MITSUBISHI ELECTRIC
Changes for the Better

STANDARD TERMS AND CONDITIONS OF SALE

1. **GENERAL**. These terms and conditions of sale apply to the extent that the terms of any transaction are (A) not stated in a separate writing between the purchaser specified on the reverse hereof ("Customer") and The Industrial Automation Division of Mitsubishi Electric US, Inc. ("Seller") and signed by both parties and (B) not stated on Seller's e-commerce website. Both of (A) and (B) supersede these terms and conditions to the extent that they are inconsistent with these terms and conditions. Seller's sale of the products ("Products") covered by this document are governed only by these terms and conditions. These terms and conditions supersede all terms submitted or proposed by Customer, including, without limitation, any printed terms and conditions on the purchase order form, if any, of Customer and any other documents submitted by Customer and all other inconsistent terms submitted by Customer prior to acceptance by Seller of Customer's order. No other terms and conditions shall be valid unless specifically agreed to in writing and signed by a duly authorized representative of Seller. Failure of Seller to object to provisions contained in any order or other writing of Customer shall not be construed as a waiver of these terms and conditions of sale or as acceptance of any terms and conditions of Customer. Customer shall be deemed to have expressly accepted these terms and conditions of sale if Customer expressly so agrees in writing or accepts any shipment of Products. No sales or other independent representative of Seller shall have any authority to vary these terms and conditions of sale in any respect or to agree to any additional terms or conditions.

2. **PRICES**. Price of Products shall be in accordance with the applicable price schedule or other price quotation of Seller as from time to time in effect. All orders are subject to acceptance by Seller. Prices quoted are F.O.B. Seller's warehouse, freight collect, or other place specified by Seller. All price quotations issued by Seller are firm for a period of thirty (30) days unless otherwise indicated therein by Seller. EXCEPT ONLY AS OTHERWISE SPECIFIED IN THIS SECTION, PRICES ARE SUBJECT TO CHANGE WITHOUT NOTICE. Price quotations based on estimated or projected quantities are subject to increase in the event that actual quantities purchased during the specified period are less than the estimated or projected quantities. Prices do not include any applicable sales, use or other taxes, and the amount of any such taxes which Seller may be required to pay or collect may be added to each invoice or separately invoiced by Seller to Customer, except and to the extent that Customer submits a tax exemption certificate which is acceptable to Seller and the appropriate taxing authorities. Unless otherwise approved in writing by Seller the minimum order amount is $75 USD, or equivalent value in other currency if applicable (Minimum Order Value), Seller may at its sole discretion accept orders below the Minimum Order Value.

3. **PAYMENT**. Each shipment shall be considered a separate transaction and payment shall be made accordingly. Unless otherwise agreed in writing by Seller, payment for Products shall be made on the basis of net cash thirty (30) days from the date of Seller's invoice therefor. If, in Seller's judgment, the financial condition of the Customer at any time does not justify the making of any shipment on the terms specified in this paragraph, Seller may make such shipment on a C.O.D. or cash-in-advance basis, suspend its performance or revoke its acceptance of Customer's order. If shipments are delayed by Customer, Seller shall have the right to demand payment thirty (30) days from the date Seller is prepared to make shipment. Products held for Customer because of such delay in delivery shall be held at the risk and expense of the Customer. Past due invoices of Seller to Customer shall bear interest at the rate of one and one-half percent per month, but not in excess of the maximum lawful rate, until paid in full. Customer shall be responsible for all costs and expenses incurred by Seller, including attorneys' fees and costs of collection or enforcement of any provision of these terms and conditions.

4. **DELIVERY**. Title and risk of loss to Products shall pass to the Customer, F.O.B. Seller's warehouse or other point of delivery of the Products by Seller to the common carrier. Notwithstanding any request by Customer, Seller shall, without incurring any liability, exercise its own discretion in selecting the method of shipment and the carrier.

