or Services from a third party at Supplier's expense. Supplier shall be liable for the cost of any replacement Components or Services ordered by FCC as a result of Supplier's missed or late delivery, or as a result of defective, non-conforming or rejected Components.

B. **Inspection.** Supplier is responsible for appropriately packaging all Components to make sure that no damage to such Components occurs during the shipping process, and for performing all Services in accordance with the requirements set forth in the applicable Purchase Order. FCC will reject any Components damaged during the course of shipment, or Services that are not adequately performed. FCC and its customers shall have the right to enter Supplier's facilities during normal business hours to inspect any and all Components, Supplier's facilities, and/or the

machinery used to manufacture such Components upon forty-eight (48) hours' advance notice to Supplier. FCC also reserves the right to inspect Components upon receipt, and Services rendered, even if payment for such Components has already been received by Supplier. Payment for Components or Services does not constitute acceptance. Upon FCC's request, Supplier shall promptly furnish any inspection documentation regarding the Components prepared by Supplier in the ordinary course of business prior to shipping, so that FCC can verify conformance of the Components with the Specifications (as defined in **Article 4**), as set forth in the applicable Agreements. FCC's failure to inspect Components or Services performed shall not be deemed acceptance of defective Components or inadequate Services, nor a waiver of any of FCC's other rights or remedies under the Agreements arising from any defects, non-conformance or other breach by Supplier.

- C. **Rejection.** If FCC rejects Components or tender of delivery due to an excess quantity, Supplier shall, at FCC's request and within such reasonable period of time as FCC specifies, withdraw such excess from FCC's facility at Supplier's expense and risk. If there is a shortage of delivered Components to FCC, Supplier shall, within a reasonable period of time specified by FCC, deliver conforming Components to fill such shortage. If FCC rejects the Components delivered for any other reason, Supplier shall, at FCC's request and within a reasonable period of time specified by FCC, withdraw such rejected Components from FCC's facility at Supplier's sole expense, and reimburse FCC for any payments FCC has for the rejected Components. If Services are not properly performed, the Services shall be promptly re-performed to FCC's satisfaction, as determined in FCC's sole discretion. If Components fail FCC's initial inspection but are useable, as determined in FCC's sole discretion, FCC may choose to accept the Components or Services at a reduced price to be determined in consultation with Supplier.
- D. **Remedies.** If Supplier breaches the Agreements, FCC may take any or all of the following actions, without prejudiced to any other rights or remedies available to FCC by law:
- i. require Supplier to repair or replace such Components or remedy the inadequate Service provided, and upon Supplier's failure or refusal to do so, repair, replace or remedy the same at Supplier's expense;
 - ii. reject any shipment or delivery containing defective or non-conforming Components and return for credit or replacement at FCC's option (at Supplier's cost and risk) reject inadequate Services and withhold payment therefor; and/or
 - iii. cancel any outstanding Purchase Orders or Components or Services not yet delivered or performed hereunder with no further liability to FCC whatsoever.
- E. **FCC Rights.** If any Components furnished under any Purchase Order are, in whole or in part, defective or otherwise nonconforming with the applicable Specifications, FCC shall, in addition to all other rights and remedies provided for by law or these Terms, have the right to recover any and all losses or expenses, including without limitation attorneys' fees which result or in any way arise from Supplier's breach. FCC shall also have the right to require and direct Supplier to remove all nonconforming or defective Components from FCC's facility at Supplier's sole risk and expense. All rights and remedies of FCC, whether provided by these Terms or by law, shall be nonexclusive and cumulative. Claims brought under the Agreements (or otherwise), may be brought by FCC at any time within the applicable statutes of limitations.
- F. **Supplier's Rights.** If FCC breaches any term of the Agreements, Supplier's exclusive remedy shall be Supplier's recovery of the Components or the purchase price payable for Components shipped to or Services provided to FCC prior to such breach. In no

event shall FCC be liable to Supplier for lost profits, business interruption, or incidental, consequential or punitive damages. FCC's liability for any claim arising out of or relating to these Terms shall be limited to the price allocable to the Components or Services under the applicable Purchase Order. Any action by Supplier arising out of or relating to these Terms must be commenced by Supplier within one (1) year after the cause of action has accrued, or such cause of action will be deemed to have been waived.

