

## **1.0 Contractual Conditions.**

The attached Quotation constitutes a firm offer by **JOINING TECHNOLOGIES, INC.** ("Seller," "We"/"Us" or "Ours") valid for the stated period to provide to COMPANY NAME. ("Buyer," "You" or "Your(s)") certain joining services ("Services") in conformance with the specifications provided to Us that accompany any purchase orders submitted under the Quotation, on materials provided by You ("Buyer's Product"), all as described in the Quotation and on the terms and conditions, including prices and quantities, as stated in the Quotation and in these General Conditions for the Supply of Services ("General Conditions"). Buyer and Seller are sometimes collectively referred to as the "Parties."

1.1 These General Conditions shall exclusively govern and be deemed included in all offers, counteroffers, acceptances and performances relating to the Services under the Quotation. The Parties hereby expressly reject any purchasing terms and conditions from Buyer that deviate from the General Conditions set forth herein, even if the Seller does not expressly reject such terms and conditions in connection with a particular purchase order. Your submission of a purchase order pursuant to a quotation issued in connection with the Services constitutes an irrevocable acceptance by You of these General Conditions.

1.2 Any modification or deviation from these General Conditions, whether on Your purchase order or otherwise, requires Our express prior written acceptance. Any terms and conditions proposed by You that deviate from these General Conditions shall only be valid if We have expressly agreed to such terms in a separate written agreement. In the absence of such written agreement, Our acceptance of Your purchase order shall not be construed as Our agreement to any terms and conditions of sale other than as set forth in these General Conditions. Your purchase order shall specifically reference these General Conditions as solely governing the conditions of the provision of the Services to You, and any contrary terms or conditions shall be null and void and of no force and effect.

## **2.0 Binding Agreement.**

2.1 These General Conditions, Your purchase order, any quotation separate from the purchase order and accepted by You that sets forth the price of the Services, and the bill of lading for the delivery of the Buyer's Product as to which we have completed performance of our Services (the "Finished Product"), shall constitute the "Contract Documents." The contract for the Services shall be formed upon Your agreement to these General Conditions and acceptance of the Services at the prices ("Contract Price") stated in the purchase order or other quotation from Us and accepted by You. Notwithstanding the foregoing, in the event that You reasonably induce Us to commence performance hereunder, for example by providing us with Buyer's Product for inspection, analysis or work, or otherwise acting in a manner consistent with acceptance hereof, but fail to countersign the quotation or these General Conditions, You nevertheless will be deemed to have accepted Our quotation and the General Conditions hereof which, along with the Contract Documents, will comprise a binding contract. In no event, however, shall the terms hereof be altered or supplemented by any RFQ or purchase order that You may subsequently generate.

2.2 Your acceptance of a quotation cannot be withdrawn or rescinded after We begin performance or notify You of Our receipt of Your acceptance, except by Our written consent. Our offers as stated in quotations or otherwise are not binding other than for the period stated, and We may modify or withdraw an offer or quotation at any time for any reason prior to Our receipt of written notification of acceptance by You.

## **3.0 Contract Price, Transportation and Delivery Terms.**

3.1 Except as provided in any quotation, the Contract Price for the Services is fixed upon Our acceptance of Your purchase order. Any changes to the Contract Price must be agreed upon to by Us in advance in writing. The Contract Price shall include only such costs of delivery as may be specified by the Delivery Terms as stated in any quotation. In the absence of such specification, the Contract Price shall be deemed to exclude all costs and expenses associated with transport and delivery, and such costs and expenses shall be the obligation of the Buyer.

3.2. Prices for the Services and any products shall be based on delivery FOB Seller's warehouse (unless other delivery terms are specified in the quotation), and shall be separate from any taxes applicable at the time and place of delivery. Transportation (including for certain returned or rejected Finished Product) shall be at Buyer's risk and expense and made by a commercially recognized carrier selected by Us. Risk of loss to the Finished Product shall pass to You when We make the Finished Product ready for delivery and provide You or the carrier with a bill of lading.