5. **LIMITED WARRANTY**. Products sold by Seller are warranted to conform to the specifications therefor at the time of delivery to Customer and to remain free from defects in workmanship and material for the period specified on the written limited warranty separately provided to Customer by Seller for the particular type of Product involved. Any Product or components thereof which, in Seller's judgment, fails to meet such warranty shall, at Seller's option, either be repaired or replaced by Seller at no charge to Customer or Seller shall issue a credit for any such Products in the amount of the original invoice price. Seller's obligation shall be limited solely to repair or replacement of the Products or components thereof or credit for the Products. Such obligation shall be conditioned upon receipt by Seller of notice of any alleged nonconformance to specifications within thirty (30) days after delivery to Customer and of any alleged defect in material or workmanship within thirty (30) days after discovery. Products which Seller consents or directs in writing to be returned shall be returned to Seller, freight prepaid, F.O.B. Seller's warehouse or other destination directed by Seller in accordance with Seller's standard return policies. The foregoing warranties shall not apply to Products that have been repaired other than with Seller's authorization and by Seller's approved procedures, that have been subjected to misuse, abuse, improper maintenance, negligence or accident, that have been damaged by excessive physical or electrical stress or that have had a serial number or any part thereof altered, defaced or removed. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND SELLER MAKES NO OTHER WARRANTIES OF ANY KIND WHATSOEVER TO CUSTOMER, ITS END-USERS OR ANY THIRD PARTIES WITH RESPECT TO THE PRODUCTS AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTIBILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. **DELIVERIES**. SELLER WILL USE ITS REASONABLE EFFORTS TO FILL CUSTOMER'S ORDERS IN A TIMELY MANNER. IT IS UNDERSTOOD, HOWEVER, THAT LEAD TIME REQUIREMENTS AND DELIVERY DATES WILL VARY ACCORDING TO MANUFACTURING AND OTHER CONDITIONS AND THAT ALL DELIVERY DATES ARE ONLY ESTIMATES. DELAY IN DELIVERY OF ANY SHIPMENT SHALL NOT RELIEVE CUSTOMER OF ITS OBLIGATION TO ACCEPT SUCH SHIPMENT.

7. **SAFETY OF ROBOTS AND INDUSTRIAL AUTOMATION COMPONENTS.** Seller sells robots and other industrial automation controls and components that may or may not come equipped with safety functions built in. The components are designed to be part of a larger factory automation system. It is essential that the system be designed taking into account the presence or absence of safety components in the Seller's products. The proper selection of an effective robotics safety system must be based on hazard analysis of the operation involving a particular robot. Among the factors to be considered in such an analysis are the task a robot is programmed to perform, the start-up and the programming procedures, environmental conditions and location of the robot, requirements for corrective tasks to sustain normal operations, human errors, and possible robot malfunctions. Sources of robot hazards that need to be accounted for in system safety planning include human errors, control errors, unauthorized access, mechanical hazards, environmental hazards, and electric, hydraulic, and pneumatic power sources.

8. **LIMITATION OF LIABILITY.** UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE TO CUSTOMER OR ANY OTHER PERSON OR ENTITY FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER BASED UPON LOST GOODWILL, LOST RESALE PROFITS, WORK STOPPAGE, PRODUCT FAILURE, IMPAIRMENT OF OTHER GOODS OR OTHERWISE AND WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE OR OTHERWISE.

9. **FORCE MAJEURE**. Seller shall not be liable for damage as a result of any delay or failure of performance due to any cause beyond Seller's control, including, without limitation, act of God, act of Customer or any of its representatives or agents, embargo or other governmental act, regulation or order, fire, flood, freezing, storm, accident, strike, slow down, war, riot, delay in transportation, inability to obtain necessary labor, materials, fuel or manufacturing facility or any other circumstance, whether similar or dissimilar to the foregoing, which is beyond Seller's control. In the event of such delay, the date of delivery shall be extended for a period equal to the time lost by reason of delay, and, if such delay is caused by act of Customer or any of its representatives or agents, Customer shall reimburse Seller for any additional costs arising from such delay.

10. **CANCELLATION**. Customer's wrongful non-acceptance of Products or cancellation or repudiation of its order shall entitle Seller to recover from Customer, in addition to any incidental damages caused by Customer's wrongful non-

acceptance, cancellation or repudiation either: (a) in the case of Products the risk of loss of which has passed to Customer at the time of non-acceptance, cancellation or repudiation of Products, the price of such Products, or (b) in the case of Products for which other readily-available customers exist or where an action for the price is not otherwise permitted by law, damages equal to the profit (including reasonable overhead) which Seller would have realized had Customer fully performed. Notwithstanding the foregoing, in the case of special orders or custom cabinets, Seller shall be entitled to also recover all of Seller's expenses, if any, incurred prior to receipt of the notice of non-acceptance, repudiation, or cancellation, which cannot be reasonably avoided after receipt by Seller of the notice of non-acceptance, repudiation or cancellation by Customer in connection with fulfilling the order, including, but not limited to the costs of providing special services, developing special tooling or equipment, purchasing special supplies, all FGI, raw material and WIP inventory as well as any products and raw material acquired specifically to fulfill the order, all finished goods inventory, raw materials and WIP inventory.

11. **REGULATORY LAWS AND STANDARDS**. Seller makes no promise or representation that the Products will conform to any federal, state or local laws, ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by a duly authorized representative of Seller. Prices do not include the cost of any inspections or permits.

