

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. Applicable Terms and Conditions.

1.1. These General Terms and Conditions of Purchase, shall apply exclusively to all present and future purchase orders or any other agreement by SP Orian LLC or its affiliates (“Purchaser”) of goods, and/or services, as applicable, from Supplier (“Supplier”) as described on the face of each Order. Any terms and conditions of the Supplier contrary to these General Terms and Conditions of Purchase shall not become part of the agreement between the parties, even if they are not in conflict with these General Terms and Conditions of Purchase. **PURCHASER HEREBY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS PROPOSED BY SUPPLIER, WHETHER OR NOT CONTAINED IN ANY OF SUPPLIER’S BUSINESS FORMS OR ON SUPPLIER’S WEBSITE, AND SUCH ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS SHALL BE VOID AND OF NO EFFECT UNLESS IN A WRITTEN AGREEMENT, SIGNED BY AN OFFICER, DIRECTOR, OR LEGAL COUNSEL OF PURCHASER, WHICH SPECIFICALLY REFERS TO “A MODIFICATION OF” OR “DEVIATION FROM” THE LANGUAGE OF “PURCHASER’S GLOBAL TERMS AND CONDITIONS”.** The parties agree that it is their intention that the battle of the form section of § 2-207 of the Uniform Commercial Code shall not apply to these Terms and Conditions. These General Terms and Conditions of Purchase may only be amended in writing and signed by Purchaser.

1.2. These General Terms and Conditions of Purchase shall apply to all future Orders and/or other business transactions with the Supplier, including each Order and/or Order amendment issued by Purchaser to Supplier.

1.3. A contract between the parties is formed when Supplier accepts the offer of Purchaser. Supplier’s signature or acceptance by any means in or to any offer, purchase order, contract, invoice or other document related to contracts, deliveries or services shall be understood as a simple and full acceptance of these General Terms and Conditions of Purchase. In addition, in the event Supplier makes a delivery, renders services, commences work on any goods, provides a written acknowledgment of acceptance, provides information and/or documents to Purchaser, accepts funds or payments from Purchaser; requires Purchaser to conduct any action, or engages in any other conduct or manifestation of that recognizes the existence of a contract pertaining to the subject matter of the Order, and/or if Purchaser performs any act at Supplier’s request, it shall be understood that Supplier has accepted and consented unconditionally and expressly to these General Terms and Conditions of Purchase.

2. Orders; Changes.

2.1. The quantity applicable to each Order and its duration are specified on the face of the Order.

2.2. All Orders and releases shall be made in writing and may be made available in electronic format.

2.3. Purchaser shall be entitled to cancel any Order at any time before Supplier accepts the Order. If the Supplier fails to reject any Order after receipt, it shall be deemed that Supplier has accepted such Order.

2.4. Without the prior written consent of Purchaser, Supplier shall not make any changes to any Order or the goods or services covered by the Order. Any changes by Supplier to any Order or the goods or services covered by the Order without the written prior approval by Purchaser shall constitute a breach of the Order.

2.5. Purchaser shall have the right to demand changes to any goods or services under any Order. Any such changes shall be deemed not to affect the time for performance or cost under the Order unless (i) Supplier provides Purchaser with written notice of a claim for adjustment to time for performance or cost within ten (10) days after Purchaser’s notice to Supplier of the change and (ii) after auditing such claim, Purchaser determines that an adjustment (up or down) is appropriate. Any such claim by Supplier for adjustment to time for performance or cost under an Order must be solely and directly the result of the change directed by Purchaser and any notice of such claim shall be effective only if accompanied by all relevant information sufficient for Purchaser to verify such claim. Purchaser shall have the right to audit all relevant records, facilities, work or materials of Supplier to verify any claim for cost adjustment.

3. Prices; Payment.

3.1. The prices shown in the Order shall be firm and binding for the term of the Order and are not subject to increase, including specifically any increase based upon changes in raw material or component pricing, labor, customs, duties or taxes or other overhead, unless specifically agreed to by Purchaser in writing. All pricing shall include the cost of packaging, freight, transport and insurance, customs, duties, fees and taxes applicable to the country or origin. Supplier represents that the price charged to Purchaser for the goods and /or services contained in the Order is at least as low as the price charged by Supplier to buyers of a class similar to Purchaser under conditions similar to those specified in the Order and that all prices comply with all applicable governmental laws and regulations in effect at the time of quotation, sale and delivery. Supplier shall ensure that the price charged to Purchaser for the goods and/or services remains competitive with the price for similar goods available to Purchaser from other sellers.

