IHI Connectors Standard Terms and Conditions of Purchase

Version 1.9 | *November 3, 2026*

International Hydraulics, Inc. d/b/a IHI Connectors
7700 St. Clair Avenue, Mentor, Ohio 44060-5236

Key Points for Suppliers

This page is a reading guide only. It is not part of the Terms, does not change them, and is not used to interpret them. Sections 1 through 37 control, including their qualifications and mandatory-law exceptions.

- Assent and changes. These Terms are posted at https://ihiconnectors.com/purchase-terms.html. Every IHI purchase order prints that address. Supplier accepts by starting work, shipping, or accepting payment. Vendor forms are rejected; specified exceptions require an IHI officer's signature.
- Prices and quantities. Prices are firm; only approved surcharges apply. Forecasts do not commit IHI to buy. Signed blanket options state a maximum quantity and carry a separate $10.00 option fee. Sections 3 and 4.
- Delivery and certifications. Deliver on time at the agreed destination. Send required production certifications and trade data to ReceivingInspector@IHInet.com. Sections 5 through 7.
- Quality and changes. Obtain advance written approval for material, source, process, chemistry, location, and other controlled changes. Supplier pays resulting nonconformance costs. Sections 8 and 9.
- Warranty. Production Goods generally have a seven-year minimum warranty, with longer resale or customer periods as Section 10 provides. Services and internal-use Goods generally have at least 24 months. Software also follows Section 28.
- Nonconformance and recalls. Supplier funds reasonable sorting, rework, customer charges, and Field Actions. The $250.00 report fee and $50.00 weekly skid-storage fee do not duplicate the same actual costs. Sections 9 and 11.
- Cancellation. IHI may cancel or suspend. Recovery is limited to the amounts Section 13 permits, net of prior payments, avoided costs, and mitigation.
- Property and technology. Protect and return IHI Property, including returnable packaging IHI furnishes. IHI receives assigned work product and necessary background rights for its products, maintenance, and production continuity. Sections 16, 17, 28, and 31.
- Indemnity and insurance. Supplier provides broad defense and indemnity subject to mandatory law, and the insurance in Section 24, including the stated production-Goods recall coverage. Sections 18 and 24.
- Payment. Default terms are net 60 from the latest specified trigger. Withholding, invoice deadlines, payment controls, lawful setoff, and debit-memo deduction without a Supplier credit memo apply. Extra operations not on the Order are not payable. Sections 3, 22, 23, and 30.
- People systems and data. Follow IHI site rules, staffing obligations, access controls, and data restrictions. External AI use with IHI Data requires specific approval. Sections 25 through 29.
- Liability and disputes. IHI liability is limited under Section 33. Supplier notice and filing deadlines apply subject to law. Ohio forums and foreign-supplier arbitration are governed by Sections 35 and 36.
- Late delivery and repeating defects. A per-day line charge may apply, plus distinct actual damages, without double recovery. Epidemic or repeating defects may be treated as a Field Action. Sections 5, 9, and 11.
- IHI metal. Chips, skeletons, drops, and unused IHI-furnished metal remain IHI Property. Yield better than the scrap allowance is IHI's. Sections 8 and 16.

- Inspection. Dock-to-stock, skip-lot, and similar programs do not reduce Supplier's quality duty. Incoming rejection is generally 180 days after receipt; latent defects follow discovery. Section 9.
- Amounts Supplier owes. Those amounts may accrue interest. Class, collective, and multi-supplier consolidation are waived to the extent the law allows. Sections 23 and 35.

1 Definitions

"IHI" means International Hydraulics, Inc. d/b/a IHI Connectors, or, where an Order names it as the buyer, Advancement International, Ltd. (including when it buys under the name LugsDirect) or another IHI affiliate. An "IHI affiliate" is any company that controls, is controlled by, or is under common control or common majority ownership with International Hydraulics, Inc., and Advancement International, Ltd. is an IHI affiliate for every purpose of these Terms. Each IHI affiliate is the buyer only on the Orders it issues. No IHI affiliate is liable on, guarantees, or is responsible for an Order it did not issue, and no IHI affiliate's acts, payment record, or credit standing affect another's Orders. A Supplier Acknowledgment that expressly covers the named IHI affiliates governs their Orders as stated in that acknowledgment; performance of one affiliate's Order does not by itself prove assent to another contract. "IHI Parties" means IHI, its affiliates, and their officers, directors, employees, agents, successors, assigns, and customers.

"Supplier" means the person or company to whom the Order is issued. Supplier is responsible for its employees, agents, and every supplier or subcontractor it uses at any tier (each a "sub-tier supplier"), and for their acts, omissions, data, and goods, as if they were Supplier's own. Where these Terms require Supplier to do something, Supplier shall make each sub-tier supplier do it for that sub-tier supplier's part of the Goods. "Foreign Supplier" means a Supplier that is organized under the laws of, or has its principal place of business in, any country other than the United States; whether Supplier is a Foreign Supplier depends on Supplier alone, not on its affiliates or sub-tier suppliers. "Affiliate" of any party means a company that controls, is controlled by, or is under common control with it, where control means owning more than 50% of the voting interests or having the power to direct management.

A Supplier affiliate that invoices IHI, drop-ships Goods, performs Services, or otherwise acts on the Order is jointly and severally liable with Supplier for every obligation of that Order. IHI may pay only the named Supplier. Payment to the named Supplier discharges IHI as to that amount even if an affiliate performed. This paragraph does not make any IHI affiliate liable on an Order it did not issue.

"Order" means every purchase IHI makes from Supplier, however it is placed, including IHI's purchase order, release, blanket order, schedule, or change order, and any purchase made by phone, email, text, or in person, through Supplier's website, portal, catalog, or electronic data interchange, or paid with an IHI credit or purchasing card, together with the notes, drawings, and specifications printed on or attached to it, IHI documents it references, and these Terms. Except for affirmative Supplier commitments expressly preserved by Section 2, a Supplier document, such as a quotation, proposal, or acknowledgment, is not part of an Order merely because the Order refers to it by number. The reference identifies the item and does not adopt Supplier's conditions. Supplier terms bind IHI only through the specific officer-approved exception or separate-agreement procedure in Section 2; copying or referring to them on an Order does not bypass that procedure.

The "face of the Order" means the text printed on the Order itself by IHI's purchasing system or typed by IHI's buyer, including its line descriptions and numbered notes, but not any document the Order only refers to. The "Order date" is the date printed on the Order, or, for an order placed by phone, email, text, or in person, the date it was placed. "Terms" means these IHI Connectors Standard Terms and Conditions of Purchase, at the version that applies to the Order under Section 2. "Days" means calendar days, and "business days" means Monday through Friday except United States federal holidays.

"Goods" means everything Supplier furnishes under an Order, including raw material, extrusions, bar, wire, screws, hardware, components, plated, coated, waxed, heat-treated, or machined parts, tooling, samples, prototypes, packaging, software, documentation, data, and certifications. "Services" means any work Supplier performs, including plating, coating, waxing, heat treating, machining, sawing, sorting, calibration, repair, maintenance, and service of equipment and machine controls, resharpening, freight, cleaning, building

maintenance, information technology and managed services, software as a service, hosting, and data services, consulting, the supply of temporary or contract workers, and any other work on IHI's premises or on or through IHI Systems. Every reference in these Terms to Goods also means Services, except where a sentence names Goods and Services separately or a requirement can apply only to physical items, such as packing, labeling, weight, and country of origin.

"Specifications" means IHI's drawings, prints, part numbers and revisions, EMS plating specifications, quality instructions, samples, and any industry standard or customer requirement named on the Order, each at the revision stated on the Order, or if none is stated, the revision current on the Order date.

"Officer of IHI" means IHI's president, its chief executive officer, its treasurer, or any other officer elected by IHI's board of directors. IHI's purchasing manager may also sign an Approved Surcharge schedule under Section 3, and IHI's quality manager may sign a deviation or a first-article waiver under Section 8; neither may agree to any other change to these Terms. "IHI Property," "Field Action," "Approved Surcharge," "Supplier Acknowledgment," "Staffed Worker," "IHI Systems," "IHI Data," "Personal Data," and "Security Incident" have the meanings given in Sections 16, 11, 3, 2, 26, and 27.

2 Acceptance and These Terms Govern

The Order is an offer by IHI. It is limited to, and conditioned on, Supplier's acceptance of these Terms. Supplier accepts the Order, and these Terms, by the first of: (a) signing or acknowledging the Order in any form, including by email, portal, or electronic data interchange; (b) starting work; (c) shipping any Goods or performing any Services; (d) accepting any payment; or (e) only if Supplier has expressly agreed in a signed Supplier Acknowledgment to this method of acceptance, not rejecting the Order in writing within five (5) business days after receiving it. IHI furnishes these Terms by posting the current version at https://ihiconnectors.com/purchase-terms.html and by printing that address on the face of the Order. A signed Supplier Acknowledgment is additional evidence of assent and is not required for formation. Acceptance by conduct requires that Supplier received or had reasonable notice of and access to these Terms before that conduct, which that posting and printing satisfy. Silence alone does not establish assent to new terms.

These Terms and the Order are the entire agreement. IHI objects to and rejects every term in Supplier's quotation, proposal, acknowledgment, invoice, packing list, credit application, account form, work order, service ticket, website, portal, shrink-wrap or click-wrap terms, or any other Supplier document that adds to, differs from, or conflicts with the Order. Those terms do not become part of the contract, even if IHI accepts the Goods, pays for them, or does not object again. These Terms govern Orders for Goods, for Services, and for both, whether or not Chapter 1302 of the Ohio Revised Code applies.

If Supplier sends a document that makes its acceptance conditional on its own terms, Supplier shall not perform until an officer of IHI agrees to those terms as this Section requires. IHI objects to the condition and does not assent to it by accepting or paying for performance. Supplier shall give express written assent to IHI's terms before proceeding. If applicable law instead finds a contract through conduct, IHI preserves every term actually agreed, its objection to Supplier's additional or different terms, and all available statutory rights; this paragraph does not represent that conflicting forms automatically incorporate these Terms.

IHI will not schedule, receive, or pay against a response that remains expressly conditional on Supplier's terms. If IHI has objected in writing to that condition, Supplier's later commencement of work, shipment, or acceptance of payment is assent to IHI's offer on these Terms and a withdrawal of the condition. A receiving stamp, portal click, or payment after that objection does not withdraw it. If applicable law instead finds a contract by conduct, IHI preserves every term actually agreed, its objection to Supplier's additional or different terms, and all available statutory rights; this paragraph does not represent that conflicting forms automatically incorporate these Terms.

Quotations. IHI intends a purchase order responding to Supplier's quotation to be IHI's offer on these Terms. If IHI's response is legally an acceptance instead, it is expressly conditioned on Supplier's assent to these Terms under Ohio Revised Code 1302.10(A), where applicable. IHI shall identify and furnish these Terms with its request or response by posting them at https://ihiconnectors.com/purchase-terms.html and printing that address on the Order or request. A signed Supplier Acknowledgment is additional evidence and is not

required. A prior offer, contract, or conflicting conditional acceptance is evaluated under applicable formation rules; calling a quotation an invitation or a response an Order does not itself resolve that issue. No vendor term is adopted merely by reference to a quotation number.

Supplier Acknowledgment. The "Supplier Acknowledgment" is a record signed by Supplier that identifies the attached version of these Terms, confirms receipt and assent, and states the IHI entities and Orders it covers. Future versions apply only under the Versions paragraph and an effective agreement to the update. A signed Supplier Acknowledgment is additional evidence of assent and is not required for an Order to be governed by these Terms. IHI may still ask any Supplier to sign it and intends to get it from every Foreign Supplier before the first Order, because it is useful written evidence of the agreement to arbitrate under Section 35. When Supplier has signed it, no quotation, acknowledgment, invoice, or other Supplier document changes these Terms, even one that says Supplier accepts only on its own terms or that IHI's receipt of the Goods is assent to Supplier's terms. For a Foreign Supplier, the Supplier Acknowledgment, together with each Order and Supplier's written or email acceptance of it, is the parties' written agreement to arbitrate under Section 35. IHI's issuing an Order or paying an invoice without a Supplier Acknowledgment does not waive any of these Terms.

Authority. Only an officer of IHI may agree to terms other than these Terms. No IHI buyer or other employee has authority to accept Supplier's terms.

Signatures and clicks. An IHI employee's signature, click, or check box on a Supplier quotation, acknowledgment, credit application, account form, work order, service ticket, time sheet, installation or completion sign-off, safety or visitor sign-in, delivery receipt, bill of lading, portal, or website is never IHI's agreement to any term that adds to or differs from these Terms. A signature on a delivery receipt or bill of lading confirms only the number of packages received; a signature on a work order or time sheet confirms only the hours or work shown.

Silence, payment, use, or continued performance by IHI is never approval of a first article, deviation, change request, invoice, surcharge, packing exception, or Supplier term. IHI's completion of a Supplier portal, quality-manual acknowledgment, onboarding packet, or compliance questionnaire is information only and does not accept Supplier's terms, even if the portal states that completion is acceptance.