Article 4. Specifications.

- A. All Components or Services shall comply with FCC's specifications, including any specifications of FCC's end customer (together, the "**Specifications**"), as such Specifications are set forth in each Purchase Order. Such Specifications must comply with, as applicable:
- i. Drawings, specifications, inspection criteria sheets, manufacturing equipment requirements, instructions and other similar standards or documents which FCC provides to COMPANY, as may be changed or amended from time to time ("**FCC Drawings**").
 - ii. Drawings, specifications and other similar documents prepared by Supplier, which FCC received after verifying the contents ("**Supplier Drawings**") (together with FCC Drawings, the "**Drawings**"),
 - iii. JIS and other publicly stipulated standards; provided, however, that where publicly stipulated standards conflict with the Drawings, the Drawings shall take precedence.
 - iv. Standards related to safety or the environment stipulated by FCC or its customers ("**Customers**") for domestic and overseas locations, and standards stipulated in laws, regulations, rules, ordinances and the like for such locations that are known at the point in time of delivery.
 - v. In addition to the preceding items, matters decided upon consultations between both Parties (including contents of meetings).
 - vi. Drawings include data, CAD files, and all other electronic data stored in any medium and generated in any software or program used by the Parties.
- B. Supplier shall obtain FCC's approval of Supplier Drawings before commencing the manufacturing of Components, and the same shall apply to any changes or additions to Supplier Drawings.
- C. On the basis of its technology and experience, Supplier shall examine specifications of the Components or matters presented by FCC as requirements, and notify FCC of any matters that should be improved. If either Party has questions or objections regarding any Component or Service Specifications, it shall promptly notify the other Party to consult regarding any such questions or concerns and resolve them.

Article 5. Transfer of Ownership and Risk. Notwithstanding any provision hereof to the contrary, title to, and risk of loss of the Components or Direct Delivery Components shall remain with Supplier until the Components are delivered at the delivery point specified on the face of the applicable Purchase Order or other delivery point specified by FCC pursuant to Article 3.A, or if no such point is specified, then when such Components are delivered to FCC. Supplier shall hold FCC harmless from and against any and all claims asserted against FCC on account of any personal injuries and or property damages caused by the Components, or by the transportation thereof, prior to the completion of unloading at FCC's facility.

Article 6. Special Provision regarding Direct Delivery Components.

- A. If any event occurs that causes Supplier to be unable to promptly deliver any of the ordered quantities of the Components that are to be directly delivered to a third party designated by FCC ("**Direct Receiver**") pursuant to FCC's instruction ("**Direct Delivery**

Components") or if there is a likelihood of such an event, Supplier shall immediately notify FCC and Direct Receiver of the reasons therefor and the planned delivery dates.

- B. FCC may assign the Acceptance and receiving inspection of Direct Delivery Components to a Direct Receiver. In such a case, the Acceptance and receiving inspection by the Direct Receiver shall be deemed to be the Acceptance and receiving inspection by FCC.
- C. If the results of the receiving inspection by the Direct Receiver show any shortfall or excess in quantity or rejected Components, upon consultations between the Parties, Supplier shall take necessary measures in accordance with Article 3.

Article 7. Price; Payment.

- A. Price. Components or Services purchased under this Agreement shall be priced as specified in the applicable Purchase Order. If price terms are omitted from the Purchase Order, the price of the purchases shall be the lower of: (i) the price last quoted or paid (whichever is later); or (ii) the prevailing market price at the time of shipment of Components. Unless otherwise provided herein, prices shown on a Purchase Order are deemed to include all taxes not expressly imposed by law on FCC, as the buyer of the Components or Services. All prices are firm. FCC shall not be obligated to pay any additional charges whatsoever, including but not limited to charges for packing, rating, boxing, bracing, containers, insurance freight, shipping, transportation, delivery cartage, fees licenses, permits, inspections or any related or similar item or service. Should Supplier's quoted price or the market price for the Components or Services covered hereby decline prior to shipment or performance, the price shall be reduced accordingly. Supplier shall promptly furnish an invoice for the Components or Services supplied, and FCC shall not be liable for invoices issued by any party other than Supplier.
- B. Payment. Payment for such Components or Services shall be due not less than forty-five (45) days following the later of FCC's receipt of the invoice or receipt of the Components or Services provided. Payment shall be made by wire in accordance with Supplier's wire instructions.
- C. Setoff. FCC shall have the right to set off any payment or other obligated owed by FCC to Supplier, in whole or in part, against any payment or other obligation owed by Supplier to FCC.