3.2. In addition to any right of set-off or recoupment provided or allowed by law, all amounts due to Supplier shall be considered net of indebtedness or obligations of Supplier to Purchaser, and Purchaser may set-off against or recoup from any amounts due or to become due from Supplier to Purchaser however and whenever arising.

4. Delivery.

4.1. Deliveries shall be made both in quantities and times specified on the Order or release furnished by Purchaser. Times and quantities of delivery are of the essence.

4.2. Delivery dates set forth in the Order or the applicable release by Purchaser shall be binding. Purchaser shall not be required to make payment for goods or services delivered to Purchaser that are in excess of firm quantities and delivery schedules specified in Purchaser's Order or releases. Purchaser may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Supplier to a modification of the price of goods or services covered by any Order.

4.3. In the event the Supplier determines that a delivery date cannot be met, Supplier shall notify Purchaser in writing immediately and specify in detail the reasons for, as well as the expected duration of, the delay. Upon receipt of such notice Purchaser may cancel any such Order or release and Purchaser shall be entitled to obtain deliveries or services through other suppliers. In such event, Supplier shall indemnify Purchaser from and against any costs, losses, damages incurred or suffered by Purchaser arising out of or related to the late delivery.

4.4. Premium shipping expenses and/or other related expenses necessary to meet delivery schedules set forth in releases shall be Supplier's sole responsibility. Notwithstanding any agreement concerning payment of freight expenses, delivery shall not have occurred and the risk of loss shall not have shifted to Purchaser until the goods have been delivered to Purchaser's facility and have been accepted by Purchaser.

5. Warranties; Liability for Defects.

5.1. Supplier expressly warrants that all goods and services covered by each Order will conform to all specifications, standards, drawings, samples or descriptions furnished to or by Purchaser, and all industry standards, laws and regulations in force where goods or services are to be sold and that all goods and services will be merchantable, of good material and workmanship and free from defects. Supplier warrants the goods and services do not infringe on the intellectual property rights of a third party. In addition, Supplier acknowledges that Supplier knows of Purchaser's intended use and expressly warrants that all goods and services covered by each Order will be fit and sufficient for the particular purpose intended by Purchaser. Supplier expressly warrants that for all goods under an Order, Supplier shall convey good title to Purchaser, free and clear of all liens, claims or other encumbrances.

5.2. All warranties will be effective for the longer of (i) the period provided by applicable law, or (ii) the warranty period provided by Purchaser to its customer.

5.3. In the event the goods do not conform to the requirements of Section 5.1 ("Defective Good(s)"), then Purchaser shall be entitled to (i) demand immediate rectification; or (ii) demand immediate delivery of substitute conforming good(s).

5.4. If Defective Goods cannot be repaired or replaced without delay or if there is a risk of disruption of Purchaser's business, Purchaser shall be entitled, without Supplier's consent, to make the necessary repair work to the goods, or terminate the purchase of the goods and obtain substitute goods from alternate suppliers, at Supplier's expense.

5.5. In addition to Purchaser's remedies in Section 5.3 and 5.4 above, the Supplier shall compensate Purchaser for any loss or damage arising out of or relating to the Defective Goods including, but not limited to, costs (including reasonable attorneys' and expert's fees) for any field actions, labor, replacement, assembly and disassembly, detection and analyze, scrapping and transportation to Purchaser and/or the end-users.

5.6. In the event that a delivery does not contain the quantity specified in the Order or release, Purchaser shall be entitled to demand immediate rectification and the Supplier shall compensate Purchaser for all costs, arising out of or relating to the delay or shortfall in delivery. If the Supplier delivers a quantity either in excess of Purchaser's ordered quantity or earlier than the delivery date, Purchaser shall not be responsible for taking delivery of, storing or maintaining such Goods and shall further be entitled to return any excess or prematurely delivered quantity to the Supplier at the latter's expense and/or receive compensation from the Supplier for storage costs.

5.7. If Purchaser accepts Defective Goods that do not conform to the terms of the Order, such acceptance shall not relieve the Supplier of its obligations to correct any such non-conformance or preclude Purchaser from any remedy under any Order or purchase agreement.