3.3 At any time between performance of Your purchase order and delivery, if manufacturing or raw material costs for orders scheduled for delivery more than two (2) months after formation of the Contract change due to circumstances beyond Our reasonable control, then We shall have the right to make reasonable adjustments to the Contract Price.

3.4 The place of performance at which Our obligation to deliver the Finished Product is completed is the address for delivery or other place of performance agreed to by Us in Contact or otherwise in advance in writing, for which We may make an adjustment to the Contract Price. Unless otherwise provided for in any quotation, the Finished Product shall be delivered in one shipment and as specified in the Contract. Partial and early shipments require Our prior written approval and may be subject to an adjustment to the Contract Price.

## **4.0 Delivery Dates; Delay in Performance.**

4.1 Any particular delivery date must be expressly stated in the Contract Documents as the date of delivery of the Goods in order to constitute a binding and material term of the contract. Seller is entitled to make partial and/or early shipments of the Finished Product in advance of any binding delivery date and to receive a proportional payment for any such delivery.

4.2 Compliance with an express delivery date is conditional upon Our timely receipt from You of all necessary authorizations, documents, specifications, releases and payments due, as well as Your timely fulfillment of all other obligations. In the absence of any of the foregoing, any express delivery date shall be reasonably extended by a period of time commensurate with the

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delay in performance caused by Your non-compliance with these requirements. We may rescind a contract if the export or import documents required for delivery to You, in particular, a necessary US export license, are not issued or if one of Our suppliers does not deliver as ordered or on time. Compliance with an express delivery date is subject in all instances to events of Force Majeure in accordance with Section 15.

- 4.3 In the event We do not comply with an express delivery date for reasons other than through Force Majeure, You may cancel that part of the purchase order applicable to the portion of the Services which are delayed in delivery; provided, however, that You must have provided Us with a written notice of Your intent to so rescind and the particular Services to which such rescission is intended to apply, subject in all cases to Our right to cure such delay and complete delivery within thirty (30) days of the date of receipt of such notice from You. At Our request, You shall, within five (5) days of such request, confirm whether You intend to cancel all or a portion of the delivery or still wish Us to perform. Your only remedy for delayed performance by Us shall be for liquidated damages limited to ten percent (10%) of the Contract Price attributable to the portion of the Services the delivery of which under the contact You have cancelled.
- 4.4 If delivery or performance is delayed at Your request, the Buyer's Product and any undelivered Finished Product will be stored for up to thirty (30) days at Your risk and expense in a commercially suitable facility of Our choosing. In no event shall We be required to delay delivery or performance for more than thirty (30) days. In such instance where You request continued suspension of Our performance beyond thirty (30) days, then at Our sole discretion We may deem You to have breached the contract, and We shall be entitled to all remedies available under law.

### 5.0 Shipment and Packaging.

- 5.1 Unless otherwise specifically stated in a quotation, all prices are F.O.B. Seller's plant in East Granby, Connecticut and do not include the cost of shipping. Unless alternative shipping arrangements are requested by You in writing, We will return ship Finished Product to You by such method and routing as We deem commercially reasonable and the cost of such shipping will be pre-paid by You if necessary. In the case of return shipments to multiple destinations, shipments to destinations outside of the United States or other shipments requiring non-standard shipping methods, We reserve the right to require You to prepay the actual cost of shipping. In any case, You shall be responsible for, and shall reimburse Us (if applicable), for any and all shipping costs.
- 5.2 Unless otherwise specifically stated in a quotation, prices do not include the cost of insurance. If You require the return shipment of Finished Product to be insured, You shall so notify Us in writing and We may require that the cost of such insurance be prepaid by You prior to Our arranging for the return shipment. In any case, We will not be responsible for estimating the insurable value of Finished Product and You shall be responsible for the cost of any insurance.
- 5.3 Unless otherwise specifically stated in a quotation, prices include the cost of Our standard packaging. If You require special packaging and such packaging is not specified in a quotation and included in the Contract Price, You shall so notify Us in writing and We may require that the cost of such special packaging be prepaid by You prior to our arranging for return

shipment. In any case, You shall be responsible for the cost of any special packaging.