Article 8. Tooling; Supplies.

- A. FCC-Owned Tooling. Supplier acknowledges that all tooling and equipment furnished or paid for by (or on behalf of) FCC for Supplier's use under the Agreements constitutes critical elements of the production and supply of the Components. To the extent that any tooling and/or equipment that has been, is, or will be furnished by or on behalf of FCC to Supplier, Supplier agrees to adhere to the following guidelines:
- i. *Completion Date:* Commitment dates will be established for first off-tool samples after final drawings or tool designs are approved by FCC and Supplier. Dates will be based upon a mutually-agreed lead time from mutually agreed upon final tooling Specifications.
 - ii. *Breach of Commitment Date:* If no design changes have been initiated by FCC after final drawing and design approvals, and the Supplier misses the date committed to by Supplier for first off-tool samples, Supplier will be considered in breach.
 - iii. *Ownership and Destruction:* Ownership of FCC-supplied or purchased tooling remains with FCC at all times and Supplier agrees to maintain and keep FCC owned tooling in reasonably good working order, less ordinary wear and tear. Supplier shall also be responsible for determining property taxes relating to such FCC-owned tooling in Supplier facilities. Upon completion of work, Supplier will return tooling to FCC on a schedule to be mutually determined by the Parties.
- B. Supplier-Owned Tooling. For tooling paid for by Supplier,

Supplier also agrees as follows:

- i. The initial tooling and equipment and all subsequent rebuilds will be the sole property of Supplier;
 - ii. Supplier will assume all costs associated with equipment and tooling including modifications, maintenance, repair, storage and insurance;
 - iii. If any tooling or equipment is damaged, Supplier will pay all costs to repair or acquire new tooling and equipment and produce Components according to the original schedule;
 - iv. Upon termination or expiration of the Agreements, FCC may request that Supplier either destroy the equipment or tooling or transfer ownership to FCC. As soon as practicable after receipt of such written request, Supplier will destroy the equipment and tooling or provide appropriate documentation evidencing transfer of ownership to FCC;
 - v. Prior to the destruction of any equipment or tooling, Supplier shall provide FCC with at least twenty (20) days' advance written notice of such destruction so that a representative of FCC may witness the destruction;
 - vi. Supplier shall submit photographs or other evidence of destruction of the equipment and tooling; and
 - vii. Supplier shall not use such equipment or tooling for a third party without FCC's prior written consent.
- C. **Supplies.** When necessary, upon consultation with Supplier, FCC may provide Supplier with materials, semi-finished goods, and components necessary for the manufacturing of the Components or providing Services ("**Supplies**"). FCC may have Supplies directly delivered to Supplier from a third party designated by FCC ("**Designated Third Party**"). Supplier may coordinate with the Designated Third Party on matters such as delivery dates and delivery places for such Supplies ("**Direct Delivery Supplies**"). Supplier shall be responsible for performing an inspection upon receipt of Supplies and Direct Delivery Supplies to insure that the same are undamaged. FCC may provide guidance or instructions on inspection items, inspection methods, and other matters upon consultation with Supplier. Supplier shall manage Supplies and Direct Delivery Supplies and shall not use them for any purpose other than the use for which they were supplied, nor shall Supplier assign or lease to a third party, provide as collateral, or otherwise dispose of, the Supplies. Supplier shall, at its sole expense, provide a semi-annual inventory report to FCC of all such Supplies and Direct Delivery Supplies in Supplier's possession.
- i. **Defective Supplies.** If Supplier finds that Supplies or Direct Delivery Supplies are defective, Supplier shall immediately notify FCC of such defect, and FCC will coordinate the removal and replacement of the defective Supplies or Direct Delivery Supplies. FCC or the Designated Third Party, as applicable, will cover the cost of removal and replacement. This shall be Supplier's sole remedy for defective Supplies or Direct Delivery Supplies.
- D. **Duration.** Supplier expressly agrees to provide Components or Services under the applicable Agreement for the life of the applicable program for which the Components or Services are required, including any Service Part requirements set forth in Article 8.E below. The quantity and frequency with which such Components or Services are ordered shall be in FCC's sole discretion.
- E. **Service (Aftermarket) Parts.** For current and past models, along with all future models which use Components, service (aftermarket) parts (each a "**Service Part**") will be ordered directly by FCC. Supplier must continue to provide replacement parts for a minimum period of ten (10) years after the obsolescence of the model containing such Components. FCC will issue a Service Parts Request ("**SPR**") for Service Parts. FCC requests production piece price for current models. All SPRs for past