6. Confidentiality.

6.1. Supplier shall be obligated to treat all of Purchaser's Information that becomes known to Supplier as strictly confidential. Such Purchaser Information may only be used to carry out Orders for the Purchaser and may only be made accessible to such employees who are required to participate in the performance of the Order. The Supplier shall be obliged to bind these employees to confidentiality obligations accordingly. "Purchaser's Information" means any and all information provided to Supplier by Purchaser or its representatives or subcontractors in connection with the business, and goods or services covered by the Order. Purchaser's Information also includes any materials or information that contain, or are based on, any Purchaser's Information, whether prepared by Purchaser, Supplier or any other person.

6.2. Purchaser reserves ownership and copyrights of all illustrations, drawings, models, templates, samples, calculations and other items. These items may not be transmitted or otherwise made accessible to third parties without Purchaser's consent. The reproduction of such items shall only be permissible in the context of the operational requirements and the copyright provisions.

6.3. Supplier shall cause all sub-suppliers to be legally bound by obligations of confidentiality and non-use no less than those set forth herein.

7. Quality and Documentation.

7.1. Supplier shall comply with the recognized industry standards of good practice, agreed upon specifications, and applicable safety specifications. Supplier shall inspect the quality of the goods on an ongoing basis.

7.2. Supplier shall maintain in full force and effect any and all permits, licenses and authorizations required for delivery of the goods and the performance of the services, and shall comply with all applicable laws, regulations and provisions.

8. Intellectual Property Rights.

8.1. If Purchaser furnished or supplied Supplier with any designs, drawings, specifications, blueprints or other materials that contain Purchaser's Information, Supplier shall not disclose or use for the benefit of Supplier or others, except in the fulfillment of Purchaser's Order or as otherwise approved by Purchaser.

8.2. Supplier expressly warrants that all goods and services covered by each Order will not and do not infringe on any patent, trademark, copyright or other intellectual property of any third party. Supplier hereby agrees that: (i) Supplier shall be liable for claims resulting from any violation of any intellectual property rights based on the goods or services furnished pursuant to any Order, (ii) it shall defend, hold harmless and indemnify Purchaser and its customers against all claims, demands, losses, suits, damages, liability and expenses (including actual fees for attorneys, experts and consultants, settlement costs and judgments) arising out of any suit, claim or action for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, copyright or other proprietary right by reason of the manufacture, use or sale of the goods or services ordered, or for actual or alleged misuse or misappropriation of a trade secret resulting directly or indirectly from Supplier's actions; and (iii) waives any claim against Purchaser and its customers, including any hold-harmless or similar claim, whether known or unknown, contingent or latent, in any way related to a claim asserted against Supplier or Purchaser for infringement of any patent, trademark, copyright or other proprietary right, including claims arising out of compliance with specifications furnished by Purchaser. Supplier shall immediately notify Purchaser in writing of any claims or allegations that the goods or services provided hereunder infringe or may infringe on the intellectual property rights of a third party.

8.3. Supplier expressly warrants that all copyrightable works of original authorship (including but not limited to computer programs, technical specifications, documentation and manuals), ideas, inventions (whether patentable, patented or not), know-how, processes, compilations of information, trademarks and other intellectual property (collectively, "Deliverables") shall be original to Supplier and shall not incorporate any intellectual property (including copyright, patent, trade secret, mask work, or trademark rights) of any third party. All Deliverables that are created in the course of performing any Order, and all intellectual property rights in Deliverables, shall be owned by Purchaser and not by Supplier. Supplier agrees that all works of original authorship created by Supplier in connection with each Order are "works made for hire" as that term is used in connection with the U.S. Copyright Act. To the extent that, by operation of law, Supplier owns any intellectual property rights in the Deliverables, Supplier hereby irrevocably assigns to Purchaser all rights, title and interest, including copyrights and patent rights, in such Deliverables.

8.4. Supplier shall ensure that any subcontractors to Supplier shall have agreements with Supplier in writing consistent with the terms of this Section 8 to ensure that the protections required by Purchaser from Supplier are also received from subcontractors for the benefit of Purchaser and Supplier.

9. Indemnification.

9.1. Supplier shall indemnify, defend, and hold Purchaser and its affiliates and subsidiaries, and their respective directors, officers, managers, members, employees and agents from any claims, liabilities, damages (including special, consequential, punitive and exemplary damages), costs and expenses (including actual fees for attorneys, experts and consultants, settlement costs and judgments) incurred in connection with or that are related in any way to or arise in any way from the goods or services provided by Supplier, Supplier's representations, warranties or obligations hereunder including breach of any Supplier's performance of or failure to perform obligations under any Order, including claims based on Supplier's breach or alleged breach of warranty (whether or not the goods or services have been incorporated into Purchaser's products and/or resold by Purchaser), and claims for any violation of any applicable law, ordinance or regulation or government authorization or order. Supplier's obligation to indemnify will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise, except to the extent of any such liability arising solely out of the gross negligence of Purchaser.