### 6.0 Terms of Payment.

- 6.1 Our invoice will accompany the delivery of the Finished Product to You. Payment of all or such portion of the Contract Price as stated on the invoice (other than any previously paid up-front payments agreed to in the applicable quotation), without deduction for set off or other claims or adjustments, shall be due from You within the time established in the applicable quotation or, if no time for payment has been set, upon Your receipt of delivery.
- 6.2 If You do not make required payments within thirty (30) days of the due date, We may, without prejudice to any of Our other rights, withhold further deliveries, suspend further performance of Our Services, and charge interest at the rate of 1.5% per month on all outstanding overdue balances, or up to any other maximum rate of interest prescribed by law.
- 6.3 Unless otherwise specifically stated in a quotation, prices do not include any excise, retail sales, use or other taxes, fees or duties which may be imposed by any governmental authority in respect of the Services we will be rendering to You (collectively, "Taxes"). You shall be solely responsible for the payment of any Taxes (other than income taxes payable by Us as a result of Our operations) and shall reimburse Us for any such Taxes as We may be required or elect to pay on Your behalf or otherwise in connection with Our performance.
- 6.4 For all payments made by credit card You agree that the person using the credit card supplied by You to Us for payment is an authorized user that the Card transaction is an obligation by You for the amount of the charge transaction. You further agree to indemnify and otherwise hold Us harmless for all damages, costs, reserve account funding, and liabilities, including third party costs and liabilities associated with, but not specifically limited to any delay in funding the transaction, refusal to process payment by any credit card issuer or merchant including but not limited to allegations of fraud, unavailability of credit or any unauthorized transaction which detrimentally impacts our relationship with our merchant service provider that is not the direct result of Our gross negligence or willful misconduct.

### 7.0 Reservation of Title.

- 7.1 Title to the Buyer's Product shall at all times remain with You, but We shall be entitled to claim Reserved Title in so much of the Finished Product as reflects the Contract Price for Our Services. You shall be entitled to resell or process the Finished Product with Title Reserved in the normal course of Your business, provided You do not default on any of the payments You owe us for Our Services. You are not entitled to pledge or transfer as security, title to any Finished Product with Title Reserved until such time as We have been paid on all outstanding invoices in connection with such Finished Product.
- 7.2 You hereby assign to Us all claims arising in relation to Finished Product with Title Reserved either from resale thereof or on any other legal grounds, in an amount equal to their invoiced value. This shall also apply to the balance of any agreed current account. We authorize You to collect in Your name, but on Our behalf, claims thus assigned to Us. We are entitled to revoke such authorization to collect and require that You disclose all such claims if You are in default with any payment due to Us, if judgment enforcement proceedings are brought against You, if

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Your assets deteriorate substantially, or in case of insolvency proceedings initiated by or against You.

7.3 If a third party attempts to seize Finished Product with Title Reserved, You agree to promptly notify Us and to inform the third party of our property interest thereon. If You fail so to notify Us, then We shall be entitled to immediately claim against You all amounts due under the Contract Documents. To the extent that delivery has not been effected, We shall have the option to deliver immediately and/or to withhold delivery until payment is tendered.

7.4 If You breach the contract through default in payment, then in addition to any other remedies We may have, We are entitled at our sole discretion to rescind the contract and/or recover the Finished Product with Title Reserved, and You are obligated to return such Product to Us. We may enter Your premises where the Finished Product are stored, and subsequently store them or have them stored for Us, in order to exercise Our remedies hereunder.

### 8.0 Material Defects.

8.1 We hereby warrant to You that Our workmanship hereunder will be free from material defects not existing at the time of Our delivery of the Finished Product and for a period of six (6) months from the date of our invoice (the "Warranty Period"); provided, however, that any claim by You under the foregoing warranty must be received by Us in writing within such Warranty Period, and that We are afforded a reasonable opportunity to inspect the workmanship in question and the claimed defect prior to any correction or alteration by Us. In the event of any breach of the foregoing warranty We may, in Our sole discretion, either (a) at Our sole cost and expense, repair the defect or replace the Finished Product in question with a substitute or refurbished product of similar corresponding quality, or (b) refund to You the amount of any Contract Price paid by You with respect to such defective Finished Product. Repeat performance does not restart the Warranty Period. The foregoing shall be Your sole and exclusive remedy with respect to claims of defects in Finished Product under the contract.