Licenses, credit forms, and separate agreements. A software or data license that IHI needs in order to use what it bought governs only the scope of use described in Section 28, never warranties, liability, indemnity, law, or venue. A credit application, account form, or click-through agreement never changes these Terms, even if signed by an officer of IHI, unless it names these Terms and the Section it changes. Some purchases need their own agreement, such as a business associate agreement for an IHI health plan, services to an IHI benefit plan (including its employee stock ownership plan), payroll, banking, insurance, legal and audit engagements, real estate leases, and enterprise software agreements. If an officer of IHI has signed a separate written agreement with Supplier covering the Goods, that agreement controls over these Terms only where the two directly conflict, and these Terms govern everything it does not address. An agreement the law requires controls on the matters the law requires it to cover.

Changes to these Terms. No change to the Order or these Terms binds IHI unless it is (a) a revised Order issued by IHI, within the limits of the next paragraph, or (b) a writing signed by an officer of IHI that says it changes the Order or these Terms and names the Section or Order line it changes. Supplier is bound by any change it agrees to in writing, including by email. Course of dealing, course of performance, and usage of trade do not change or explain away these Terms. If IHI accepts late, short, or nonconforming Goods, pays a charge these Terms do not allow, or does not enforce a term, once or many times, that is not a change to the Order and not a waiver for any other shipment, and IHI may require strict performance again at any time by notice.

Order of precedence, if documents conflict: (1) a writing that changes these Terms as the paragraph above requires, or a separate agreement under the Licenses paragraph to the extent stated there; (2) the face of the Order, including its numbered notes, but not any Supplier document it mentions; (3) the Specifications; (4) these Terms. A stricter quality, technical, or performance requirement controls only where it can be met

consistently with the higher-priority document. Otherwise the stated order of precedence controls; no general reference to a stricter requirement changes the liability allocation or officer-approval requirement. The face of an Order may set the item, quantity, price, delivery date and place, shipping and payment terms, tolerances, an Approved Surcharge, and other order-specific requirements, but no note on the face of an Order, and no revised Order, adopts Supplier's terms or reduces any warranty, indemnity, remedy, limit, or dispute term of these Terms unless an officer of IHI signs it.

Orders by phone or email. For an oral, email, text, in-person, card, or emergency purchase, IHI's written confirmation or Order that names these Terms and https://ihiconnectors.com/purchase-terms.html furnishes them. A previously signed Supplier Acknowledgment, if any, is additional evidence. IHI shall communicate that its offer is conditioned on these Terms. A later written confirmation records the agreement and expressly objects to inconsistent Supplier terms, but does not by itself amend an already formed contract. Supplier shall promptly identify discrepancies; failure to object has only the effect permitted by the parties' existing agreement and applicable law.

Versions. The version and date identified in the Order and furnished by posting at https://ihiconnectors.com/purchase-terms.html, by printing that address on the Order, or otherwise made reasonably accessible to Supplier before acceptance, govern that Order. If the Order omits them, the latest version Supplier previously accepted in a signed record governs, or otherwise the version actually furnished and accepted for that Order. A website posting alone does not amend an existing Order. IHI shall retain the applicable version and evidence of delivery and acceptance. A release under an accepted blanket order uses that blanket order's version unless Supplier expressly agrees in a signed record to a newer version, or a previously signed update procedure lawfully makes the newer version effective after notice and an opportunity to reject it. An update does not retroactively change accepted releases. IHI may cancel the unreleased balance under Section 13 if Supplier declines an update.

Supplier commitments. Notwithstanding Section 1's exclusion of Supplier documents, affirmative factual descriptions, performance specifications, samples, warranties, and service levels in Supplier's offer or documentation on which IHI reasonably relies are additional Supplier obligations to the extent consistent with IHI's Specifications. Incorporating those commitments never incorporates Supplier's disclaimers, liability limits, payment demands, renewal provisions, or dispute terms. Supplier warrants that the person signing or accepting for it is authorized. An IHI signature adopted with intent to approve a specifically identified exception remains governed by the officer-approval requirements above; routine operational sign-offs do not approve exceptions.

3 Prices Surcharges Tariffs and Taxes

Prices on the Order are firm. Unless the Order says otherwise, prices include all packaging, boxes, skids, crating, labeling, certifications, test reports, documentation, tooling, setup, minimum lot charges, inland freight to the delivery point, export packing, duties, tariffs, and fees.

No surcharge, adjustment, or added charge of any kind is allowed (for example, metal, alloy, energy, fuel, environmental, tariff, freight, delivery, expedite, small order, minimum lot, price-at-shipment, review, strip, pre-clean, sort, or similar extra-operation charges) unless it is stated either on the face of the Order or in a written surcharge schedule signed by IHI's purchasing manager or an officer of IHI (an "Approved Surcharge"). Every Approved Surcharge that moves with an index must name: (a) the published index (for example, the London Metal Exchange official cash settlement price for tin, zinc, copper, or aluminum, the COMEX copper price, or the CME Midwest aluminum premium); (b) the base index value built into the price; (c) the averaging period and the date the index is read; (d) the formula; and (e) what it applies to. A flat charge needs to state only its amount and what it applies to. An Approved Surcharge sets only these items; any other term in the schedule, or in a Supplier document it is written on, is rejected under Section 2.

Unless the surcharge schedule says otherwise: (1) a metal surcharge applies only to the net weight of that metal in, or deposited on, the Goods actually shipped and accepted, never to services, certifications, freight, delivery, or other fees; (2) no fee or surcharge is charged on another fee or surcharge; (3) the surcharge applies both ways, and a decrease below the base value is a credit to IHI; (4) Supplier shows the index

value, the base, and the calculation on each invoice; and (5) if the index stops being published, the parties agree on a replacement, and until they do the last published value applies. Supplier must give IHI at least sixty (60) days' written notice before changing any Approved Surcharge or adding a new one, and a change applies only after IHI accepts it in writing. IHI's payment of a charge that is not an Approved Surcharge, however often, does not approve it or waive this Section, and IHI may recover it under Section 22.

Existing surcharges. A surcharge or fee that Supplier was invoicing to IHI before the date of this version is allowed only if, and only as, a signed surcharge schedule describes it. The schedule may set a method different from the defaults in the paragraph above, such as a monthly percentage of stated invoice lines or a fee calculated on a surcharge, and the schedule then controls for that charge only. A charge the schedule does not describe is not an Approved Surcharge.

Tariffs and duties. Supplier bears the risk of every duty, tariff, quota, fee, and trade remedy, including any imposed, increased, or extended after the Order date, unless the face of the Order states a separate tariff charge or an Approved Surcharge provides for one. A separate tariff charge is a pass-through of duty actually paid: Supplier shall not charge more than the duty actually paid on the Goods, shall show the tariff program and Harmonized Tariff Schedule number on the invoice, and shall give IHI proof of payment on request. If any duty or tariff included in the price, or charged separately, is reduced, refunded, remitted, or recovered through drawback, protest, court order, or otherwise, Supplier shall pass the full savings or refund, with any interest received, to IHI within thirty (30) days. If IHI is importer of record and a duty or tariff imposed or increased after the Order date raises IHI's landed cost of any undelivered Goods, IHI may cancel those Goods without liability.

Best price. Supplier warrants that its prices are no higher than the prices it charges any other customer for the same or similar goods in similar or smaller quantities. If Supplier sells the same or similar goods to another customer at a lower price, or on better terms, Supplier shall give IHI the lower price from the date of that sale and refund the difference on every shipment since that date. If Supplier lowers its price for the Goods before shipment, IHI receives the lower price. Supplier shall certify compliance with this paragraph in writing once a year at IHI's request, and IHI may have an independent accountant, bound to keep the information confidential, verify it under Section 22; the accountant will report to IHI only whether Supplier complied and the amount of any refund.

Taxes. Supplier shall charge only sales, use, or similar taxes that the law requires Supplier to collect, stated separately on the invoice. IHI may claim an available exemption by furnishing a valid certificate for a purchase exempt under applicable law, including Ohio Revised Code 5739.02 and 5739.011 where applicable. Supplier shall honor a valid certificate to the extent the law permits, promptly notify IHI of any documented deficiency, shall credit or refund any tax charged in error, and shall pay any penalty and interest caused by its own failure to collect, report, or remit tax correctly. Supplier shall give IHI a current IRS Form W-9 (or the correct Form W-8) before IHI's first payment, and IHI may withhold any tax the law requires it to withhold. Supplier is responsible for its own income, franchise, gross receipts, payroll, and property taxes.

Price transparency. For best-price comparisons, price includes rebates, credits, discounts, free quantities, and other effective price reductions on commercially comparable transactions; Supplier may demonstrate documented differences in specifications, delivery obligations, or other material cost drivers. Supplier shall not avoid this obligation by using an affiliate or changing an item number. No foreign-exchange, card-processing, payment-method, or invoice-processing fee is payable unless expressly stated on the face of the Order. Supplier shall promptly identify and credit pricing errors without waiting for an audit.

4 Quantities Blanket Orders Forecasts and Consignment

Supplier shall ship exactly the quantity ordered. No over-shipment or under-shipment is allowed unless the face of the Order states a tolerance. IHI may return any excess at Supplier's expense and risk, keep it and pay the Order price less IHI's handling cost, or treat it as rejected Goods under Section 9. IHI may treat a short shipment as a partial delivery, require the balance by the due date, or cancel the balance without liability.

Where Goods are sold by weight, IHI pays for the lesser of the certified net weight and the weight IHI verifies at receiving, and never for more than the quantity ordered plus any stated tolerance. Packaging, skids, and tare weight are never billable weight.

No Order is a requirements, output, or exclusive supply contract, and no Order creates a minimum purchase obligation. IHI may buy the same or similar goods from anyone. A blanket order quantity, annual usage, forecast, schedule shared through any portal or electronic data interchange, or statement in a quotation is an estimate only. It is not a promise to buy and is not an estimate of requirements under Ohio Revised Code 1302.19. Forecasts are for planning only, and not sending one is not a breach. IHI is obligated only for quantities in firm releases. IHI pays for raw material or fabrication ahead of a firm release only where the face of the Order expressly authorizes it, and then only up to the dollar amount stated there. In these Terms, a "firm release" also includes a standalone Order for a stated quantity of Goods or defined scope of Services that Supplier accepts under Section 2; a separate blanket order or release document is not required. An estimate, forecast, or maximum option quantity is not a firm release. Supplier shall confirm each accepted standalone Order in a signed record identifying its quantity or service scope, price, and delivery requirements; this confirmation duty does not postpone an acceptance otherwise effective under Section 2.

Blanket orders. A blanket order must state its term, maximum quantity, prices, and lead times. When Supplier signs it or expressly accepts those items in a signed record, Supplier grants IHI an option to issue firm releases up to that maximum during that term, which is twelve (12) months if the accepted blanket order states no term. In separate consideration for that option, IHI shall pay Supplier ten dollars ($10.00) for each accepted blanket order, independently of whether IHI issues any release; that fee is due within thirty (30) days after written acceptance and is not a deposit or credit against Goods. Supplier shall separately sign the option assurance if it appears on IHI's form. This option, supported by IHI's binding fee obligation, is intended to remain open for its stated term and does not rely on extending the three-month statutory firm-offer period. If the separate consideration is ineffective, a signed merchant firm offer remains irrevocable for the period Ohio Revised Code 1302.08 permits, and any release already accepted remains binding. No maximum quantity is implied from a nonbinding forecast. IHI exercises the option by a written release received at Supplier's designated Order contact or system during the option term. A conforming release within the remaining maximum quantity and agreed lead time is binding on receipt without further Supplier acceptance, even if its delivery date falls after the option expires. Expiration does not cancel an effective release. A release outside those limits requires Supplier's acceptance under Section 2. Only firm releases create quantity commitments for IHI, subject to Section 13. After the term, Supplier shall give ninety (90) days' written notice before stopping new releases or proposing different prices, and any continuing option period must be expressly agreed in a signed record. Each release is priced at the lowest of the blanket price, any lower price Supplier has quoted IHI for the same Goods, and the price then in effect.

Supplier-owned inventory at IHI. Where the Order provides for consignment or vendor-managed inventory, Goods Supplier places at IHI's premises remain Supplier's property and at Supplier's risk until IHI withdraws them for use, and IHI buys only what it withdraws, at the Order price in effect on the withdrawal date. IHI's withdrawal records are conclusive unless Supplier proves them wrong within thirty (30) days after IHI reports them. A shortage found in a physical count is treated as a withdrawal and paid at the Order price, and that is IHI's only liability for missing, damaged, or obsolete inventory, except for loss caused by IHI's gross negligence or willful misconduct. Supplier shall insure the inventory, waive subrogation against the IHI Parties, keep stock within the minimum and maximum levels IHI sets, and remove at its cost, within thirty (30) days after IHI's notice, any stock above the maximum, not withdrawn within twelve (12) months, or remaining when the arrangement ends, after which IHI may treat it as rejected Goods under Section 9. Supplier is responsible for any filing it needs under Ohio Revised Code Chapter 1309 to protect its ownership against creditors, and IHI has no liability to Supplier if a creditor of IHI or of Supplier claims the inventory. The warranty period for these Goods starts when IHI withdraws them.

