



## TERMS AND CONDITIONS OF SALE (rev. 09/17)

**1. Definitions:** The term "AFL" means America Fujikura Ltd. or any company that is a subsidiary of, an affiliate of, or otherwise related to America Fujikura Ltd. The term "Customer" means any individual, corporation or other entity purchasing goods or services from AFL under this order.

**2. Change of Price.** The prices and charges stated on the face hereof shall be adjusted to and the goods and other items covered by this order shall be invoiced at the prices and charges fixed by AFL at the time of and for each shipment under this order, provided that such prices and charges shall not exceed any firm prices and charges agreed to in writing by AFL.

**3. Payment.** Invoices submitted by AFL under this order are payable only in U.S. Dollars. Whenever reasonable grounds for insecurity arise with respect to due performance by Customer, AFL may demand different terms of payment from those specified on the face of this order and assurance of Customer's due performance. Any such demand may be oral or in writing and AFL may, upon the making of such demand, stop production and suspend shipments hereunder. If within the period stated in such demand Customer fails or refuses to agree to such different terms of payment or to give adequate assurance of due performance, AFL may, at its option, treat such failure or refusal as a repudiation of the portion of this order which has not been fully performed or may resume production and may make shipment under reservation of possession or of a security interest and may demand payment against tender of documents of title.

**4. Delivery and Transportation; Delays.** Delivery shall be made in accordance with the terms of this order. While AFL will use all reasonable endeavors to adhere to any agreed delivery date, the time of delivery of goods or services shall not be of the essence. AFL shall not be liable to Customer in damages or otherwise for any delay in delivery of goods or services.

**5. Risk of Loss; Title.** Title and risk of loss or damage in respect of the goods or other items sold hereunder shall pass to Customer at the FOB Shipping Point stated on the face hereof, provided that no loss or damage will relieve Customer of any obligation hereunder, including its obligation for payment for lost or damaged goods or other items.

**6. Equipment.** (a) Any equipment (including jigs, dies and tools) which AFL constructs or acquires for use exclusively

in the production of goods for Customer shall be and remain AFL's property and in AFL's possession and control, and any charges by AFL therefore shall be for the use of such equipment only. All such equipment will be used exclusively for the manufacture of goods for Customer. If for three (3) consecutive years AFL receives no orders acceptable to it from Customer for goods to be made with any such equipment, AFL may make such use or disposition thereof as AFL desires without liability to Customer. (b) Any materials or equipment owned or furnished by Customer will be handled and stored by AFL while in AFL's possession with the same degree of care AFL uses to handle and store its own similar materials or equipment. If for three (3) consecutive years AFL receives no orders acceptable to it from Customer for goods to be made with any such equipment or materials, AFL may, by written notice to Customer, request Customer to make disposition thereof at Customer's expense. If Customer fails to comply with such notice in the time required by AFL, AFL may make such use or disposition of any such equipment or materials as it desires without liability to Customer.

**7. Warranty.** AFL warrants (a) that the goods to be supplied hereunder will conform to the description on the face hereof; (b) that it will convey good title to the goods supplied hereunder; (c) that such goods will be delivered free from any lawful security interest or other lien or encumbrance unknown to Customer; and (d) that such goods will be free from defects in material and workmanship, provided that such warranty of freedom from defects in material and workmanship shall extend only for a period of twelve months from the date of installation or a period of eighteen months from the date of shipment, whichever is shorter, and that Customer gives AFL notice of any such defect within thirty days after Customer discovers or should have discovered any such defect. AFL's warranties will not apply to any goods that are improperly installed, that are used for purposes other than the purpose for which they were designed, that have had parts attached or removed or altered, that have been modified or repaired by anyone other than AFL, or that have suffered any abuse, misuse, neglect or accident. **THE WARRANTIES CONTAINED IN THIS SECTION 7 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. EXCEPT FOR THE WARRANTIES CONTAINED IN THIS SECTION 7, AFL MAKES NO WARRANTY, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, AND ANY SUCH WARRANTIES ARE HEREBY DISCLAIMED AND EXPRESSLY EXCLUDED.** AFL's