12. **CHANGES AND DRAWINGS**. Seller reserves the right to change or modify the specifications, design, drawings and construction of any Products and to substitute other suitable material. If drawings are furnished, they are submitted only to show general style and arrangement of the Products.

13. **PATENTS AND COPYRIGHTS**. Subject to the conditions set forth in this paragraph, Seller shall, at its own expense, defend or, at its option, settle, any claim, suit or proceeding brought against Customer on the issue of infringement of any United States patent or copyright by any Product supplied by Seller to Customer in accordance with these terms and conditions. Subject to the limitations set forth in this paragraph, Seller will pay any final judgment entered against Customer on such issue in any such claim, suit or proceeding defended by Seller. Seller's obligations contained in this paragraph shall be subject to the conditions that Customer (a) notify Seller in writing of any such claim, suit or proceeding promptly after Customer shall have received notice or obtained knowledge thereof, and (b) at Customer's expense, provide Seller full information and assistance as requested by Seller in such defense. Seller reserves the right, at its option, in the event of any such claim, suit or proceeding to modify or replace the affected Products to eliminate the alleged infringement, to obtain a license to cure the alleged infringement or to give Customer a refund of the price of the affected Products less an appropriate amount for depreciation in lieu of any other obligations or responsibilities under this paragraph. Seller shall have no liability for any infringement arising out of: (w) the combination of any Product with any other product whether or not furnished to Customer by Seller; (x) the modification of any Product unless such modification was made by Seller; (y) use of any Product in an application or environment for which such Products were not designed or contemplated; or (z) any claims of infringement of a patent in which Customer or any affiliate of Customer has an interest or license. Seller shall not be liable for any costs or expenses incurred without Seller's written authorization, and in no event shall Seller's total liability to Customer under, or as a result of compliance with, the provisions of this paragraph exceed the aggregate sum paid to Seller by Customer for the allegedly infringing Product. The foregoing states the entire responsibility of Seller, and the exclusive remedy of Customer, with respect to any alleged intellectual property right infringement or violation by a Product, and Seller shall in no event be liable for loss of use or for incidental, indirect or consequential damages, whether in contract or in tort, by virtue of any such infringement or violation. No sale of Products to Customer shall convey any license by implication, estoppel or otherwise under any proprietary or patent rights of Seller.

13. **INDEMNIFICATION.** Seller shall indemnify, defend and hold Customer harmless from and against all claims, demands, lawsuits, loss, damage, liability and expense arising from or caused by third party claims, demands and lawsuits for personal injury, bodily injury, death or physical damage to property ("Claims") to the extent such Claims are allegedly caused solely by defects in the design or manufacture of the Products themselves. Seller shall have no indemnification obligation or liability whatsoever to Customer for any Claims which arise out of, are caused by or relate to, in whole or in part, (a) the alleged negligence, willful misconduct or other legal fault of Customer; (b) the act of any third party who designed, specified, installed or repaired Products; or (c) any Claim that involves, relates to or

arises from the selection, capacity size, specification or installation of Products or the design of any system in which the Products are used or installed. Customer shall indemnify, defend and hold harmless Seller harmless from and against all Claims to the extent allegedly caused by any negligent act or omission, willful misconduct or other legal fault of Customer to the Products or its breach of or failure to meet its obligations and representations pursuant to this Agreement, except such Claims caused solely by the willful misconduct or gross negligence of Seller as set forth in the preceding paragraph. Each party's indemnification obligations to the other party shall be subject to the following conditions. The party seeking indemnification shall promptly notify the other party of any Claim and the commencement of any suit, action or proceeding for which indemnification is sought. The indemnifying party shall have full and sole authority and control of the selection of counsel and the defense or settlement of all indemnified Claims. Provided that the indemnifying party promptly and diligently defends such Claims, it shall not be liable for any legal fees or expenses incurred by the other party or for the settlement of any claim without the prior consent of the indemnifying party. The indemnified party shall cooperate at the request and cost of the indemnifying party in the defense of all claims for which indemnification is sought. The obligations of each party under this indemnity provision shall survive the termination of this Agreement with respect to any Claims arising prior to such termination.

14. **PRODUCT LIABILITY INSURANCE**. Seller shall maintain product liability insurance with respect to the Products written by an insurance company licensed to do business in the United States in the amount not less than $2,000,000 combined single limit. Except to the extent applicable coverage under such product liability insurance, Customer shall have no claim or right against Seller with respect to any suits or claims against Customer by any third persons resulting from the occurrence of an event within the scope of the coverage of such insurance (without reference to the dollar amount of coverage), and Seller shall bear no responsibility or liability to Customer with respect to any such suits or claims by any third persons or any liabilities, losses, expenses or damages incurred or suffered by Customer as a result thereof.