No reliance on future business. Supplier bears its own capacity, staffing, capital investment, tooling not expressly payable by IHI, and unreleased inventory costs. Supplier shall not recover those costs, unabsorbed overhead, anticipated margin, or lost-volume profits from a forecast, qualification, source designation,

negotiation, or expectation of renewal. This allocation does not eliminate IHI's express obligation to pay the option fee or amounts allowed by Section 13 for firm releases.

5 Delivery and Time Is of the Essence

Time is of the essence. Failure to deliver on time is a material breach of the Order. On time means the Goods arrive complete, conforming, and with all certifications and trade data at the delivery point on the date on the Order. IHI's dock hours are 8:00 AM to 5:00 PM, Monday through Friday, at 7700 St. Clair Avenue, Dock C, Mentor, Ohio 44060, unless the Order says otherwise.

Supplier shall tell IHI in writing immediately when it learns of anything that may delay delivery, with the cause and the new date. Notice does not excuse the delay. If Supplier is or will be late, Supplier shall ship by the fastest method needed to meet the date (or the earliest date IHI accepts) at Supplier's expense, including air freight.

If any delivery is late, IHI may, in addition to its other remedies and without liability to Supplier: (a) refuse the late Goods; (b) cancel the late line and any remaining balance; (c) buy substitute goods elsewhere and charge Supplier the difference in cost and all related expense; and (d) recover its damages, including line-down, overtime, expedited freight, and charges assessed by IHI's customers.

Late-delivery charge. For each Order line delivered late, Supplier shall pay two hundred fifty dollars ($250.00) per business day of delay, not to exceed the Order price of that line. The parties agree this amount is a reasonable pre-estimate of IHI's internal scheduling, expediting, and customer-communication cost, which is hard to measure, and is not a penalty. IHI may also recover distinct actual damages, including customer chargebacks, cover extra cost, overtime, premium freight, and line-down. IHI shall not recover the same loss twice. If this stipulated charge is unenforceable, IHI may recover proven reasonable actual costs instead.

Supplier shall not ship more than five (5) business days early without IHI's written consent. IHI may return early shipments at Supplier's expense or hold them at Supplier's risk, and payment terms run from the scheduled delivery date.

Shipping terms. Unless the face of the Order states otherwise: (a) for Goods shipped from a point in the United States, delivery is F.O.B. destination (IHI's dock) under Ohio Revised Code 1302.32, freight prepaid and included in the price; and (b) for Goods shipped from outside the United States, delivery is DDP (Delivered Duty Paid), IHI's dock, 7700 St. Clair Avenue, Mentor, Ohio 44060, Incoterms 2020. Any trade term on the Order is read under Incoterms 2020 if it is an Incoterms rule, and under the Ohio Uniform Commercial Code if it is not. A trade term decides only the place of delivery, the transfer of risk, and which party pays for carriage and for export and import clearance; it does not change any other part of these Terms. Whatever the trade term, title to identified Goods passes to IHI on the earlier of IHI's payment or IHI's receipt, subject to the identification and security provisions in Sections 15 and 23. Title cannot pass to goods not yet identified to the contract; Supplier shall promptly identify funded Goods as required there. Title to IHI Property stays with IHI at all times (Section 16). When IHI's freight account or routing is named on the Order, Supplier shall use it exactly. Supplier pays any extra freight caused by not following IHI's routing, by its own delay, or by splitting a shipment IHI did not ask to split.

Drop shipments. When the Order directs shipment to an IHI customer or other third party: (a) the delivery point is that location, and delivery is F.O.B. destination there; (b) IHI receives the Goods when the consignee receives them; title passes to IHI on the earlier of payment or delivery, and if not already transferred, immediately before any transfer by IHI to the consignee; (c) risk of loss stays with Supplier until the consignee receives the Goods; (d) Supplier shall ship blind, using only the labels, packing list, and paperwork IHI provides, and shall not include any invoice, price, or Supplier name, logo, or contact information unless IHI says so in writing; (e) Supplier shall follow the consignee's dock hours, appointment, labeling, and receiving rules that IHI sends, and shall pay any charge the consignee assesses for Supplier's failure to follow them; (f) Supplier shall give IHI proof of delivery within two (2) business days and send every certification to IHI, not the consignee; (g) the consignee's inspection results and rejections are IHI's for Section 9, and IHI's time to reject runs from IHI's receipt of the consignee's notice; and (h) Supplier shall not contact the consignee except to schedule delivery.

Imports. Unless the face of the Order names IHI as importer of record, Supplier (or its United States affiliate) is the importer of record and the exporter for all Goods shipped from outside the United States, and shall not identify IHI as importer of record on any entry. Supplier shall obtain every export and import license, file every entry, pay every duty, tariff, fee, and tax, and post its own customs bond. Supplier shall declare the lawful customs value using a legally supportable valuation method, with all required additions and documentation and no false invoice, artificial undervaluation, or concealed payment, and shall give IHI a copy of the entry summary (CBP Form 7501) for each entry within ten (10) days after it is filed. If Supplier acts as a nonresident importer, it shall give IHI the name and address of its resident agent for service of process, and IHI may serve that agent in any suit or arbitration under Section 35. If IHI or its broker acts as importer of record for Goods whose price includes duties under Section 3 or the trade term, Supplier shall reimburse IHI for every duty, tariff, fee, and tax IHI pays on them, and IHI may set it off under Section 23.

Country of origin. Supplier shall mark each item or its container with its country of origin as United States law requires. Country of origin means origin under United States customs law, as determined by the substantial transformation test or the applicable preference or trade remedy rule, and not where the Goods were last plated, coated, packed, or shipped. Supplier pays any marking duty, re-marking, relabeling, or re-export cost caused by missing or incorrect marking.

Carriers and brokers. Supplier shall pay every carrier, broker, and forwarder it uses, and shall defend and indemnify the IHI Parties against any claim by a carrier, broker, or forwarder for freight, detention, demurrage, storage, lumper, or accessorial charges on shipments to IHI; IHI may pay any such claim and set it off under Section 23. A freight supplier that IHI hires directly warrants that it: (a) holds active operating authority from the Federal Motor Carrier Safety Administration; (b) does not have an "Unsatisfactory" safety rating; (c) uses only qualified, licensed drivers; and (d) will not re-broker or subcontract an IHI load without IHI's written consent. It shall load, secure, and inspect each load itself, and IHI's help in loading does not shift that duty to IHI. A motor carrier IHI hires directly is liable for the full actual loss under 49 U.S.C. 14706; no released rate, tariff limit, or bill of lading term limits that liability unless the face of the Order states a declared value or an officer of IHI agrees to a limit in writing, as 49 U.S.C. 14706(c)(1)(A) allows. IHI does not waive any right or remedy under Part B of Subtitle IV of Title 49 of the United States Code.

Detention, demurrage, lumper, storage, and accessorial charges caused by Supplier's early, late, or unscheduled arrival, incomplete paperwork, or failure to follow dock hours or appointment rules are Supplier's. IHI is not liable to a carrier, broker, or forwarder hired by Supplier, and may pay any such claim and set it off under Section 23.

A freight broker IHI hires directly warrants that it holds active broker authority from the Federal Motor Carrier Safety Administration and the financial security 49 U.S.C. 13906 requires, and shall: (a) tender IHI loads only under written contract to motor carriers that meet the warranties above; (b) be liable to IHI for loss of or damage to IHI's cargo as if it were the carrier under 49 U.S.C. 14706, at the full invoice value of the cargo, without any released rate or limitation in its own or the carrier's tariff, unless the face of the Order states a declared value; (c) pay every carrier it uses and defend IHI against any carrier claim for payment, including a claim that IHI must pay twice; (d) carry contingent cargo insurance of at least $100,000.00 and contingent automobile liability of at least $1,000,000.00; and (e) defend and indemnify the IHI Parties against any claim that IHI or the broker negligently selected a carrier.

Delivery safeguards. Earlier passage of title, a prepayment, or IHI's carrier designation does not accelerate transfer of risk contrary to the agreed shipping term or Section 32; risk in rejected or rightfully revoked Goods rests with Supplier. If Supplier cannot lawfully act as importer or exporter of record, it shall disclose that before acceptance and obtain IHI's written approval of a lawful arrangement without increasing IHI's agreed cost. Neither IHI's silence nor its customs broker's assistance is permission to name IHI as importer. Drop-shipment paperwork must retain every legally required origin, safety, and traceability disclosure despite the blind-shipping requirement. For transportation subject to mandatory federal or international law, IHI retains all nonwaivable remedies and time periods, including the minimum claim and suit periods in 49 U.S.C. 14706(e) where applicable; shorter vendor terms are rejected to the fullest extent permitted.

6 Packaging Labeling and Shipping Documents

Supplier shall pack the Goods to prevent damage, contamination, corrosion, and mixing, and shall follow every packing note on the Order. For production material and parts, unless the Order says otherwise: (a) no box may weigh more than 35 pounds; (b) skids may not exceed 48 inches by 48 inches or 2,000 pounds, with no more than 20 buckets on a skid; (c) extrusion and bar bundles may not exceed 16 inches wide by 18 inches high or 1,000 pounds, with all bars stacked in the same direction; and (d) each box, bucket, or bundle must carry only one IHI part number and one lot.

Each box, bucket, and bundle of production material and parts must be labeled with the IHI part number and revision, IHI Order number and line number, Supplier lot or heat number, quantity or piece count, and net weight, and each shipment must include a packing list showing the same information. For standard catalog, maintenance, and distributor items, Supplier's standard labeling is enough if the packing list shows the IHI Order number. IHI may refuse, or charge Supplier for repacking, any shipment that is overweight, mixed, or not labeled as required.

Mill identification. For extrusions, bar, coil, and other production material that a mill or warehouse tags by heat or lot, Supplier shall keep the mill's original heat or lot identification tag attached to each bundle, bar, coil, or other shipping unit until IHI receiving inspects it. A replacement IHI or Supplier label is additional identification and is not a substitute for that mill tag. Missing, detached, or mixed mill tags are a labeling nonconformity under this Section.

Supplier warrants that packaging it furnishes: (a) contains no more than 100 parts per million by weight of lead, cadmium, mercury, and hexavalent chromium combined in any packaging component, and no intentionally added PFAS; (b) if made of wood, including skids and crating, is treated and marked under International Standards for Phytosanitary Measures No. 15 (ISPM 15); and (c) where IHI tells Supplier the Goods may be shipped to the European Union in Supplier's packaging, meets the EU Packaging and Packaging Waste Regulation (Regulation (EU) 2025/40, as amended) in effect on the shipment date. Supplier shall give IHI the technical documentation, declaration of conformity, and material, weight, and recycled-content data IHI or its affiliate needs as manufacturer, importer, or distributor of that packaging.

Supplier is responsible, at its own cost, for every packaging, packaging-waste, and extended producer responsibility obligation that applies to packaging Supplier provides, in any country where the law places that obligation on Supplier or lets Supplier take it on.

Supplier is the producer, manufacturer, and, where applicable, importer of packaging it furnishes. Supplier shall not identify IHI as the producer, manufacturer, or importer of that packaging on any label, declaration, registration, or extended-producer-responsibility filing. Where law places an obligation on IHI because of how the packed Goods are placed on a market, Supplier shall, at its cost, supply every document, registration, and fee support IHI needs and shall indemnify the IHI Parties under Section 18 for packaging-law cost caused by packaging Supplier furnished.

7 Certifications Trade Data Records and Traceability

Every shipment must have every certification the Order requires, sent to ReceivingInspector@IHInet.com before or on the day of shipment, and a copy with the packing list. Unless the Order says otherwise, for production material and parts this includes: (a) mill certifications showing the alloy, temper, and actual chemical and physical test results of the raw material, by heat or lot; (b) plating and coating certifications showing the specification, thickness, and the manufacturer and type of any plating, chromate, sealant, or wax applied; (c) hydrogen embrittlement bake certification where required; and (d) a certificate of conformance signed by Supplier stating that the Goods meet the Order and the Specifications.

IHI's payment obligation does not start until IHI has received every required certification. A shipment without its certifications is nonconforming. Certifications must be the original manufacturer's or mill's own document, or an unaltered copy of it, and test results must come from the manufacturer or a laboratory accredited to ISO/IEC 17025 for the test. If any certification Supplier furnishes is false, altered, or not supported by actual test results: (a) that is a material breach, and IHI may terminate any or all Orders under Section 14; (b) every

lot certified by Supplier during the prior three (3) years is presumed nonconforming until Supplier proves otherwise by independent testing at its own cost; and (c) Supplier shall pay all costs of verification testing, sorting, Field Action, and customer and agency notification that result. IHI may report the matter to its customers and to any listing agency.