models should be returned to FCC including cost and leadtime estimates. Service parts for current models must be supplied within thirty (30) days of the SPR date. Service parts for past models must be supplied within seventy-five (75) days of the SPR issue date. A copy of the SPR shall be attached to each service part shipment.

Article 9. Quality Guaranteee.

- A. The Quality Assurance Agreement attached hereto as Exhibit B is an integral part of the Agreements. Supplier shall comply with the provisions of Quality Assurance Agreement in all respects. If there is any inconsistency between the applicable Agreement and the Quality Assurance Agreement, the terms of the applicable Agreement will prevail with respect to any inconsistency in the commercial terms (e.g. pricing, costs and expenses, delivery terms) and the Quality Assurance Agreement will prevail with respect to any inconsistency in the quality terms, other than terms set forth in Article 4.
- B. **Maintenance of Quality Records.** Supplier shall retain all production, maintenance and service records relating to tooling, manufacturing processes and any and all testing of Components conducted prior to shipping such Components to FCC for a period of at least thirty-six (36) months following shipment of such Components.
- C. **Traceability.** Supplier must: (a) be able to trace all products, ingredients, and packaging components with respect to the Components to the original source ("**Trace-back**"); and, (b) document destination, quantity, and product identifying characteristics (e.g., lot code, manufacture date, production run, etc.) for all outgoing shipments of Components ("**Trace-forward**"). Source, shipment, methods, programs, policies, other traceability, and product accounting information must be readily available to FCC upon request. Supplier shall provide details of its traceability program to FCC prior to first shipment under each Purchase Order. Supplier must be able to account for all finished Components, raw materials, packaging materials, and other items relevant to its processes that it received, stored, handled, processed, shipped, or sold. Supplier must be capable of effectively recalling, in conformance with at least the minimum requirements set forth in an applicable Purchase Order, all of its affected Components and must make all recall documentation available to FCC.
- D. **Stop Work.** If an inspection or audit conducted under Articles 3.B or 23 finds Components to be defective, non-conforming or that such Components fail to meet the standards set forth in the Quality Assurance Agreement, FCC may verbally issue a stop work order onsite ("**Stop Work Order**"). Such Stop Work Order will be confirmed in writing by FCC. Following issuance of a Stop Work Order, Supplier shall immediately halt all production of Components or rendering of Services and shall not resume the same until Supplier has demonstrated that any and all deficiencies identified in the Stop Work Order have been remedied to FCC's satisfaction, as determined in FCC's sole discretion.

Article 10. Warranty.

- A. **Authority.** Supplier represents and warrants that it has the full power to enter into the Agreements and to perform its obligations under the Agreements.
- B. **Warranty for Products and Services.** Supplier warrants to FCC that all Components or Services will conform to the Specifications, will be of merchantable quality, will be fit for the particular purpose intended, will be of good material and workmanship, are free and clear of all liens, claims and encumbrances and will be free from defects in material and workmanship for a period of thirty-six (36) months from the date of sale of each Component to a retail customer, regardless of when the sale occurs (the "**Warranty Period**"). Supplier hereby agrees that all servicing, repairs and replacements of Components not conforming to the foregoing warranty shall be performed by FCC, or a third party designated by FCC, and that Supplier shall be

solely responsible and shall reimburse FCC, or such third party as is designated by FCC, for all costs and expenses for parts, labor, handling and other charges incurred by FCC, and any third party acting on request of FCC, in connection with this warranty. Service Parts furnished under Article 8.E shall be subject to the same warranties as original Components provided under the Agreements. The Warranty Period for a Service Part shall begin on the date such Service Part is sold to a retail customer.