15. **GOVERNING LAW; SEVERABILITY**. The sale of Products by Seller to Customer shall be governed by the laws of the State of Illinois without regard to principles of conflicts law. The sale of Products by Seller to Customer shall not be governed by, and the parties hereby disclaim the effect of, the United Nations Convention on Contracts for the International Sale of Goods, as amended, the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended, and the Uniform Computer Information Transactions Act. If any provision of these terms and conditions of sale shall be adjudged by any court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such adjudication shall not affect or modify any other provision of this agreement, but the effect shall be confined to the provision as to which such adjudication is made.

16. **ARBITRATION.** Except as otherwise specifically stated herein, all disputes or controversies arising out of or in any manner relating to this Agreement which the parties do not resolve in good faith within thirty (30) days after either party notifies the other of its desire to arbitrate such disputes or controversies shall be settled by binding arbitration before a three (3) arbitrator panel in accordance with the then standard prevailing commercial rules, as modified or supplemented by this article, of the Judicial Arbitration and Mediation Services ("JAMS"). The arbitration shall be held in Chicago, Illinois. The arbitration award shall be in writing and shall specify the factual and legal bases of such award. The arbitration award shall be final and binding, and a judgment consistent therewith may be entered by any court of competent jurisdiction. The parties agree that the arbitration award shall be treated confidentially, and the parties shall not, except as otherwise required by law or court order, disclose the arbitration award to any third party, excluding personnel in their affiliated companies and their attorneys and accountants with a need to know, provided that such recipients agree to be bound by the same restrictions as are contained in this Agreement. The arbitrator shall not have the power to render an award of punitive damages. To the extent of any conflict, this article shall supersede and control JAMS rules. Nothing in this article shall be construed to preclude or in any way prohibit either party from seeking any provisional remedy, such as injunction or a temporary restraining order.

17. **EXPORT LICENSES**. The Products are being sold to Customer in the United States. Any exporting of Products is by Customer and not Seller. Accordingly, Customer shall be responsible for, at its own risk and expense, any necessary export license or permit and any other approval or documentation which may be required for or in connection with the export of any Products. Customer shall indemnify and hold Seller harmless from all liabilities, damages, costs and

expenses arising from or connected to any breach of Customer's obligations under this paragraph. Customer shall execute any documents reasonably required by Seller for the purpose of complying with US laws and regulations.

18. **INDEPENDENT CONTRACTORS**. Seller and Customer are independent contractors, and their relationship is not one of principal and agent. No act or obligation of either party is in any way binding upon the other party.

19. **NONWAIVER OF COMPLIANCE**. No failure by Seller to enforce at any time any provision of these terms and conditions of sale shall be construed as a waiver of Seller's right thereafter to enforce each and every such term and condition.

20. **NOTICES**. All notices and other written communications in connection with these terms and conditions of sale shall be in writing and shall be sent by first class mail, with all postage prepaid, to a party at its address set forth on the reverse of this form, in the case of Seller to the attention of President or to such other address as may be specified by such party by notice in accordance herewith.

21. **NON-ASSIGNMENT**. Customer may not assign any of its rights or interest under these terms and conditions of sale without the prior written consent of Seller and any such attempted assignment shall be void.

22. **TERMINATION**. Seller may terminate any obligation to Customer with respect to the sale of the Products as set forth in these terms and conditions of sale immediately by notice to Customer if: (a) Customer fails to make any payment on the date due or to accept delivery of any shipment; (b) Customer makes an assignment for the benefit of creditors; (c) Customer admits in writing its inability to pay its debts as they mature; (d) a trustee or receiver of all or a substantial part of Customer's assets is appointed by any court; (e) any bankruptcy or reorganization proceedings is instituted by or against Customer; (f) Customer becomes insolvent or unable to pay its debts as they mature; or (g) Seller has reasonable basis for insecurity with respect to Customer's performance of its obligations to Seller and Customer fails to provide to Seller adequate assurance of Customer's performance within thirty (30) days of Seller's demand for such assurance. Seller may also terminate any such obligation to Customer on thirty (30) days' notice for any failure of Customer to comply with any other of its obligations contained in these terms and conditions of sale; provided that such failure shall not have been corrected during such 30-day period.

23. **ENTIRE AGREEMENT**. These terms and conditions of sale contain all of the terms and conditions governing the sale of the Products as set forth in these terms and conditions of sale and may not be modified or amended except by an agreement duly executed by the parties.

24. **HEADINGS**. The headings contained in these terms and conditions of sale are included for mere convenience of reference and shall not affect the interpretation of these terms and conditions.