Trade data. For every shipment from outside the United States, every shipment of Goods made from or containing steel, aluminum, or copper, and any other shipment where the Order or IHI's written request asks for it, Supplier shall give IHI, before or on the day of shipment, on the mill certification or a document attached to it: (a) the ten-digit Harmonized Tariff Schedule number; (b) the country of origin; (c) for any Goods containing steel, the country where the steel was melted and poured; (d) for any Goods containing aluminum, the country where the primary aluminum was smelted and the country where it was most recently cast; (e) for any Goods containing copper, the countries where the copper was smelted, refined, and cast; (f) the weight of each of those metals in each item and as a percentage of the item's total weight, and every other metal-content, origin, and value data element that United States Customs and Border Protection requires on entry under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) and the proclamations and annexes in effect on the shipment date, with the mill's or smelter's records to prove it on request; (g) any antidumping or countervailing duty case number that covers the Goods; and (h) for ocean shipments, the Importer Security Filing data at least seventy-two (72) hours before the vessel is loaded. Supplier warrants that this data is complete and accurate, including data it passes on from its sub-tier suppliers. A shipment without it is nonconforming.

Records. Supplier shall keep lot and heat traceability from raw material to finished Goods, and shall keep all certifications, inspection and test records, process records, trade data, and sub-tier records until the later of ten (10) years after the relevant delivery and two (2) years after the applicable contractual warranty on the relevant Goods ends, and give copies to IHI within two (2) business days of a request. Where a repair or replacement renews a warranty, Supplier shall retain the technical records reasonably needed to trace and evaluate both the original item and its repair or replacement for that period. A notified claim or investigation remains subject to the hold in Section 22; retention does not extend a legal claim-filing deadline. Where the Order or IHI's written request calls for retained samples, Supplier shall keep at least five (5) samples from each production, heat-treat, and plating lot for the period IHI states, or three (3) years after delivery if none is stated, identified by lot, and give them to IHI on request. Supplier shall also give IHI on request any samples it keeps under its own practice.

If Supplier's labeling, records, or traceability do not let IHI separate suspect Goods from good Goods, every lot that could contain the suspect material or process is treated as nonconforming, and the scope of any sort, containment, or Field Action is set by what IHI cannot rule out, at Supplier's cost. Where a defect or claim involves goods of the same part number that IHI bought from Supplier and from other sources, and IHI cannot reasonably identify the source, Supplier shall pay a share of the resulting costs equal to its share of IHI's receipts of that part number during the period in question, unless Supplier proves from its own records and retained samples that its Goods were not involved.

8 Quality

Supplier shall maintain a documented quality system acceptable to IHI and shall make the Goods exactly to the Specifications. Supplier shall not substitute, deviate, or use its own interpretation of a Specification without IHI's prior written approval. If a Specification is unclear or seems wrong, Supplier shall ask IHI in writing before making the Goods.

IHI FURNISHES SPECIFICATIONS, SAMPLES, AND IHI PROPERTY AS IS AND WITH ALL FAULTS. IHI DISCLAIMS WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NONINFRINGEMENT TO THE FULLEST EXTENT PERMITTED BY LAW. Supplier shall not treat IHI's technical information or property as a warranty of suitability for Supplier's processes. Supplier is an expert in its own processes. It shall review the Specifications and IHI Property before use and tell IHI in writing of any error, infringement concern, or hazard it finds or should find. If Supplier starts work without reporting an error, conflict, omission, or missing dimension that a competent supplier in its trade would reasonably have found from the documents

IHI furnished, Supplier waives extra time and extra money for that error. Reporting or failing to report does not make Supplier the designer of IHI-created Specifications, and does not shift IHI's design responsibility except as this Section otherwise states. Supplier waives any right to indemnity, hold-harmless, contribution, or reimbursement from any IHI Party, including any right under Ohio Revised Code 1302.25(C) or Section 2-312(3) of the Uniform Commercial Code, arising from Supplier's compliance with the Specifications or its use of IHI Property. Supplier bears the risk of injury to its people and damage to its property from its use of IHI Property.

No change without approval. Many IHI products are listed or certified by UL, CSA, or other agencies and are approved by IHI's customers part by part. Supplier shall not change, and shall not allow any sub-tier supplier to change, any of the following for the Goods without IHI's prior written approval: (a) material, alloy, temper, or the mill, casthouse, or other source of raw material; (b) country of origin; (c) plating, pretreatment, chromate, sealant, or wax chemistry, or the supplier of that chemistry; (d) rack or barrel method, bake, or heat treatment; (e) manufacturing process, tooling, equipment, or test method; or (f) sub-tier supplier or manufacturing location. Supplier shall request approval in writing at least one hundred eighty (180) days before the change, or the longer period IHI's customer or the listing agency requires. Goods made after an unapproved change are nonconforming even if they meet every dimension and requirement of the Specifications. Supplier shall mark the first three (3) shipments after any approved change "First Shipment After Change" on the labels and packing list. IHI's approval of a change does not relieve Supplier of any warranty or obligation. Supplier is liable for all costs caused by an unapproved change, including retesting, requalification, agency listing and follow-up, customer approval, sorting, replacement, and Field Action costs.

IHI's designation, approval, or direction of a mill, source, process, chemistry, or sub-tier supplier, including a customer-directed source, does not make any IHI Party responsible for that source's performance and does not reduce Supplier's warranties, quality duties, or indemnity. Supplier remains the expert in its processes and shall not treat an approved source as a specification warranty by IHI.

First article. IHI may require a first-article inspection report and samples for any Goods, by a note on the Order or a written request. Unless IHI waives it in writing, it is always required for: (a) a new part number, or a revision that changes a dimension, material, or plating; (b) any change approved under this Section; and (c) a new manufacturing location or sub-tier supplier. When first article is required, Supplier shall not ship production Goods until IHI approves them in writing. The report shall include actual measurements of every characteristic on the drawing, material and plating certifications, and the results of every test the Specifications require. If samples fail a requirement, Supplier shall make new samples at its own cost. IHI's approval of samples or a first article does not relieve Supplier of its obligation to deliver conforming Goods and does not waive any nonconformity IHI later finds.

IHI's silence, payment, or taking of samples is never approval of a first article, deviation, or change request. Approval is only a writing signed by IHI's quality manager or an officer of IHI that identifies the part number, characteristic, lots, and quantity it covers.

Samples and development. Samples, prototypes, first articles, and development work are at Supplier's own cost unless the face of the Order states a price for them. A request for samples, prototypes, or quotations is not a commitment to buy production quantities or to award any business. Samples and prototypes become IHI's property on delivery. IHI may test them to destruction, keep them, or share them with its customers and listing agencies, and has no duty to return them. Supplier's warranties and indemnities apply to samples and prototypes.

Plating and coating. All coatings must be RoHS and REACH compliant. All chromate coatings must be a certified trivalent process with less than 0.1% hexavalent chromium. No additional coating, wax, oil, sealant, or treatment may be applied unless the Order or IHI's written approval allows it. In addition to the Specifications, plated and coated Goods are nonconforming if any part shows blistering, peeling, flaking, poor adhesion (including after bending, crimping, or the tests in ASTM B571), coating thickness outside the stated range at any significant surface (including holes and recesses where the Specifications measure them), staining, burning, roughness, bare spots, whiskers, or residue, whether the defect appears on receipt, during IHI's processing, or in the field. Supplier shall perform and certify hydrogen embrittlement relief baking of

hardened or high-strength steel parts within the time and at the conditions required by the Specifications or ASTM B850.

Listing marks. Any unauthorized use, reproduction, or placement of a UL, CSA, or other listing or certification mark, or delivery of Goods that bear a counterfeit, misplaced, or unlicensed listing mark, is an independent nonconformity and a material breach, even if the Goods otherwise meet the Specifications. Supplier shall pay all resulting agency, customer, relabeling, and Field Action costs.

IHI material in Supplier's hands. Where Supplier processes material furnished by IHI, Supplier's liability for that material is its full value to IHI: the cost of the metal plus all prior machining, labor, and processing at IHI's standard cost, plus the added cost of replacing it on time. No limitation of Supplier's liability to the price of the processing applies.

Deviations. A deviation or "use as is" approval binds IHI only if it is in writing, signed by IHI's quality manager or an officer of IHI, and identifies the part number, characteristic, lots, and quantity it covers. It applies only to what it identifies. It does not approve the same condition on any other lot or later shipment, does not waive any other nonconformity, and does not relieve Supplier of its warranties or its duties under Sections 9, 11, and 18 for any defect not expressly identified. Unless the approval states a price, Goods shipped under a deviation are invoiced at a price reduced by IHI's added cost of using them.

9 Inspection Rejection and Nonconforming Goods

IHI, its customers, and agency inspectors (such as UL and CSA) may inspect and test the Goods, Supplier's facilities, and those of Supplier's sub-tier suppliers at any reasonable time, before and after delivery. Inspection does not relieve Supplier of any obligation. IHI has no contractual duty to inspect for Supplier's benefit. Payment, routine receiving, sampling, testing, or reasonable use needed to discover a defect does not alone waive conformity, warranty, or damage claims. If acceptance occurs under applicable law, IHI retains its contractual remedies and applicable rights to revoke acceptance.

Test results. IHI samples incoming Goods under its incoming sampling plan. If a sample fails, IHI may reject the entire lot, shipment, or skid it represents. For a safety-critical, electrical, fit, plating, or listing characteristic, a verified failure of one piece may justify immediate containment or rejection of the represented lot where the sampling method and lot relationship reasonably support that decision. Supplier shall provide traceability and test evidence needed to narrow a suspect population; IHI need not release suspect Goods pending that evidence. IHI's inspection and test results, made in good faith by the method stated in the Specifications, a method required by IHI's customer or a listing agency, or a recognized industry method (for example, ASTM B568 or ASTM B487 for coating thickness and ASTM B571 for adhesion), decide whether Goods conform and bind Supplier, unless within five (5) business days after IHI's notice Supplier asks in writing for a referee test. A referee test is performed on retained samples from the same lot, or, if there are none, on parts from the lot that IHI selects, by an independent laboratory accredited to ISO/IEC 17025 that IHI selects, and the losing party pays for it. While a referee test is pending, IHI may hold, sort, or replace the lot at Supplier's risk.

Receiving measurements. IHI's receiving scale, piece count, and inspection measurements, made in good faith, bind Supplier unless Supplier proves, within thirty (30) days after IHI's notice, that IHI's instrument was out of calibration at the time of measurement, or timely requests a referee test under this Section. A timely referee result then controls. This paragraph does not shorten the rejection periods in this Section.

Time to reject. IHI may reject Goods within one hundred eighty (180) days after receipt, or, for a defect IHI's incoming sampling plan would not reasonably find, within ninety (90) days after IHI discovers it; the parties agree these times are reasonable. Each release and each shipment is a separate contract for rejection. A dock-to-stock, skip-lot, certified-supplier, ship-to-stock, or no-incoming-inspection program, or IHI's decision not to inspect a lot, does not reduce Supplier's quality duty, shorten these times, or waive any nonconformity.

Notice of breach. Any written notice from IHI, including a nonconformance report, rejection tag, email, or debit memo, is sufficient notice of breach, and is timely if given within the later of (i) the rejection period in this Section for that nonconformity and (ii) ninety (90) days after IHI discovers it, whether at receiving, during its

own processing, or through a report from its customer or a listing agency. Supplier waives any defense that notice was late unless Supplier proves it suffered actual, material prejudice because of the delay, and then only to the extent of that prejudice.

Revoking acceptance. After the time to reject, IHI may revoke its acceptance of any lot or shipment within the warranty period in Section 10 if the nonconformity substantially impairs its value to IHI or its customer, and the parties agree that any nonconformity affecting electrical performance, fit, plating, listing, origin, or legal compliance does so. IHI may reject or revoke acceptance even though IHI has machined, plated, crimped, assembled, or packed the Goods, and a change in their condition caused by IHI's normal processing or use does not limit IHI's right to reject, revoke acceptance, or recover damages. For Goods IHI can no longer return, or chooses to keep, IHI recovers its costs and damages under this Section and Section 10, and keeping them is not a waiver. Acceptance of any Goods does not waive latent defects, fraud, or any warranty.

For nonconforming Goods, IHI may, at its option and in addition to any other remedy: (a) reject and return them at Supplier's expense and risk, for credit or refund of the price and all freight; (b) require Supplier to replace or correct them within the time IHI sets, with all freight both ways paid by Supplier; (c) sort, rework, re-plate, re-inspect, or repair them, itself or through a third party, and charge Supplier the cost; (d) accept them at a reduced price; or (e) buy replacements elsewhere and charge Supplier the difference and all related costs.