10. Insurance.

10.1. Supplier shall maintain and carry: (i) property and general liability insurance, including public liability, property damage liability, product liability and contractual liability coverages; and (ii) workers' compensation and employers' liability insurance covering all employees engaged in the performance of this Order; in each case in such amounts and with such limits and with such insurers that are reasonably acceptable to Purchaser.

10.2. Unless otherwise expressly stated in this Order, Supplier's liability insurance policies shall have combined single limits of no less than five million U.S. dollars (U.S. \$5,000,000) per occurrence and in the aggregate; provided that such limits shall not limit Supplier's liability under this Order. Supplier's property insurance policies shall be written on a "replacement cost" basis and Supplier's workers' compensation policies shall be in compliance with applicable statutory requirements and limits.

10.3. Supplier shall furnish Purchaser with certificates or other satisfactory proof of insurance confirming the foregoing insurance coverages within ten (10) days of Purchaser's request. Any such certificate shall provide for terms and conditions satisfactory to Purchaser. The receipt or review of such certificates or other proof of insurance coverage at any time by Purchaser shall not relieve Supplier from its insurance obligations hereunder or reduce or modify such insurance obligations.

11. General Provisions.

11.1. In the event Supplier breaches any of its obligations under an Order or any other agreement between the parties, or upon the occurrence of any of the following events: (a) insolvency of Supplier; (b) Supplier's inability to promptly provide Purchaser with adequate and reasonable assurance of Supplier's financial capability to perform timely any of Supplier's obligations under any Order; (c) filing of a voluntary petition in bankruptcy by Supplier; (d) filing of an involuntary petition in bankruptcy against Supplier; (e) appointment of a receiver or trustee for Supplier; or (f) execution of an assignment for the benefit of creditors of Supplier, Purchaser shall have the right to immediately terminate the Order or other agreement without liability to Supplier.

11.2. Notwithstanding anything contained herein to the contrary in no event shall Purchaser be liable to Supplier for anticipated profits or for special, incidental or consequential damages. This limitation of liability provision applies notwithstanding the type of the Order (including, without limitation, release, blanket orders or requirements contract Orders). Purchaser shall not be liable for and shall not be required to make payments to Supplier, directly or on account of claims by Supplier's subcontractors, for any other alleged losses or costs, whether denominated as loss of anticipated profit, recoupment of investment, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, general and administrative burden charges resulting from termination of the Order or otherwise. Notwithstanding anything to the contrary, Purchaser's obligation to Supplier upon termination of any Order shall not exceed the obligation Purchaser would have had to Supplier in the absence of termination of such Order.

11.3. Purchaser shall have the right to enter Supplier's facility during normal business hours upon written advanced notice, or, in the event of a Supplier shutdown, at reasonable times, to inspect the facility, goods, materials and any property of Purchaser covered by each Order. Purchaser's inspection of the goods or services, whether during manufacture, prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work in process or finished goods.

11.4. Supplier shall not assign or delegate any of its duties or obligations under any Order without the prior consent of Purchaser, which consent may be withheld in Purchaser's sole discretion. Any sale or other transfer of stock or other securities of Supplier that would result in a change in control of Supplier shall be deemed an assignment under the Order. Purchaser may freely assign to any third party its rights and obligations under any Order without the consent of Supplier.

11.5. In the event any provision of these General Terms and Conditions is determined to be invalid in whole or in part, the remaining provisions of this Agreement shall be given full force and effect.

11.6. The Order, together with the attachments, exhibits or supplements specifically referenced in the Order, constitutes the entire agreement between Supplier and Purchaser with respect to the matters contained in the Order and supersedes all prior oral or written representations and agreements.

11.7. Each Order, release, or other agreement between the parties shall be governed by the internal laws of the State of South Carolina without regard to any applicable conflict of law provisions. The United Nations Convention on the International Sale of Goods is expressly excluded. The place of jurisdiction for all disputes shall be in the State Courts of Anderson, South Carolina or the Federal Courts of the Central District of South Carolina, and the parties waive any objection to such jurisdiction and venue.