liability and Customer's exclusive remedy is expressly limited to AFL's choice of (a) the repair of defective goods, (b) the replacement thereof with conforming goods at the F.O.B. Shipping Point shown on the face hereof, and (c) the repayment of the purchase price (exclusive of shipping). Replacement of defective goods or repayment of the purchase price will be made only upon return of the defective goods which may be returned at the cost of AFL only after inspection by AFL and receipt by Customer of definite shipping instructions from AFL. **THE REMEDIES SET FORTH IN THIS SECTION 7 WILL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND AFL'S SOLE AND EXCLUSIVE LIABILITY WITH RESPECT TO ANY BREACH OF THE WARRANTIES CONTAINED IN THIS SECTION 7. NO LIABILITY UNDER THE WARRANTIES CONTAINED IN THIS SECTION 7 WILL BE GREATER IN AMOUNT THAN THE PURCHASE PRICE OF THE GOODS OR SERVICES IN RESPECT OF WHICH DAMAGES ARE CLAIMED PLUS COSTS OF TRANSPORTATION, PACKING AND HANDLING, AND AFL'S LIABILITY WILL BE LIMITED TO SUCH AMOUNT.**

**8. Patents.** Subject to these terms and conditions (including Section 17), if (w) Customer receives a third party allegation that non-customized goods made generally commercially available for sale by AFL at the time AFL accepts this order and supplies such goods to Customer that infringe a United States patent and (x) Customer immediately notifies AFL in writing upon learning of any such allegation of infringement and (y) Customer provides AFL full opportunity, authority and assistance (at AFL's option and expense) to defend, settle, and/or dispose of such infringement claim, and (z) the allegation results in a final, non-appealable judgment of patent infringement enjoining Customer from using the goods, AFL's sole liability and Customer's exclusive remedy is expressly limited to AFL's option to (a) obtain for Customer the right to continue using such goods, or (b) replace the goods with non-infringing goods, or (c) modify the goods so that they become non-infringing, or (d) remove the goods and refund the purchase price. Under no circumstances will AFL have the obligation to provide the foregoing remedy or to otherwise indemnify, defend, settle, or otherwise dispose of any third party claim of patent infringement: (i) if such claim is based in whole or in part on customization of the goods (as required by the Customer), on compliance with Customer's specifications or instructions, or on inclusion of material provided to AFL by Customer; (ii) if such claim is based in whole or in part on Customer's marketing, advertising, promotion, or sale of any product containing the goods; (iii) if the infringement claim is based on Customer's use of the goods or use of the goods in combination with any products, materials, or equipment supplied by someone other than AFL; (iv) if Customer or a

third party modified or changed the goods and infringement would have been avoided without such modification or change; (v) if the infringement claim arises out of products or assemblies manufactured or designed by Customer in whole or in part; or (vi) to the extent the claim pertains to Customer's continued use of the goods after AFL demands that Customer discontinue such use. **THE FOREGOING STATES THE ENTIRE LIABILITY OF AFL TO CUSTOMER AND CUSTOMER'S EXCLUSIVE REMEDY FOR INTELLECTUAL PROPERTY INFRINGEMENT.**

**9. No License; Limited Right of Resale.** The sale of the goods covered by this order shall not grant to Customer any right or license of any kind under any patent, trademark, copyright, any other interest in intellectual property or other proprietary right owned or controlled by AFL or its affiliates or under which AFL or its affiliates are licensed, though Customer shall have the right to use such goods or other items for the purpose for which they are sold. Customer shall not resell any goods or items sold hereunder unless it is an authorized distributor of AFL's products.

**10. Export and Trade Compliance.** Customer agrees not to export, transfer, or transmit such goods or items except in compliance with all U.S. or other export laws and regulations. AFL's US Export and Trade Compliance terms and conditions are hereby incorporated by reference and are available at <http://www.aflglobal.com/Resources/Trade-Compliance/US-Export-and-Trade-Compliance.aspx>. Customer shall at all times comply with AFL's US Export and Trade Compliance terms and conditions.

**11. Waiver.** No provision hereof and no breach of any provision shall be deemed waived by reason of any previous waiver of such provision or of any breach thereof. All waivers must be in writing and signed by AFL.