Rejected or excess Goods are held at Supplier's sole risk and expense. If Supplier does not give disposition instructions and remove them within ten (10) days after notice, IHI may, for Supplier's account: (a) return them freight collect; (b) store them at $50.00 per skid per week; or (c) sell or scrap them. IHI shall use commercially reasonable disposition methods, comply with mandatory notice and sale requirements, and credit Supplier the net proceeds after reasonable costs and amounts Supplier owes IHI. IHI has no additional contractual liability for that permitted disposition, subject to nonwaivable duties of care and good faith.

Supplier shall reimburse IHI for all costs caused by nonconforming or late Goods, including sorting, inspection, testing, rework, scrap of IHI material and labor added to the Goods, machine and line downtime, overtime, expedited freight, customer chargebacks, field costs, and an administrative charge of $250.00 for each nonconformance report IHI issues. The administrative charge is a reasonable estimate of IHI's internal cost to document, segregate, and process a nonconformance, which is hard to measure, and is not a penalty. IHI's own labor to investigate, sort, rework, re-inspect, communicate with customers, and manage the nonconformance is charged at IHI's then-current standard burdened labor rate as shown in IHI's cost records, but not less than seventy-five dollars ($75.00) per hour.

Customer charges. Supplier acknowledges that IHI sells the Goods, or products containing them, to manufacturers of electrical equipment that impose their own quality requirements and charge their suppliers for defects, including per-incident fees, sorting and containment at their plants, controlled shipping (including customer CS1 and CS2 programs) and third-party inspection, line-down, and premium freight. These charges are a foreseeable result of nonconforming Goods, and Supplier shall reimburse IHI for every such charge that a customer assesses against IHI because of the Goods.

Supplier's duty to report. Supplier shall notify IHI in writing within twenty-four (24) hours after it learns of any fact that suggests Goods already shipped to IHI may be nonconforming, including a failed test, a process or bath upset, an out-of-tolerance gauge or instrument, an incorrect or mixed material, a sub-tier supplier's nonconformance, recall, or quality alert, or a nonconformance found on the same material, heat, plating lot, or process run shipped to another customer. The notice shall identify the affected lots, dates, and quantities. Delay or failure to report is a material breach, and Supplier shall also pay all costs that timely notice would have avoided, including every cost incurred after IHI shipped the affected Goods to its customers.

Corrective action. On notice of a nonconformance, Supplier shall: (a) contain all suspect Goods within twenty-four (24) hours, including Goods in transit, in Supplier's stock, and at its sub-tier suppliers, and confirm in writing the lots and quantities contained; (b) give IHI an interim containment and cause report within three (3) business days; (c) give IHI a complete written root cause and corrective action, in eight-

discipline (8D) form or IHI's form, within ten (10) business days, or the shorter time IHI's customer requires of IHI; and (d) show, by data, that the corrective action is effective. Until IHI accepts the corrective action, IHI may require Supplier to provide 100% inspection, or inspection by a third party IHI selects, of every shipment, at Supplier's cost. If Supplier misses any of these deadlines, or the same nonconformance happens again within twelve (12) months, IHI may terminate any or all Orders for default under Section 14.

Epidemic and reliability failure. If the same or a substantially similar defect appears in more than one percent (1%) of any lot, or in three (3) or more lots of the same part number in any twelve (12) month period, IHI may treat all related Goods of that part number as nonconforming, including Goods already accepted, processed, or shipped to customers, and may conduct a Field Action at Supplier's cost under Section 11. IHI is not required to prove that every unit contains the defect. Supplier shall provide the traceability needed to narrow the suspect population; until it does, the scope is set by what IHI cannot reasonably rule out.

Independent return and recovery rights. In addition to statutory rejection and revocation, Supplier expressly agrees to accept return, replacement, refund, or the other remedies stated here for Goods that fail an applicable warranty or Order requirement, whether or not IHI has accepted, processed, incorporated, or resold them. IHI shall give reasonably available details and preserve reasonably available evidence, but is not required to return installed Goods or interrupt a necessary customer remedy to preserve its claim. Supplier's return authorization is not a condition of any remedy. Supplier has no cure right extending beyond the contractual delivery date unless IHI consents or mandatory law requires it. IHI may act immediately to protect safety, production, customers, evidence, or legal compliance without awaiting Supplier's investigation or an RMA. If immediate action is unnecessary, IHI shall allow reasonable access for Supplier to investigate without delaying containment.

Administration and storage charges. The $250.00 nonconformance-report charge compensates only the internal intake, documentation, segregation administration, and accounting work it reasonably estimates. IHI shall not recover those same tasks again as actual labor, and shall not split one related incident into multiple reports merely to multiply charges. The $50.00 weekly skid-storage charge estimates space, handling administration, and carrying expense; it is prorated for partial weeks. Neither charge caps other distinct recoverable losses. If either stipulated charge is unenforceable, IHI may recover proven reasonable actual costs instead. No provision permits duplicate recovery of the same loss.

Controlled disposition. Supplier shall segregate and account for rejected, recalled, obsolete, excess, and scrapped Goods bearing IHI's or its customer's name, marks, part numbers, or identifying packaging, or made using IHI Property or IHI-specific Specifications. Supplier shall not sell, divert, donate, or otherwise release those Goods or their identifying packaging into commerce without IHI's prior written disposition approval. Supplier shall obtain equivalent written controls from any sub-tier, recycler, or disposal contractor it uses and remains responsible for their compliance. Before destruction or irreversible alteration, Supplier shall preserve the samples and records reasonably required for an investigation, claim, insurance tender, or legal hold and obtain any required IHI release. Approved scrap shall be rendered unusable for its original product purpose and identifying marks or packaging removed or destroyed, except where law requires preservation; Supplier shall provide a dated disposition certificate with part or lot identifiers, quantities, method, and recipient within five (5) business days after disposition. Records follow Sections 7 and 22. This paragraph does not prohibit lawful resale of unbranded standard Goods that use no IHI Property or IHI-specific Specifications, but Supplier shall not conceal a known safety defect or misrepresent IHI approval, origin, conformity, or warranty. No provision authorizes unsafe resale, unlawful alteration of required markings, destruction of evidence, or disposal contrary to ownership or mandatory law.

10 Warranties

Supplier warrants to the IHI Parties that all Goods: (a) conform exactly to the Order, the Specifications, and approved samples; (b) are new, of good material and workmanship, and free from defects, including defects of design for any design furnished by Supplier; (c) are merchantable and fit for the purposes IHI has made known, including use in electrical connectors and power-distribution products that carry high current and may be listed by UL, CSA, or other agencies; (d) are free of all liens, security interests, and encumbrances, with good title passed to IHI; (e) do not infringe or misappropriate any patent, trademark, copyright, trade secret,

or other right of any third party, except to the extent caused solely by Supplier following a design IHI created, and not by Supplier's choice of process, material, or source; (f) are made, packed, labeled, sold, and shipped in compliance with all applicable laws; and (g) are not counterfeit, used, refurbished, or reclaimed, unless the Order expressly allows it.

Supplier warrants that Services will be performed in a professional and workmanlike manner, by qualified people, to the Specifications and the highest standards of Supplier's industry. Supplier shall re-perform, or at IHI's option refund, nonconforming Services, and shall pay IHI's costs caused by them.

These warranties are in addition to every warranty implied by law and every warranty in Supplier's own literature, which Supplier may not disclaim or limit. They survive inspection, acceptance, use, and payment, and run to IHI, its successors, and its customers. Supplier expressly warrants that the Goods will continue to meet the promised quality, conformity, and performance requirements throughout the applicable warranty period. These are express warranties of future performance, not merely promises to repair. Accrual of a claim is determined by applicable law, including the future-performance discovery rule in Ohio Revised Code 1302.98(B) where its requirements are met; warranties of title and compliance at delivery remain separately enforceable. The warranty period is the longest of: (a) seven (7) years after delivery to IHI, or five (5) years after IHI ships the product containing the Goods to its customer, whichever ends later, with the latter period ending no later than ten (10) years after delivery to IHI; (b) the period required by law; or (c) the warranty IHI gives its customer on the product in which the Goods are used, or any period during which IHI remains contractually liable to that customer for the Goods, where IHI has told Supplier that period in writing, still not more than ten (10) years after delivery to IHI. For Services and Goods that are not part of products IHI ships to its customers, including repair, maintenance, calibration, information technology, software, cleaning, and consulting, the warranty period is the longer of twenty-four (24) months after IHI accepts the completed work (for repairs, after the equipment returns to production) and Supplier's own warranty period. Goods that are repaired or replaced, and Services that are re-performed, carry a new full applicable warranty period from redelivery or completion of re-performance. A period tied to IHI's resale uses the resale of the repaired or replacement product. Time during which Goods cannot be used because of a covered defect or repair does not consume the warranty period. A claim timely notified during the warranty period remains a claim after that period ends, subject to applicable filing deadlines.

Supplier's obligations under Sections 11 and 18 are separate from these warranties. Their distinct payment, defense, and indemnity duties are not contractually limited to the warranty period. Applicable law determines accrual and filing deadlines for each duty; labeling a warranty loss as indemnity does not extend a nonextendable statute of limitations.

11 Field Actions and Recalls

"Field Action" means any recall, retrofit, replacement, field inspection, stop-ship, quarantine, stock purge, customer notice, or agency action (including a UL or CSA variation notice, follow-up inspection finding, label hold, or relisting) involving any product, at IHI, its customers, their distributors, or end users, that is reasonably based on a defect or noncompliance, or a reasonable suspicion of a defect or noncompliance, in Goods supplied by Supplier. IHI decides whether, when, and how to conduct a Field Action.

Supplier shall pay all costs of the Field Action, including notice, retrieval, inspection, testing, sorting, replacement product, removal and reinstallation labor, travel, freight, disposal, agency investigation and relisting fees, IHI's own labor at its standard burdened labor rate under Section 9, controlled shipping including customer CS1 and CS2 programs, attorney and consultant fees, and every amount charged to IHI by its customers. IHI is not required to prove that every unit included contains defective Goods. Except for emergency funding due sooner below, Supplier shall pay Field Action costs within thirty (30) days after IHI's invoice and may not delay payment while it disputes cause; any amount later shown not to be owed will be refunded.

Supplier shall give IHI, within twenty-four (24) hours, any information IHI needs to decide whether a report to a government agency is required. Supplier shall not contact IHI's customers or any agency about the matter without IHI's consent, unless the law requires it.

Field Action administration. IHI shall make Field Action decisions in reasonable commercial judgment based on the information then available, including safety, traceability, legal, listing-agency, and customer requirements. Supplier shall promptly fund reasonable documented containment and response costs within the applicable ordinary or emergency payment time in this Section, without waiting for its insurer, a final root-cause report, or litigation. Any allocation later established by agreement or final decision shall be reconciled without double recovery. Supplier shall preserve samples, process data, communications, and insurance rights; promptly make qualified personnel available; and keep IHI informed daily during an active urgent response. IHI controls communications about its products, subject to legally required independent reporting. Supplier shall give advance notice of a required disclosure where lawful. No confidentiality or approval provision delays a mandatory safety report.

Emergency funding. Where a Field Action requires urgent measures to address an imminent safety risk, an actual or imminent customer production stoppage, a regulatory deadline, or continuing shipment of reasonably suspected nonconforming Goods, Supplier shall advance the reasonable estimated cost of the immediate response within two (2) business days after receiving IHI's written demand. The demand shall identify the known basis for the Field Action, affected Goods to the extent known, proposed measures, and a reasonably supported budget for the next ten (10) business days or the shorter expected response period. A final root-cause finding, actual expenditure, insurer consent, or adjudication is not a prerequisite. The advance is limited to costs reasonably attributable to a Field Action covered by this Section and remains subject to mandatory-law exclusions. IHI may demand supported incremental advances as the response develops, crediting prior funding and recoveries for the same costs. IHI shall keep expenditure records, provide a reasonable monthly accounting while funds remain unapplied, and credit or refund amounts shown by agreement or final determination to be unused or not owed within ten (10) days after that reconciliation. No loss is recovered twice. A good-faith dispute does not postpone provisional funding; the dispute procedures remain available. IHI need not delay urgent protective measures while awaiting payment. Supplier shall make the insurance tenders and seek applicable consents required by Section 24 without delaying its independent funding obligation.

12 Changes by IHI

IHI may at any time, by written notice, change the Specifications, drawings, delivery schedule, place of delivery, method of shipment, or packaging within the general scope of the Order, and reduce quantities under Section 13. An increase beyond an accepted quantity or an agreed blanket-option maximum, or a materially different item or service outside that scope, requires Supplier's assent under Section 2. This does not require new assent to a release already authorized by Section 4. Supplier shall carry out the change promptly. Supplier must request any increase in price or extension of time arising from the change in writing within ten (10) days after the notice, with supporting detail; otherwise Supplier's claim is waived. Any decrease in Supplier's net direct cost shall reduce the Order price by that decrease, effective for the affected work, whether or not Supplier requests an adjustment. Supplier's claim deadline does not limit IHI's entitlement to a reduction. A claim does not excuse Supplier from proceeding with the change. Supplier may not make any change on its own (Section 8).