Article 11. Indemnification; Limitation of Liability

- A. Indemnification. Supplier, together with Supplier's parent, guarantors, and shareholders, hereby agrees to indemnify and hold harmless FCC, its Customers, and as to each of those parties, their respective subsidiaries, shareholders, affiliates, directors, officers, principals, agents and employees, as now and hereafter constituted, from and against any and all loss, liability, damage (including any punitive or exemplary damages), cost and expense of every kind or character (including but not limited to legal fees and legal expenses) which any or all of them may incur, suffer or be required to pay by reason of any claim, suit, demand, proceeding or other action that may be brought against any one or more of them arising from or related in any way to the failure or alleged failure of a Component or Service to comply with any of the warranties, representations, covenants or agreement of Supplier contained in the Agreements issued to Supplier, whether or not caused or occasioned by, or alleged to be caused or occasioned by, any act, omission, fault or negligence of Supplier or of anyone acting on Supplier's behalf or with its consent. In the event that any such claim, suit, demand, proceeding or other action shall be brought, Supplier covenants that upon notice from FCC in its own right or on behalf of its Customer, Supplier shall defend such claim, suit, demand, proceeding or action (or, if applicable, Supplier shall cause it to be defended by Supplier's insurer) at Supplier's sole cost and expense, and Supplier shall keep FCC and its Customer, as applicable, fully advised of the continuing status of each such defense. The provisions of this Article 11 shall remain and continue in effect after the Term of the applicable Agreement.
- B. Limitation of Liability. FCC shall not be liable to indemnify Supplier for any consequential, incidental, indirect or punitive damages or economic losses, and FCC's total liability arising under this Agreement shall be limited to the aggregate amount paid by FCC to Supplier for the purchase of Components over the last twelve (12) months.

Article 12 Liquidated Damages. Liquidated damages will be provided for: (i) each day that the Components are delivered to FCC's facility after the delivery date set forth in the applicable Purchase Order; (ii) as well as each day that FCC is unable to make timely delivery to its end customer of such deliverables incorporating any Component; and (iii) each day FCC's timely performance of its obligations to its end customer is delayed due to Supplier's failure to conform the Components to FCC's Specifications. The liquidated damages will be four-tenths of a percent (0.4%) of the invoice amount delivered the following month per week day with a maximum aggregate amount of liquidated damages of ten percent (10%) of the invoice amount. FCC may (without prejudice to any other means of obtaining such amounts) deduct the amount of any liquidated damages due and owing under this Article from any payment due and owing to Supplier. The liquidated damages described herein constitute the parties' good faith estimate of the damages that would be suffered by FCC in such case, and do not constitute a penalty.

Article 13. Insurance. As of the date of the applicable Agreement, Supplier agrees that it shall have obtained the following insurance coverage and that such coverage remains in effect for the duration of the Agreement and any warranty period. Upon request by FCC, Supplier shall deliver a certificate or certificates of insurance evidencing such coverage.

- A. Commercial General Liability insurance, on an "occurrence" policy form, providing a minimum combined single limit of Four Million dollars (\$4,000,000.) on Bodily Injury and Property

Damage, including Personal Injury Liability, Blanket Contractual Liability, Contractor's Protective Liability, and Products and Completed Operations. This limit shall apply per occurrence, and in the aggregate, for occurrences in or about the site and shall name FCC as an additional Insured.

- B. Comprehensive Automobile Liability insurance providing a minimum limit of \$1,000,000. (combined single limit) in Bodily Injury and Property Damage Liability covering owned, non-owned and hired automobiles. FCC shall be listed as an additional Insured.
- C. Statutory Worker's Compensation Coverage including Employer's Liability coverage for minimum limits of \$1,000,000 (if applicable).
- D. Umbrella/Excess Liability – In an amount of no less than Five Million dollars (\$5,000,000).