8.2 A Finished Product is defective if it does not materially conform to the specifications received by Us in connection with the purchase order. The lack of a specific feature expressed in Our public statements or advertising only constitutes a defect if such feature was expressed as a technical specification for the Finished Product in the Contract Documents.

8.3 EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 8.1, WE MAKE NO OTHER WARRANTIES, WHETHER BY STATUTE OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE DESIGN OF THE FINISHED PRODUCT AND/OR ANY SERVICES PROVIDED THEREWITH WILL MEET YOUR REQUIREMENTS, OR ANY WARRANTY BASED ON A COURSE OF CONDUCT OR TRADE USAGE, IN CONNECTION WITH THE PERFORMANCE OF OUR SERVICES AND THE DELIVERY OF THE FINISHED PRODUCT TO YOU. ALL OTHER WARRANTIES AS TO THE QUALITY, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXPRESSLY DISCLAIMED. EXCEPT AS SET FORTH IN SECTION 10.1, THE REMEDIES SET FORTH IN THIS SECTION SHALL CONSTITUTE YOUR SOLE AND EXCLUSIVE REMEDIES, AND OUR SOLE AND

EXCLUSIVE LIABILITY, IN CONNECTION WITH ANY WARRANTY CLAIM ARISING HEREUNDER.

8.4 The following products, circumstances or conditions are excluded from the Warranty provided in Section 8.1: (a) development samples, prototypes and preproduction deliveries; (b) insignificant divergences from the contract, any quotation or purchase order, or any specification; (c) insignificant reductions in usability; (d) damages caused after the transfer of risk by external influences such as fire, water, currency surge, etc.; improper installation, operation, use or maintenance; use in fields of application and environmental conditions other than those expressly specified by Us; and use in combination with other products not approved by Us for this purpose, excessive stress or normal wear and tear; (e) software defects which cannot be reproduced; (f) improper alterations or repairs of the Finished Products by You or any third party and the results therefrom; and (g) defects as to which You have not notified Us within five (5) business days of delivery for apparent defects, or within five (5) business days of discovery for hidden defects.

8.5 If the analysis of an alleged defect shows that it is not covered by the Warranty, We shall be entitled to charge You for the failure analysis and related out-of-pocket costs and expenses, if any, at Our then-applicable rates. Transportation costs for the return of Finished Product will not be reimbursed and their return shall be at Your expense and risk in accordance with the provisions of Article 3.0.

### 9.0 Process Protection.

9.1 Any information, documents and tangible or intangible items or materials in any form that We provide or divulge to You pertaining in any manner to Our business and processes which enables You to submit a purchase order or perform Your obligations under the Contract Documents, shall be considered Our confidential and proprietary information regardless of any designation as such, and shall, at all times, remain Our property. For a period of five (5) years from the delivery date, You agree (i) not to copy or use such information for any purposes other than the legitimate performance of Your obligations under the Contract Documents, and (ii) to take all commercially reasonable measures to preserve the confidential and proprietary nature of such information with respect to both Your employees and Your independent contractors. You agree to return such information to Us promptly upon request without keeping any copies or reproductions thereof, other than as necessary for legitimate accounting and reporting purposes.

9.2. We reserve unrestricted title and exploitation rights in the information and written materials, drawings, application proposals, cost estimates and other data and information presented by Us and pertaining to Our manufacturing processes and methodologies. Such documents and information may not be made available to third parties without Our prior written consent.

### 10.0 Intellectual Property Rights Warranty and Indemnification.

10.1 You warrant that the Finished Product and any use thereof will not infringe upon any intellectual property rights ("IP Rights"), and You agree to indemnify, defend and hold Us (including Our affiliates, officers, directors and shareholders) harmless from any and all claims, causes of action, damages, liabilities, fees, costs, penalties and expenses (including attorneys' fees) arising out of any claim, suit, demand, order or judgment and (a) alleging that the manufacture, sale or use of the Finished

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Products infringes any such IP Rights, or (b) relating to the improper use of the Finished Product or any product or goods incorporating the Finished Product.