Adjustments. Supplier shall segregate and substantiate the net direct effect of a change, including all avoided costs and available credits, and shall give IHI access to supporting records. Within ten (10) days after the change notice, Supplier shall disclose reasonably ascertainable cost savings, avoided charges, refunds, and sub-tier credits attributable to the change, with supporting calculations, and shall promptly update that disclosure as further amounts become ascertainable. Supplier shall apply the resulting price reduction on affected invoices and issue a credit or refund for amounts already paid within ten (10) days after the reduction is determined. Pending agreement or determination, IHI may withhold its good-faith estimate under Section 23, subject to reconciliation; Supplier's failure to disclose does not waive IHI's reduction or audit rights. No adjustment is payable for correction of Supplier's breach, inefficiency, failure to comply with law already applicable, or a risk Supplier assumed. Supplier shall proceed with conforming unchanged work while a change is evaluated. Only an increase in price or extension of time IHI expressly approves in writing is allowed; silence, delay in review, or a Supplier change ticket is not approval. A price reduction in IHI's favor

does not require Supplier's consent. A reduction in quantity is governed by Section 13, with no duplicate payment, credit, or recovery of the same cost under either Section.

13 Rescheduling and Cancellation for Convenience

IHI may reschedule, suspend, or cancel all or any part of the Order at any time, for any reason, by written notice. For Goods that are Supplier's standard catalog products, or that Supplier can use for other customers, IHI has no liability for rescheduling or cancellation.

For Goods made specially to IHI's Specifications, IHI's only liability is to pay: (a) the Order price for finished, conforming Goods made to firm releases before the notice and delivered to IHI; and (b) Supplier's actual, documented direct cost of work in process and raw material bought for firm releases within normal lead time, that Supplier cannot use, return, or sell. IHI's payment is subject to Supplier stopping work immediately, reducing its costs, delivering the material and work in process to IHI on request, and sending a claim with support within thirty (30) days after the notice, or the claim is waived. IHI never pays for profit on undelivered Goods, overhead not yet absorbed, Goods made ahead of firm releases, or material bought beyond normal lead time, and never more than the Order price for the cancelled Goods.

For Services, including subscriptions and support, IHI's only liability on cancellation is payment at the Order rates for conforming Services performed before the notice, and Supplier shall refund within thirty (30) days any prepaid fee for the period after the cancellation date.

This Section states Supplier's sole and exclusive remedy for any cancellation, suspension, rescheduling, repudiation, failure to issue releases, refusal or failure to take delivery, or wrongful rejection by IHI. Supplier waives any action for the price and any claim for lost profit on undelivered Goods.

Cancellation accounting. Supplier shall immediately cancel or reduce sub-tier commitments and preserve reusable and returnable items. Any recovery must deduct prior payments, resale and salvage proceeds, amounts reasonably recoverable through mitigation, and all costs not incurred because of cancellation. No lost-volume profit, anticipated release, capacity reservation, restocking fee, demobilization fee, financing cost, or Supplier-affiliate markup is payable unless the face of the Order expressly authorizes that specific charge and its maximum amount. Work in process must have been reasonably necessary for the accepted firm release within its authorized lead time; Supplier shall not accelerate work to increase a cancellation claim. For an indefinite suspension, Supplier shall request disposition before incurring further storage or production cost. IHI may audit any claim and require transfer of title, possession, and lien-free documentation for everything it pays for. Amounts owed for conforming Goods already accepted are paid under Section 23, subject to IHI's claims and defenses; no payment is duplicated.

14 Termination for Default

IHI may terminate all or any part of the Order, without liability, by written notice if Supplier: (a) fails to deliver on time or to perform any other term of the Order; (b) gives IHI reason to doubt it will perform and does not give adequate assurance under Section 15; (c) sells or transfers the business, or a controlling interest in it, or the plant that makes the Goods, in which case IHI may also place last-time-buy Orders under Section 31 at the prices then in effect, and Supplier shall accept them; or (d) violates any law or any part of Section 19. To the extent the law allows, IHI may also terminate if Supplier becomes insolvent, makes an assignment for the benefit of creditors, or has a receiver appointed. Supplier shall pay IHI all excess costs of buying substitute goods and all other damages caused by the default. A cure or continued performance does not erase accrued damages or require IHI to restore a terminated Order. If mandatory law requires notice or a cure opportunity, IHI may suspend affected performance and obtain temporary cover during that period, preserving all rights.

If any termination for default is found to have been improper, it is treated as a cancellation for convenience under Section 13, and Supplier's rights are limited to those in Section 13.

15 Supplier Financial Condition

Supplier shall give IHI, within ten (10) days of a request, its most recent annual and interim financial statements. IHI will use them only to evaluate Supplier, and may share them with its lenders, auditors, insurers, and advisers and as the law requires. That is IHI's only duty for them; it is the one exception to Section 17, and Section 33 applies to any claim about it. Supplier shall tell IHI in writing within two (2) business days if it misses a payment to its lender or a key sub-tier supplier, defaults under a loan agreement, receives a notice of foreclosure or a tax lien, has a labor dispute or loses a key sub-tier supplier, or plans to file for bankruptcy.

Any of the following gives IHI reasonable grounds for insecurity under Ohio Revised Code 1302.67: a late or short delivery; a quality escape; a demand by Supplier for prepayment, a deposit, or faster payment; an event in the paragraph above; or a credible report that Supplier is in financial distress. IHI may then demand adequate assurance in writing. Until Supplier gives assurance that is adequate in IHI's reasonable commercial judgment, IHI may suspend any performance for which it has not already received the agreed return, and may withhold from payments for Goods already received its good-faith estimate of the loss the insecurity concerns, under Section 23. Adequate assurance may include financial statements, a bank or lender letter, a third-party guarantee, a build of safety stock, or the steps in the next paragraph. Not giving it within ten (10) business days after IHI's demand is a repudiation of every open Order named in the demand.

Financing statements. To protect IHI Property and Goods made for IHI, Supplier authorizes IHI to file, in the proper filing office under applicable law, financing statements and amendments describing IHI Property, IHI's consigned material, material and Goods IHI has paid for but not yet received, and Goods identified to IHI's Orders, naming Supplier as bailee or consignee and IHI as bailor or consignor. Each filing is a precautionary filing under Ohio Revised Code 1309.505 that gives public notice of IHI's ownership; it does not admit that Supplier owns them or that they secure any debt. If any of them is held to belong to Supplier, or IHI's interest in it is held to be a security interest, Supplier grants IHI a security interest in it, in its proceeds, and in products made from it, to secure Supplier's obligations under every Order. Supplier shall tell IHI in writing at least thirty (30) days before it changes its legal name, form of organization, or state of organization. Supplier shall get, at IHI's request, a written acknowledgment from its lenders and landlord that they have no claim to IHI Property and that IHI may remove it.

If Supplier becomes insolvent, stops paying its debts as they come due, or becomes the subject of any insolvency proceeding, IHI may, to the extent the law allows: pay Supplier's sub-tier suppliers directly and deduct those payments from what it owes Supplier; require delivery of finished Goods and work in process made for IHI, paying only the unpaid Order price for conforming finished Goods and the documented net direct cost of recoverable work in process and raw material, without profit on unfinished Goods and never more than the allocable Order price; deduct all advances, prior payments, credits, avoided costs, and lawful claims, and pay nothing again for IHI Property; and remove IHI Property under Section 16.

Perfection and access. Supplier shall sign and deliver any additional security agreement, collateral schedule, control agreement, landlord waiver, lender release, or local-law instrument reasonably needed to attach, perfect, and protect the interests granted here and under Sections 16 and 23. Supplier shall identify its exact legal name, organization number, jurisdiction, collateral locations, and competing liens before receiving an advance. A filing alone is not a substitute for attachment, perfection, priority, or any necessary third-party consent. Supplier shall segregate and identify IHI-funded inventory and provide an updated inventory and lien report on request. Nothing here requires IHI to advance funds or subordinate its rights to Supplier's lender.

Parent or other financial support. Where the face of an Order or a separately signed agreement requires it, Supplier shall obtain, before the specified advance, release, or performance, a separate guarantee from a creditworthy parent or other guarantor acceptable to IHI, in form and substance acceptable to IHI, executed by that guarantor's authorized representative. IHI may make such support a condition of a new Order or an optional unreleased commitment; additional support for an already binding obligation is governed by the agreed condition, the adequate-assurance provisions above, and applicable law. Supplier shall identify the proposed guarantor, its ownership relationship, financial condition, and signing authority, and promptly report a material deterioration in required support. A Supplier promise, affiliate definition, or unsigned guarantee

form does not bind a nonsigning guarantor. The separate signed instrument determines the guarantor's obligations and any agreed limits; it does not release Supplier, limit IHI's other remedies, or make one IHI entity answerable for another's obligations. Any replacement or release of required support needs IHI's express written approval.

16 IHI Property Tooling Gauges Equipment and Consigned Material

All tooling, dies, molds, fixtures, gauges (including the thread gauges IHI issues with plating orders), drawings, programs, samples, and material that IHI furnishes, or pays for in whole or in part, either separately or through a tooling amortization stated on the Order or in a Supplier quotation IHI accepted in writing, are and remain IHI's property ("IHI Property"). IHI Property includes material IHI sends to Supplier for plating, coating, waxing, machining, sawing, or other processing, and every machine, component, instrument, gauge, tool, computer, and device IHI sends or makes available to Supplier for calibration, repair, rebuild, resharpening, or service. IHI Property also includes totes, bins, reels, dunnage, skids, and other returnable packaging IHI furnishes.

Supplier holds IHI Property as bailee at its own risk. Supplier shall: (a) keep it separate and plainly marked "Property of IHI Connectors"; (b) use it only for IHI's Orders; (c) keep it in good condition and repair, and replace it when worn, at Supplier's cost; (d) insure it at full replacement cost, naming IHI as loss payee; (e) not move it, alter it, lend it, or allow any lien on it; and (f) return it to IHI, freight prepaid and in good condition, within five (5) days after IHI asks, or when the Order is complete, even while a charge is in dispute. IHI may enter Supplier's premises during business hours to inspect or remove IHI Property. A disputed charge is resolved under these Terms, not by holding IHI Property.

Supplier waives, to the fullest extent the law allows, every artisan's, repairman's, warehouse, possessory, molder's, and other lien it has or may have on IHI Property, including any possessory lien given priority by Ohio Revised Code 1309.333, the molder's lien under Ohio Revised Code 1333.31, and every similar lien under the law of any other state, and IHI Property may not be held as security for any claim. Where a lien cannot be waived by law, including under Ohio Revised Code 1333.32 to 1333.34, Supplier shall defend, indemnify, and hold harmless the IHI Parties from it under Section 18, including the cost of any bond IHI posts to recover the item.

Tooling liens. Before IHI makes any separate tooling payment, or the first payment under a stated tooling amortization, IHI may require Supplier to give IHI: (a) a verified statement, signed by every person who made, cut, cast, designed, repaired, or modified the item, that it has been paid in full; (b) Supplier's own verified statement, as molder, that it has paid every moldbuilder in full for the item; and (c) proof that any financing statement those persons filed on the item has been terminated. Whether or not IHI asks, Supplier warrants that no moldbuilder's, molder's, or other lien exists on any IHI Property, and Supplier shall pay and remove any such lien within ten (10) days after it is asserted. IHI may withhold a tooling payment until it receives these documents, and may pay the toolmaker directly or by joint check, with every amount paid that way reducing what IHI owes Supplier.

Supplier is liable for the full replacement cost of IHI Property lost, damaged, not returned, or used in breach of this Section, including thread gauges issued with an order and not returned at its completion. Supplier shall account for all consigned material by piece count or weight on each return shipment. IHI may charge Supplier, at its full value under Section 8, for consigned material lost, scrapped, or unaccounted for beyond the scrap allowance stated on the Order.

Remnants of IHI metal. Chips, skeletons, drops, unused lengths, sprues, and other remnants of IHI Property or of metal IHI furnished remain IHI Property. Supplier shall not sell, scrap for its own account, or commingle them with Supplier's metal. Yield better than the scrap allowance stated on the Order is IHI's; Supplier shall account for that metal by weight on each return shipment and shall return it or credit IHI at IHI's full value under Section 8. A scrap allowance is a processing tolerance, not a transfer of title.

If Supplier cannot or will not supply the Goods for any reason, IHI may take possession of IHI Property, and of Supplier's tooling used only for IHI parts on payment of its net book value, to keep supplying IHI's customers.

Identification and recovery. Supplier shall keep a current register of IHI Property showing location, custodian, condition, identifying numbers, photographs where useful, and any amortization paid, and shall supply it within two (2) business days on request. Supplier shall obtain equivalent bailment, no-lien, access, and return undertakings from each approved sub-tier custodian before transferring property. IHI may inspect or recover property through lawful access or judicial relief; no right of entry authorizes breach of the peace or violation of a stay. Supplier shall provide available digital tooling, setup, maintenance, and process files needed to use recovered property. Supplier shall give immediate notice of a seizure, threatened lien, casualty, or access restriction and shall protect the property pending recovery.