All policies shall be provided by insurance carriers having a minimum rating as published by A. M. Best of A- Class XI or better. Such policies shall stipulate that they are providing primary coverage, and that coverage thereunder is not contingent upon participation or payment by or under, any other company or policy. A waiver of subrogation shall be provided at FCC's request on the above policies. Supplier shall pay all premiums and perform all acts necessary to maintain the policies required to be purchased in accordance with the applicable Agreement.

Article 14. Tangible and Intellectual Property.

- A. Tangible Property. All tools, dies, specifications, drawings, designs, or other property furnished or specifically paid for by FCC or its Customers in connection with the Agreements ("FCC Property") will: (a) be and remain the tangible and intellectual property of FCC; marked by Supplier as such and kept segregated by Supplier from other property; (b) be used only by Supplier and only in performance of the Agreements; (c) not be moved from Supplier's premises without FCC's prior written consent; (d) not be affixed to real property; (e) be kept free of all liens, claims, encumbrances and restrictions; (f) not be modified or altered by Supplier or any other person or entity, and (g) be maintained by Supplier in reasonably good working order, less ordinary wear and tear. Supplier will bear all risk of loss or damage to FCC Property until it is returned to FCC. Upon request, Supplier will deliver at FCC's expense all FCC Property in good condition, ordinary wear and tear excepted, to any location designated by FCC. Upon the request of FCC, Supplier will execute a bailment agreement in a format reasonably acceptable to FCC with respect to the FCC Property and hereby consents to the filing by FCC of one or more UCC Financing Statements covering the FCC Property. Supplier waives any legal or equitable rights or claims in connection with FCC Property.
- B. Intellectual Property. All materials, discoveries, ideas, design rights and concepts otherwise developed by Supplier specifically for FCC in performing under the Agreements shall be owned by FCC and shall be considered work made for hire by Supplier for FCC. FCC shall own all United States and international copyrights, patent and other intellectual property rights in work product. Provider agrees to assign, and upon creation of each work product automatically assigns, to FCC, its successors and assigns, ownership of all United States and international rights in each and every work product, insofar as any ownership and rights in such work product, by operation of law, are not automatically with FCC. From time to time upon FCC's request, Supplier and/or its personnel shall confirm such assignment by execution and delivery of such assignments, confirmations or other written instruments as FCC may request. FCC, its successors and assigns, shall have the right to obtain and hold in its or their own names all copyright registrations, patents, and other evidence of rights that may be available for work product.

Article 15. Confidentiality. Any trade secrets or other proprietary information of FCC, whether oral, visual or written, shall constitute confidential information of FCC even if not marked as such. In addition, Supplier shall only use such information as needed to perform

its obligations pursuant to the Agreements and shall not disclose to a third party without prior written consent of an authorized officer of FCC, in each instance. For written deliverables provided by Supplier under the Agreements, Supplier shall mark such deliverables including any interim or final status reports, updates, or presentations, exclusively as "FCC Confidential," or as otherwise requested by FCC, and shall not mark, or jointly-mark, such deliverables as belonging to Supplier. Further, Supplier's obligation to preserve the confidentiality of trade secrets or proprietary information shall continue in perpetuity. The terms and conditions of the Agreements shall be deemed confidential information. Supplier will not use the FCC name or any FCC trademarks, trade names, service marks, or quote the opinion of any FCC employee in any marketing materials without first obtaining prior written consent of an FCC authorized officer.

Article 16. Improvement; Review. In order to improve matters such as unit prices, quality, function, and manufacturing methods of the Components, Supplier shall actively develop new technology, propose improvements, provide information to FCC, and the like. To the extent necessary to achieve the purposes of the applicable Agreement, FCC may request Supplier to submit materials related to management of quality, manufacturing processes, and other matters, or may obtain Supplier's consent and conduct an examination of the actual condition of quality management and method of managing processes, and give instructions for improvement. If necessary in order to respond to a demand or an order from a government authority or a related organization, in order to comply with laws and regulations, or if necessary to realize the purposes of the applicable Agreement, FCC may request necessary examinations and provision of information by Supplier, and Supplier shall actively cooperate with such request.