10.2 In any case where You shall indemnify Us in accordance with Section 10.1, You shall be entitled to direct, at Your sole discretion, the strategy with respect to any actual or threatened litigation, except that any proposed settlement thereof must first be approved by Us. If You discontinue the use of the allegedly offending Finished Products for any reason, such discontinuation shall not be deemed an acknowledgement of an infringement of such third party's IP Rights.

### 11.0 Limited Intellectual Property License.

11.1 The provision of the Services under the quotation and any purchase orders thereunder does not include any right of ownership or license to use any of Our Intellectual Property, including but not limited to any materials or processes we develop or employ in the performance of our services or knowledge of Our manufacturing processes or Our other Intellectual Property that may be imbedded in the Finished Product. We hereby grant to the ultimate owner of the Finished Product a revocable, non-exclusive, non-transferable, worldwide, royalty-free license to use such of Our Intellectual Property as may be imbedded in the Finished Product only in connection with the normal use of the Finished Product in accordance with its intended design and utilization, and for no other purpose nor separately therefrom. We retain all right, title and interest in all Our Intellectual Property and rights of its use and exploitation. Any use by You or the ultimate owner of Our Intellectual Property in the Finished Product beyond that granted in the foregoing license is subject to a separate licensing agreement with Us, and is expressly prohibited.

11.2 Unless expressly agreed to in a separate writing agreed to by Us, You hereby covenant and warrant that all Finished Product delivered hereunder is being provided to You in your capacity as Vendor to the ultimate user and owner of the Finished Product (which is not You), for its own utilization and exploitation, and You agree not to use or exploit Our Intellectual Property for Your other business or for purposes unrelated to Your provision of the Finished Product in your capacity as a Vendor to the ultimate user and owner thereof. The performance of Our Services pursuant to a quotation or any purchase order does not include any rights of inspection or audit of our facilities or processes, except on such terms and conditions as we may require to protect our Intellectual Property.

### 12.0 High Risk and Military Applications.

Unless otherwise expressly acknowledged by Us in the quotation, the Finished Product delivered pursuant to any purchase orders are not designated for use in (i) applications where life (such as through the use of life saving or life sustaining equipment or systems), perishable property or property of high value, or the environment is to be protected and/or preserved; and/or (ii) military applications and/or military environments.

### 13.0 Limitation of Liability.

EXCEPT FOR ACTS OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR BREACH OF A MATERIAL PROVISION OF THE CONTRACT, TO THE MAXIMUM EXTENT PERMITTED BY LAW, NEITHER PARTY, NOR ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS AND AGENTS SHALL BE LIABLE TO

THE OTHER FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, RELIANCE OR PUNITIVE DAMAGES, LOST PROFITS OR OPPORTUNITIES, LOST OR DAMAGED RECORDS OR DATA, OR COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, IRRESPECTIVE OF ANY NOTICE OR ACT CONSTITUTING NOTICE OF THE POSSIBILITY OF ANY SUCH CLAIM. THE AGGREGATE CUMULATIVE LIABILITY THAT WE SHALL HAVE FOR ANY AND ALL CLAIMS ARISING IN CONNECTION WITH THE CONTRACT, WHETHER BASED ON CONTRACT, TORT, STRICT OR PRODUCTS LIABILITY, WARRANTY, INFRINGEMENT OR OTHERWISE, SHALL BE THE LESSER OF (A) THE SUM TOTAL OF ALL PAYMENTS MADE BY YOU AND RECEIVED BY US DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE DATE OF THE INCIDENT GIVING RISE TO THE CAUSE OF ACTION, OR (B) US \$100,000. ANY CLAIMS FOR DAMAGES MUST BE MADE WITHIN ONE (1) YEAR OF THE DATE OF THE INCIDENT GIVING RISE TO THE CAUSE OF ACTION TO WHICH THEY RELATE, OR THEY ARE FOREVER BARRED.