Direct property acknowledgments. When IHI requests them, Supplier shall procure signed property-identification, lawful-access, and release or subordination acknowledgments, in form acceptable to IHI, from each relevant custodian, landlord, and secured lender whose rights could obstruct recovery of the identified IHI Property. For a proposed placement, transfer, or funded tooling milestone, the required acknowledgments are due before that event; for property already held, they are due within ten (10) business days after the request unless IHI specifies a later date. Supplier shall disclose any refusal or competing right immediately and propose acceptable alternative protection. IHI may withhold the affected property transfer or tooling payment under Sections 16 and 23 pending the required documents. The actual third party must sign its own undertaking; Supplier's signature alone does not release that party's rights. No acknowledgment waives a nonwaivable lien. Supplier shall instead obtain the payment, verified statements, filings, releases, or other lawful discharge required for that lien. Access remains subject to lawful entry and insolvency restrictions.

17 Confidentiality Intellectual Property and IHI Customers

IHI's drawings, Specifications, part numbers, designs, prices, quantities, forecasts, customer names, IHI Data, and all other information IHI gives Supplier are IHI's confidential property. Supplier shall use them only to perform IHI's Orders, shall disclose them only to employees and approved sub-tier suppliers who need them and are bound to keep them confidential, and shall return or destroy them on request, subject to any litigation hold under Section 22.

Supplier shall not export, re-export, or transfer IHI drawings, Specifications, programs, or other technical data outside the United States without IHI's prior written authorization and every required government license. A sub-tier supplier in another country is not authorization.

Supplier shall not make, sell, quote, or offer to anyone other than IHI any part made to IHI's drawings or Specifications, or any copy or close imitation of an IHI part, and shall not reverse-engineer IHI's products. Every invention, design, improvement, drawing, program, and other work product that Supplier creates for IHI or from IHI's information belongs to IHI. Supplier hereby irrevocably assigns to IHI all right, title, and interest in that work product as it is created, including all associated intellectual-property rights. Copyrightable work specially commissioned by IHI is work made for hire to the extent legally eligible, with this assignment applying in all other cases. Supplier shall obtain signed assignments and lawful moral-rights waivers or consents from its personnel and sub-tier suppliers before they create the work, and shall deliver source and editable native files and sign the papers needed to confirm and enforce IHI's ownership.

Except as Section 15 states for financial statements, information Supplier gives IHI is not confidential and creates no obligation for IHI unless a separate nondisclosure agreement signed by an officer of IHI covers it. Supplier grants IHI a perpetual, royalty-free license to use, and to disclose to IHI's customers, listing agencies, and other suppliers, all process information, certifications, test data, and drawings Supplier furnishes for the Goods, and waives any claim against the IHI Parties for that use, including when moving production under Section 31.

Supplier shall not use IHI's name, logo, or trademarks, or say that IHI is its customer, and shall not use the name, logo, or trademarks of any IHI customer, or say that the Goods are used in any IHI customer's products, in any advertising, publicity, website, customer list, environmental, social, or governance report, case study, or artificial-intelligence training or evaluation dataset, without IHI's prior written consent.

IHI's customers. During any Order and for twenty-four (24) months after Supplier's last delivery to IHI, Supplier shall not solicit or sell to any IHI customer that Supplier learned of through IHI, including through a

drop shipment, label, Specification, or customer audit, any product that is the same as, or a substitute for, the Goods or an IHI product made with them, and shall not discuss pricing or direct supply with an IHI customer during an audit or visit. This paragraph does not limit sales to a customer Supplier can show by its own records it was already selling such products to before it learned of the customer through IHI.

Necessary background rights. Supplier retains ownership of its preexisting intellectual property, but grants IHI and its successors an irrevocable, perpetual, worldwide, fully paid, royalty-free, transferable license, with the right to sublicense to customers, maintainers, and alternate manufacturers, to use, reproduce, modify, make, have made, import, distribute, and otherwise exploit that intellectual property to the extent incorporated in or reasonably necessary to use, maintain, repair, support, or continue production of the Goods or work product. The license does not permit unrelated exploitation of Supplier's technology. Supplier shall identify third-party restrictions before acceptance and obtain all rights needed for this grant; undisclosed restrictions do not reduce Supplier's obligations. These grants survive payment disputes and termination and do not depend on additional fees. Supplier shall not assert a residual-knowledge exception for IHI's confidential information.

18 Indemnification

Supplier shall defend, indemnify, and hold harmless the IHI Parties from and against all claims, demands, suits, losses, damages, fines, penalties, judgments, settlements, costs, and expenses, including reasonable attorney and expert fees, arising out of or related to: (a) any defect or nonconformance in the Goods, or any breach of warranty; (b) any breach of the Order or these Terms; (c) any death, injury, or property damage caused by the Goods or by Supplier's acts or omissions; (d) any actual or alleged infringement or misappropriation of intellectual property by the Goods, except to the extent caused solely by Supplier following a design IHI created, and not by Supplier's choice of process, material, or source; (e) any violation of law by Supplier or its sub-tier suppliers, including the laws in Section 19; (f) any lien or claim by Supplier's sub-tier suppliers or employees; and (g) any work by Supplier on IHI's premises or on or through IHI Systems, and any Security Incident.

This indemnity applies even if the loss is caused in part by the negligence of an IHI Party. It does not cover a loss finally determined to have been caused solely by the negligence of the IHI Party seeking indemnity, or any portion caused by that party's fraud or willful misconduct for which indemnification is prohibited by law. For any Order to which Ohio Revised Code 2305.31 or another applicable construction anti-indemnity law applies, such as construction, repair, or maintenance of IHI's building, structures, utilities, roads, or installed machinery, this indemnity applies to the fullest extent that law allows: Supplier then indemnifies the IHI Parties for all losses except the share caused by an IHI Party's own negligence. That limit applies to that Order only and does not affect the insurance Supplier must carry under Section 24.

Supplier shall not seek contribution, indemnity, or reimbursement from any IHI Party for a loss arising from a defect or nonconformance in the Goods, except to the extent a final judgment determines the loss was caused by that IHI Party's sole fault. This sentence does not limit a mandatory anti-indemnity statute that applies to a particular Order under this Section.

Supplier's indemnity and defense obligations under this Section apply to claims by Supplier's own employees, agents, drivers, carriers, Staffed Workers, and sub-tier suppliers' employees, including claims for injury or death on IHI's premises, at a loading dock, or in transit. Supplier expressly and specifically waives, for the benefit of the IHI Parties only, any immunity it has under Ohio Revised Code 4123.74, Section 35 of Article II of the Ohio Constitution, or any other workers' compensation or industrial insurance law of any state or country, to the extent needed to give full effect to this indemnity. This waiver does not give any employee a right to sue Supplier.

The duty to defend third-party claims is separate from and broader than the duty to indemnify. It applies to any third-party claim that alleges facts within this Section, even if the claim is groundless or false. Direct claims between IHI and Supplier remain covered by the first-party recovery provisions below and the enforcement-cost provision in Section 34; they do not require Supplier to act as IHI's defense counsel against itself. The duty to defend starts when IHI gives written notice, and Supplier shall confirm its defense in writing within ten (10) days. IHI's delay in giving notice reduces Supplier's obligations only to the extent Supplier

proves actual prejudice. Supplier shall pay defense costs as they are incurred. Supplier shall use qualified counsel reasonably acceptable to IHI. IHI may take part through counsel of its choice at its own expense, and at Supplier's expense when the defense is not prompt or adequate, a material conflict exists, or separate representation is reasonably required to protect an IHI Party. Supplier may not condition a defense on insurance acceptance or IHI's surrender of a separate claim. Where the claim involves an IHI customer, a listing agency, or a government authority, IHI may control the defense at Supplier's expense. Supplier shall not settle without IHI's prior written consent unless the settlement provides a complete unconditional release of every affected IHI Party, is fully paid by Supplier, admits no fault by an IHI Party, and imposes no nonmonetary obligation on one. IHI may withhold consent to a settlement affecting its products, customers, intellectual property, regulatory position, or reputation.

This Section covers IHI's own losses and claims between IHI and Supplier, not only third-party claims. Supplier's duties under this Section are independent of, and in addition to, its warranties, and are not subject to any time limit or notice requirement that applies to warranty claims. An amount IHI pays in good faith to settle a customer claim, chargeback, or Field Action charge is presumed reasonable, and Supplier bears the burden of proving otherwise. For litigation involving an obligation for which Supplier is answerable over, IHI may give seasonable written notice expressly inviting Supplier to defend and warning that failure to do so may bind Supplier to common factual determinations under Ohio Revised Code 1302.65(E)(1). Preclusion otherwise applies only as permitted by law. Supplier waives any inconsistent contractual right to take control of an intellectual-property defense under Ohio Revised Code 1302.65(E)(2); defense control instead follows this Section to the extent legally permitted.

Customs and trade. Supplier shall defend, indemnify, and hold harmless the IHI Parties from every duty, tariff, antidumping or countervailing duty, fee, interest, penalty, liquidated damage, bond claim, False Claims Act liability, storage, demurrage, and attorney, broker, and consultant fee arising out of: (a) any inaccurate or incomplete origin, classification, value, content, smelt and cast, melt and pour, or other data Supplier provides; (b) any transshipment, or any processing or routing of the Goods through another country to change or hide their origin; (c) any undervaluation by Supplier as importer; or (d) any failure of the Goods to qualify for a preference, exclusion, or domestic preference program Supplier claimed or certified. Supplier shall cooperate with any audit, inquiry, protest, or prior disclosure IHI chooses to make. These customs and trade obligations survive completion of all relevant entries, liquidations, protests, reviews, and appeals; a claim notified during that process survives its completion. Any judicial or arbitral filing deadline remains governed by applicable law and is not extended by this survival language.

If the Goods are claimed to infringe, Supplier shall, at its own cost and at IHI's option, get IHI the right to keep using them, or modify or replace them with non-infringing goods that meet the Specifications, or refund the price and all related costs.

Mandatory anti-indemnity limits. For a motor carrier transportation contract governed by Ohio Revised Code 2305.52 or a comparable mandatory law, no obligation indemnifies, defends, holds harmless, or otherwise shifts to Supplier loss from an IHI Party's negligence or intentional acts or omissions to the extent prohibited. For construction and every other regulated category, prohibited fault-based losses and defense costs are excluded to the extent the applicable law requires. These limits govern all Sections, including Sections 5, 8, 19, 24, 25, 29, 33, and 34; a reimbursement, subrogation waiver, insurance requirement, or damage label may not be used to evade them. The remaining duties, including Supplier's liability for its own and its sub-tiers' conduct and lawful insurance obligations, remain enforceable. Fines and penalties are recoverable only to the extent indemnification is lawful.

Settlements and notice. IHI may settle a claim within this Section in good faith on commercially reasonable terms without Supplier's consent, a judgment, an admission of liability, or proof that IHI was ultimately legally liable. Reasonable potential exposure to a covered claim is sufficient; this does not expand the covered causes or override mandatory exclusions. The parties expressly replace any contrary common-law requirement of prior notice, actual legal liability, or involuntary payment with this paragraph and the express notice-and-prejudice rule above. Where practicable, IHI will give Supplier an opportunity to assist before settlement, but prior notice or consent is not a condition of recovery; delayed notice has only the prejudice

consequence expressly stated above. The settlement-reasonableness presumption above remains rebuttable. The separate litigation-tender procedure above governs any claimed binding effect of factual findings. Supplier shall preserve applicable insurance rights under Section 24.