Article 17. Meet or Release. If, during the term of the Agreements, FCC receives from a manufacturer or supplier, other than an affiliate of FCC, an offer to supply Components or Services of comparable quality (in FCC's judgment) at a price lower than the price then-prevailing under the Agreements, FCC may notify Supplier in writing of the competitive offer and request that Supplier meet the competitive offer. Supplier shall, within ten (10) days after Supplier's receipt of FCC's request, notify FCC in writing as to whether Supplier will adjust the then-prevailing price under the applicable Agreement to meet the competitive offer. If Supplier does not agree to meet the new price, or if Supplier does not respond to the written notice within the ten (10) day period, FCC may accept the competitive offer, in which case the obligations of Supplier and FCC under this Agreement shall be reduced to the full extent of the competitive offer. If the competitive offer eliminates FCC's need to secure Components or Services from Supplier in any capacity, the applicable Agreements may be terminated for Cause under Section 19.B.

Article 18. Termination.

- A. Termination for Convenience. FCC may terminate an Agreement for any reason, in whole or in part, upon sixty (60) days' written notice to Supplier. If such termination for convenience occurs, the Parties shall remain obligated to fulfill their respective duties and responsibilities under the applicable Agreement. If any of the following applies to the other Party, without any warning or any other procedures, FCC or Supplier, as the case may be, may immediately cancel the Agreements in whole or in part.
- B. Termination for Cause. Either Party may immediately (or on the timeline otherwise set forth below for each applicable condition) terminate the Agreement for cause if a Party: becomes subject to revocation or suspension of business by a supervisory authority; dissolves, becomes insolvent, files for bankruptcy, or experiences a material degradation in its credit or financial conditions; merges with a third party or is subject to a change of control without first securing FCC's written consent at least thirty (30) days prior to the proposed date of such merger or change of control; experiences delays or an inability to perform its obligations under the Agreement due to a force majeure event as set forth in Article 20, and such obligations are not fulfilled within thirty (30) days thereafter; material breach of obligations under the Agreements, and such breach is not cured within ten (10) days following the

non-breaching Party's written notice of such breach to the breaching Party.

- C. FCC shall have the right to immediately terminate the Agreement upon written notice to Supplier if: (a) the Customer Agreement for which the Components or Services are purchased is terminated prior to the expiration of its term; or (b) if Supplier breaches the Agreements and FCC reasonably believes that such breach threatens to interrupt the production or operations of FCC or its Customer.

Article 19. Force Majeure. Force majeure shall include any failure or delay in fulfilling or performing any term of the Agreements when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Provider including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, or restraints or delays affecting carriers or inability or power outage.

Article 20. Compliance with Laws and Regulations.

- A. When performing the Agreements, Supplier shall comply with related domestic and foreign laws and regulations. If Components are subject to export or import laws or regulations, Supplier shall inform FCC of the requirements thereunder and any obligations of the Parties to comply therewith.
- B. Supplier must properly mark all Components, or, as applicable, the packaging containing such Components, with the country of origin of all Components, and must provide to FCC and/or the importing customs broker, proper documentation regarding the country of origin, NAFTA (or other applicable trade treaty) certificate of origin, and all other documentation required by any applicable laws or trade treaties.

Article 21. Prohibition of Bribery; Illegal Activity; Foreign Corrupt Practices Act.

- A. The Parties shall comply with all applicable provisions prohibiting bribery in each country in which the Parties conduct business under the Agreements. The Parties may not directly or indirectly cause a third party to engage in tortious conduct, provide, promise to provide or offer to provide funds, benefits, or other advantages which are outside the normal course of business. Price discounts to FCC's customers based upon volume of goods sold shall not be considered a violation of this Article. The Parties are further prohibited from improperly influencing public officials.
- B. Neither the Party nor any of its officers is (i) part of or knowingly conducts business with organized crime groups or any other organizations or individuals which pursue economic benefit by using violence, force, or fraudulent means or (ii) any organization or individual which is on any sanction lists published by any international organization, government authority or any country's central bank.
- C. Supplier shall comply with, and cause its agents, employees, and contractors to comply with, all applicable regulatory requirements, including but not limited to, government approvals, policies, laws, regulations and directives that apply to the work that Supplier is doing with FCC, as well as all applicable laws and directives regulating direct and indirect payments and gifts to government officials or others, such as the U.S. Foreign Corrupt Practices Act, the OECD Anti-Bribery Convention, and the UK Bribery Act 2010.