**12. Customer Part, Specification or Drawing Number.** Any customer part, specification or drawing number appearing on the face hereof is for identification only and does not require that the goods be produced in accordance therewith.

**13. Returnable Equipment.** Any equipment specified on the face of this order as returnable, and for which a charge is made or for which a deposit is required, shall be returned in accordance with AFL's standard instructions with respect thereto.

**14. Standard Quantity Length Tolerances.** The quantity and length tolerances applicable to each item of goods specified on this order shall be the applicable standard quantity and length tolerances stated on the face hereof.



**15. Termination of Order.** If Customer terminates an order after AFL's confirmation thereof, Customer shall pay to AFL as a termination claim the actual costs incurred by AFL for goods produced in accordance with such order, work in process in respect of such order, and materials acquired for production of such order plus a reasonable profit for the goods completed as of the termination date.

**16. Indemnity.** Customer shall indemnify, reimburse, release, hold harmless, and defend AFL and its affiliates and their respective successors and assigns and their respective directors, officers, agents and representatives, from and against any loss, liability, claims, judgments, settlement amounts, damages, liabilities, deficiencies, expenses (including reasonable attorneys' fees and disbursements of counsel), suits and costs, directly or indirectly, caused by, arising out of or relating to: (a) the design of goods supplied hereunder or the design of the packages or containers in which they are shipped, if such goods, packages or containers are made pursuant to or in compliance with Customer's design or specifications; (b) infringement of any patent, copyright, trademark or trade secret to the extent that such infringement arises from designs, specifications or instructions furnished or expressly or implicitly required by Customer or use of equipment provided by Customer or that Customer requires AFL to use; and/or (c) the application or the use to which goods provided hereunder are put by Customer or others.

**17. LIMITATION OF DAMAGES AND LIABILITY.** AFL SHALL NOT IN ANY EVENT BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION, ENVIRONMENTAL CLAIMS OR LOSS OF REVENUES, BUSINESS OR PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE, EVEN IF AFL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL AFL'S TOTAL LIABILITY FOR ANY CLAIM IN RESPECT OF ANY GOODS OR ITEMS SOLD HEREUNDER, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY OR OTHERWISE, EXCEED THE PURCHASE PRICE OF THE GOODS OR OTHER ITEMS GIVING RISE TO SUCH CLAIM.

**18. Remedies; Performance and Enforcement By Affiliates.** In addition to the remedies set forth in these Terms and Conditions, AFL shall have all the rights of a seller under Article 2 of the Uniform Commercial Code as enacted in South Carolina. All rights and remedies hereunder are cumulative and not alternative, and are in addition to all other rights and remedies available at law or

in equity. This order may be performed and all rights hereunder against Customer, including but not limited to injunctive relief, may be enforced by AFL or any one or more of AFL's affiliates.

**19. Confidentiality.** AFL and Customer agree to keep the confidentiality of information received from each other (excluding information publicly known or independently developed) and not to disclose it to unaffiliated third party (ies) or use it for purposes other than in connection with the goods purchased by Customer from AFL under this order.

**20. Governing Law.** The purchase and sale of the goods described herein and the relationship of AFL and Customer shall be governed by the law of the State of South Carolina (excluding its rules of conflicts of laws). Any litigation relating to this order must be brought in state or federal district court in such state. The Convention for the International Sale of Goods shall not apply to the sales of goods or other items hereunder.

**21. Inconsistent Terms.** AFL's performance in respect of this order is subject to these Terms and Conditions. AFL's confirmation and acceptance of Customer's order is expressly made conditional on Customer's assent to these Terms and Conditions whether or not in addition to or different from the terms of Customer's purchase order or terms and conditions or other Customer documents. Unless AFL otherwise agrees in writing, AFL expressly rejects any inconsistent terms in any of Customer's purchase order or terms and conditions or other Customer documents. For the avoidance of doubt, these terms and conditions prevail over all terms and conditions of Customer (even if they form a part of Customer's purchase order), and can only be varied by written agreement of AFL.

**22. Amendment.** AFL may amend these terms and conditions at any time.