### 14.0 Export Control.

You hereby covenant and agree not to export or re-export, directly or indirectly, any Finished Product or "technical data" (as defined by the U.S. Export Administration Regulations or locally applicable export control laws or regulations), or any goods, process or services derived from such technical data, to any destination to which such export or re-export is restricted or prohibited by U.S. or locally applicable law or regulations, without first obtaining, at Your own expense, all prior authorizations, licenses, clearances and permits from the U.S. Department of Commerce and/or other applicable government authorities to the extent required by those laws or regulations. In case an export authorization is refused, You shall not be entitled to return the Finished Product or to claim damages from Us.

### 15.0 Force Majeure.

As used in these General Conditions, the term "Force Majeure" shall mean and include any acts or events reasonably unforeseeable and beyond Our control, such as natural disasters, public disorder, terrorism, government acts, obstruction of transportation, labor strikes, lock-outs or other interruptions of Our or Our other suppliers' operations, which events cause the interruption or reduction of Our production or prevent Us from delivering the Finished Product. In case of an event of Force Majeure, Our obligations under the purchase order shall be suspended for the duration and extent of such act or event, and such suspension shall not constitute a breach of the Contract Documents. At Your request and expense, We will properly store any Finished Product ready for shipment until We notify You of Our ability to deliver. If We cannot eliminate the interference using commercially reasonable efforts within ninety (90) days of its initial occurrence, then the Contract Documents shall be deemed to be terminated by mutual agreement, and the parties shall have no continuing obligations or liabilities to each other.

### 16.0 Arbitration; Governing Law.

16.1 Any controversy or claim arising out of or relating to the Contract Documents or any breach thereof shall be settled by

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arbitration before a single arbitrator in Hartford, Connecticut in accordance with the commercial rules of the American Arbitration Association in effect as of the date of notice of such controversy or claim and administered by the American Arbitration Association. Judgment on any award rendered by the arbitrator shall be final and binding and may be entered in any court of competent jurisdiction. The arbitrator must be an expert in laser welding technology. In any action or proceeding to enforce the terms or provisions of the Contract Documents or on account of any breach hereof, the prevailing Party shall be entitled to recover all of its expenses, including without limitation, reasonable attorneys' fees.

**ACKNOWLEDGED AND AGREED**

COMPANY NAME.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

16.2 The rights and obligations of the Parties under the Contract Documents, and the interpretation and construction of the Contract Documents, shall be subject to and governed by the internal laws of the State of Connecticut, without regard to conflict or choice of law principles applicable therein. By accepting a quotation and purchase order and these General Conditions, the Parties are irrevocably submitting to the personal jurisdiction of any state or federal court in the State of Connecticut in any suit or proceeding arising out of or relating to the Contract Documents.

**17.0 Miscellaneous.**

Should any provision, or a part of any provision of these General Conditions be or become invalid or unenforceable, the remaining provisions or parts of any provisions shall remain valid and enforceable and the Contract Documents shall be interpreted as if the offending language were stricken therefrom. The rights and obligations of the Parties hereunder may not be assigned by either party without the prior written approval of the other, except that We may transfer the Contract Documents by operation of law to the surviving entity in any merger or acquisition, or to the acquiror upon the sale of all or substantially all of Our assets or business. The Contract Documents shall be binding upon and shall inure solely to the benefit of each Party and their respective successors and assigns, and nothing in the Contract Documents and these General Conditions is intended to confer upon any other person any rights or remedies whatsoever. No agency, partnership, joint venture or alliance is established by virtue of the Contract Documents. The Contract Documents contain the entire understanding of the Parties with respect to the subject matter hereof, and supercede all other prior representations, warranties, agreements and understandings between the Parties. The Contract Documents may only be modified or amended by a separate writing signed by an authorized representative of each Party. Any term or provision of these General Conditions or any other Contract Document may be waived, or the time for its performance extended, by the Party entitled to the benefit thereof, and such waiver shall not be deemed a waiver of any right of enforcement or of any other provision or right under the Contract Documents.

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