Article 22. Records and Audit. During the Term and for at least one year following termination or expiration of the Agreements, Supplier shall maintain complete and accurate records of the provisions of its Components or Services and of the fees charged to FCC. FCC and its customers shall have the right, upon forty-eight (48) hours' advance written notice, to request an independent, third party audit of Supplier's compliance with the Agreements and/or inspect the premises within which Supplier provides such Components and Services. Supplier shall make all such reasonably requested records available to Supplier's

selected auditor during any such audit and shall cooperate with FCC, its customers and its representatives in the conduct of any audit. If it is determined that Supplier has overcharged (or undercredited) FCC, Supplier shall credit FCC's account (or, at FCC's option, pay FCC directly) an amount equal to the overcharge. If an audit discloses that Supplier's overcharges (including undercredits) exceeded five percent (5%) of the charges during the period audited, Supplier shall also reimburse FCC for the cost of the audit. In the event the results of the audit raise any issues, the Supplier shall co-operate with FCC and rectify such issues promptly.

Article 23. Notice. Any notice, request, approval, consent, or other communication or indication of intention which is required or permitted to be given, in writing, by a Party to the other Party under the Agreements shall be provided in English and shall be deemed to have been effectively given when such notice has been (i) personally delivered, (ii) sent by certified mail, return receipt requested or (iii) sent through a courier service (such as FedEx or UPS) with delivery records, in accordance with the following contact information of the other Party:

FCC: FCC (INDIANA), LLC
Attn: Satoshi Nakaya
555 Industrial Park Rd.
Portland, IN 47371

Supplier: Notice shall be delivered to the attention of the address noted in the applicable Long Term Agreement or Purchase Order and to the attention of the individual noted therein, if provided.

Article 24. Miscellaneous.

- A. Amendment. The Agreements shall not be amended without a written agreement duly executed by both Parties.
- B. Relationship of the Parties. The Parties agree and acknowledge that Supplier is an independent contractor and is not an agent or employee of FCC. Supplier is solely liable for payment of employment taxes or other similar taxes or payments in relation to its employees, and neither Supplier nor any of its employees is covered by FCC's worker's compensation or any other insurance of FCC. Supplier's parent and/or guarantors expressly agree to guaranty Supplier's performance under the Agreements.
- C. Consultation. With regard to matters not stipulated in the applicable Agreement or in case doubts on construction of the applicable Agreement arise, both Parties shall solve them by mutual consultation in good faith.
- D. Assignment. Supplier shall not assign or subcontract any of its duties or obligations under the applicable Agreement without the prior written consent of FCC.
- E. Entire Agreement. The Agreements constitute the entire agreement of the Parties with respect to the subject matter thereof, and any and all prior expressions of intent, understandings, arrangements, and agreements between the Parties with respect to the subject matter of the Agreements, whether made in writing or orally, shall cease to be effective as of the date of the applicable Agreement and shall be superseded by the applicable Agreement.
- F. Severability. The provisions of the Agreements shall be deemed to be severable, and the invalidity of any provisions of the Agreements shall not affect the validity of the remaining provisions of the Agreements.
- G. Survival. Articles 8, 9, 10, 11, 12, 13, 14, 15, and 20 shall survive termination of the Agreements.
- H. Governing Law. Each Agreement shall be governed by and construed in accordance with the laws of the state in which the Components or Services are ordered, either Indiana or North Carolina, as applicable, notwithstanding any state's conflicts of law provisions otherwise. The Parties expressly agree that any and all actions arising from or related to the Agreements or the Components or Services furnished by Supplier will be subject to the exclusive jurisdiction of the state and federal courts of Indiana or North Carolina, as applicable. The Parties acknowledge that

service of process may be made upon the Parties as provided by Indiana or North Carolina law, as applicable.

- I. Electronic Signatures. All notices, documents, communications, purchase orders or invoices which are communicated electronically provided under the Agreements and signed by the Parties electronically shall be deemed to have the same force and effect as all documents signed in hard copy.