19 Compliance with Laws Materials and Ethics

Supplier shall comply with all laws and regulations that apply to the Goods and to Supplier's business, including those on product content, the environment, health and safety, employment, wages, export and import, customs, sanctions, anti-bribery, and anti-corruption, each as amended. Paragraphs (a) through (d) and (g) below apply to Goods that become part of, or are packed with, IHI's products, including raw material, components, hardware, plating, coating, wax, and packaging ("Production Goods"); for tooling, maintenance, repair, and operating supplies, and other Goods, they apply only where the Order says so. Unless the Order states something stricter, Supplier warrants that all Goods:

(a) contain none of the substances restricted by the EU RoHS Directive (Directive 2011/65/EU, as amended, including by Commission Delegated Directive (EU) 2015/863) above the maximum concentration values in its Annex II, measured in each homogeneous material, except that lead used as an alloying element is allowed only where the Order names a leaded alloy, or Supplier discloses the alloy and its lead content in writing before the Order and IHI accepts it in writing, and then only: (1) within the lead limit, uses, and equipment categories of the Annex III exemption in effect on the shipment date; and (2) unless the face of the Order or the Specifications state a different limit, never above 0.35% in steel or 4.0% in copper alloys, and in aluminum no lead above the Annex II limit; where they state one, that limit applies instead of this one, still subject to item (1). Supplier shall name on its declaration each exemption it relies on, and shall tell IHI in writing at least twelve (12) months before, or as soon as it learns of, the expiry, narrowing, or non-renewal of that exemption. For 6061 aluminum alloys where the Order states it, boron must be below 0.001%, shown on the certification;

(b) meet, as if the Goods were placed on the market in the European Union, every requirement of REACH (Regulation (EC) No 1907/2006, as amended), including every restriction in Annex XVII and every authorisation requirement in Annex XIV, and of the EU Persistent Organic Pollutants Regulation (Regulation (EU) 2019/1021, as amended), each in effect on the shipment date. Supplier shall tell IHI in writing, with the substance name, CAS number, and concentration, of any substance on the REACH Candidate List of Substances of Very High Concern in effect on the shipment date that is present above 0.1% by weight in any article in the Goods, measured in each article as supplied, and shall give IHI the information IHI and its customers need to meet Article 33 of REACH and to notify the SCIP database under the EU Waste Framework Directive (Directive 2008/98/EC, as amended). Within thirty (30) days after each update of the Candidate List, Supplier shall confirm in writing whether the Goods contain any newly added substance. Lead in an alloy allowed under paragraph (a) is permitted but must be disclosed under this paragraph;

(c) comply with the U.S. Toxic Substances Control Act (15 U.S.C. 2601 and following) and its rules, including its rules on persistent, bioaccumulative, and toxic chemicals, and contain no intentionally added PFAS. "PFAS" means any substance that contains at least one fully fluorinated methyl or methylene carbon atom, or any broader definition in a law that applies to the Goods. "Intentionally added" includes PFAS added to any component, coating, plating bath, wax, lubricant, or packaging to give a function or technical effect, and their degradation products. Supplier shall tell IHI in writing before it uses any PFAS in making, plating, coating, or packing the Goods, even where none remains in the Goods. Within ten (10) business days of a request, and at no charge, Supplier shall give IHI, for Goods supplied at any time since January 1, 2011, the chemical name, CAS number, function, and concentration or range of any PFAS in the Goods or any component, and any other information IHI needs for the rule under TSCA section 8(a)(7) (40 C.F.R. Part 705), any state PFAS-in-products law, and any EU PFAS restriction, each as in effect when IHI asks;

(d) are supported, before the first shipment and by May 1 each year, by a completed Conflict Minerals Reporting Template and Extended Minerals Reporting Template, each in the current version published by the Responsible Minerals Initiative or a successor template IHI names, covering every mineral those templates cover and naming every smelter and refiner in Supplier's supply chain. Supplier shall source those minerals only from smelters and refiners that conform to the Responsible Minerals Assurance Process or an

equivalent independent audit program IHI accepts, shall remove any nonconforming smelter or refiner within the time IHI reasonably sets, and shall support the reasonable country-of-origin inquiry and due diligence of IHI and its customers under Section 1502 of the Dodd-Frank Act and 17 C.F.R. 240.13p-1, the EU Conflict Minerals Regulation (Regulation (EU) 2017/821), and similar laws;

(e) contain no material that originates in, or was processed in, Russia or Belarus, no aluminum smelted or cast in Russia and no iron or steel inputs of Russian origin wherever the Goods were later processed or finished, and no goods, materials, or labor from any person or region subject to United States sanctions or import bans, including the Uyghur Forced Labor Prevention Act (Public Law 117-78) and 19 U.S.C. 1307, and, for Goods that may be placed on the EU market, the EU Forced Labour Regulation (Regulation (EU) 2024/3015) from the date it applies;

(f) meet the domestic or regional content level stated on the Order, such as USMCA or minimum United States content. For any USMCA preference, Supplier shall give IHI a certification of origin that contains every required data element, covering the Goods for a blanket period IHI accepts of up to twelve (12) months, and shall keep the records that support it for at least five (5) years. If any preference Supplier certifies is denied, Supplier shall pay IHI the duty difference, interest, and penalties under Section 18. Supplier assigns to IHI all rights to duty drawback on Goods sold to IHI, and shall give IHI the entry, certificate of delivery, and other records IHI needs to claim it;

(g) if they contain any chemical listed under California Proposition 65 (Health and Safety Code 25249.5 and following), such as lead, nickel, hexavalent chromium, or cadmium, are identified to IHI in writing before shipment, with the chemical and where it is in the Goods. Supplier shall not put Proposition 65 warnings on the Goods or their packaging without IHI's written approval, and shall give IHI any warning content and notice IHI asks for; and

(h) are not within the scope of any United States antidumping or countervailing duty order, finding, or pending investigation, including the orders on aluminum extrusions from China, unless Supplier has told IHI so in writing before the Order and identified the case number. Supplier shall tell IHI immediately if it learns of a new petition, scope ruling, circumvention inquiry, or evasion investigation that may cover the Goods. If any antidumping or countervailing duty becomes payable on Goods Supplier did not disclose, Supplier shall pay it under Section 18, and IHI may cancel any undelivered Goods without liability.

Labor and ethics. Supplier and its supply chain shall not use forced, prison, indentured, or child labor, or engage in slavery or human trafficking, and shall comply with all applicable labor, wage and hour, safety, health, and anti-discrimination laws. Supplier shall not offer, promise, give, request, or accept, directly or through anyone else, anything of value to or from any employee or agent of IHI, of an IHI customer, or of any other business, or any government official, political party, or candidate, to obtain or keep business or any improper advantage, and shall comply with the U.S. Foreign Corrupt Practices Act (15 U.S.C. 78dd-1 and following) and every other anti-bribery law that applies. Gifts, meals, or entertainment for any IHI employee worth more than $100.00 a year in total require IHI's prior written approval. Supplier shall keep accurate books and records of every payment related to the Orders. A breach of this paragraph is a material breach; IHI may terminate every Order under Section 14 and recover any amount paid or overpaid as a result. Supplier shall tell IHI immediately if it learns of any breach of this Section.

Supply-chain tracing. Within five (5) business days after IHI asks, or after any customs authority detains, excludes, or questions the Goods, Supplier shall give IHI, at no charge, a complete supply-chain tracing package from the mine or smelter to the finished Goods, including purchase orders, invoices, mill and smelter records, production records, transport documents, and payment records for every tier. Goods detained, excluded, or seized under the Uyghur Forced Labor Prevention Act or any other forced-labor law are nonconforming and late. Supplier shall pay all storage, demurrage, re-export, destruction, and replacement costs and refund any amount IHI paid for them, and IHI may cancel any affected or undelivered Goods without liability.

Sanctions and export controls. Supplier represents, on each Order, that neither Supplier nor any person that owns or controls it, alone or together, 50% or more, nor any bank it uses for IHI's payments, is named on, or

owned or controlled by a person named on, any United States sanctions or export restriction list, including the Specially Designated Nationals and Blocked Persons List, the Entity List, the Military End User List, and the Uyghur Forced Labor Prevention Act Entity List. Supplier shall tell IHI within one (1) business day if this changes. Supplier shall give IHI the export control classification of the Goods on request and shall obtain, at its own risk and cost, every export license its own country requires. If IHI believes in good faith that taking delivery of or paying for any Goods may violate a sanctions or export law, IHI may suspend performance and payment, or cancel the Order, without liability.

Environment. Supplier is the generator and owner of, and is solely responsible for, all wastes, spent solutions, sludges, rinse waters, emissions, and residues from its processing of IHI's material. As between the parties, Supplier independently selects, contracts for, and controls the lawful treatment and disposal of its processing wastes and shall not name IHI as their generator or arranger without a legally required basis. Actual statutory status is determined by law and facts, not this allocation. Supplier shall defend, indemnify, and hold harmless the IHI Parties against all claims, cleanup costs, natural resource damages, fines, and response costs, including under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 and following) and Ohio law, arising from any release or disposal at or from Supplier's or its sub-tier suppliers' facilities. This is an indemnity agreement as permitted by 42 U.S.C. 9607(e)(1).

EU carbon border data. For Goods containing iron, steel, or aluminum that IHI or an IHI affiliate may import into the European Union, alone or in IHI's products, Supplier shall give IHI, within thirty (30) days after IHI's request and at no charge: (a) the name, address, and identifier of each installation that produced the steel or aluminum and each precursor, and the production route; (b) the specific direct and indirect embedded emissions per tonne, calculated and reported as the EU Carbon Border Adjustment Mechanism Regulation (Regulation (EU) 2023/956, as amended) and its implementing acts in effect on the request date require; (c) any carbon price actually paid in the country of production, with proof; and (d) a verification report from an accredited verifier when the law requires one or IHI asks. Supplier shall obtain this data from its sub-tier mills and smelters where it does not hold it. Supplier warrants the data is accurate. If Supplier does not provide data that meets this paragraph, Supplier shall pay IHI the difference between the carbon border cost calculated with default values and the cost calculated with actual data.

Climate data. Within thirty (30) days after IHI asks, not more than once a year unless a customer or a law requires more often, and at no charge, Supplier shall give IHI: (a) its scope 1 and scope 2 greenhouse gas emissions for its most recent fiscal year, under the Greenhouse Gas Protocol, and the share it reasonably allocates to the Goods; (b) where available, the cradle-to-gate product carbon footprint of the Goods per kilogram or per piece, under ISO 14067 or the Greenhouse Gas Protocol Product Standard, with the share of recycled content; and (c) any other emissions or climate data IHI reasonably needs to answer its customers or to meet any law. Supplier shall state which figures are measured and which are estimated. IHI may share the data with its customers and their auditors.

Domestic preference programs. When the Order or IHI's written request says the Goods are for a project or contract subject to a domestic preference, including the Build America, Buy America Act and 2 CFR part 184, 41 U.S.C. chapter 83 and the related Federal Acquisition Regulation clauses, the Trade Agreements Act, or a state, utility, or customer rule, Supplier shall give IHI within ten (10) business days, for each item: the place of manufacture under that program's test; the cost and place of manufacture of each component; where any iron or steel was melted and poured; and a certification signed by an officer of Supplier. Origin under customs law does not answer these tests. Supplier shall flow this paragraph down, keep supporting records for the period in Section 22 or longer if the program requires, and tell IHI at once if a certification becomes untrue. If Goods Supplier certified do not qualify, Supplier shall pay all replacement, removal, reinstallation, and refund costs, and every penalty, damage, and False Claims Act liability (31 U.S.C. 3729 and following) the IHI Parties incur, under Section 18. Where the Order says the Goods are for a federal contract or subcontract, the clauses that contract requires IHI to flow down apply as stated on the Order. Any statement by Supplier of its size or of small, minority-owned, woman-owned, veteran-owned, HUBZone, or similar status is a warranty that IHI may report to its customers and to government agencies; Supplier shall give proof on request and tell IHI within ten (10) days of any change.

Regulatory change notice. Supplier shall tell IHI in writing within thirty (30) days after it learns that any law, restriction, exemption expiry, Candidate List update, tariff, or sanction, adopted or proposed, will or may stop it from supplying conforming Goods, or will change the Goods' content, origin, or process. Supplier shall then give IHI a last-time-buy opportunity of at least six (6) months at the Order price. A process or material change made to meet a law still needs IHI's prior written approval under Section 8.

Declarations. Supplier shall give IHI, within ten (10) business days of a request, and at no charge, a current REACH declaration, the minerals reporting templates in paragraph (d), material declarations, test reports, compliance certificates, origin and tariff data, and other information IHI or its customers need to meet their own legal and customer requirements. Material declarations shall use IPC-1752B or its current version (full material disclosure, Class D, where IHI asks) or IHI's form, and shall state the version of each regulatory list they cover. A declaration based only on sub-tier declarations must say so, and IHI may require test reports under IEC 62321 from a laboratory accredited to ISO/IEC 17025 for the test. The Goods are nonconforming if this Section is not met.

Mandatory compliance and allocation. Supplier shall obtain and maintain necessary permits and authorizations and give IHI prompt notice of a suspension, violation, release, investigation, or product restriction that may affect the Goods or IHI. Contractual content restrictions may be stricter than legal minimums; a declaration shall distinguish compliance with law from compliance with IHI's additional purchasing requirements. No requested approval, labeling restriction, last-time-buy period, or instruction authorizes an unlawful shipment, omitted mandatory warning, false certificate, unlawful employment practice, or delayed mandatory report. Supplier shall immediately identify the conflict and propose a compliant alternative at its expense where the risk is allocated to Supplier. The environmental indemnity allocates costs between the parties and does not release either from liability to a regulator or third party. Supplier shall preserve and provide waste manifests and disposal records relevant to IHI work and shall not transfer IHI-owned material into a waste stream without lawful authorization.

20 Counterfeit and Suspect Material

Supplier shall not deliver counterfeit or suspect counterfeit goods or material, and shall buy material only from the original manufacturer or its authorized distributors, unless IHI approves otherwise in writing. If counterfeit or suspect material is delivered, Supplier shall replace it at once with genuine conforming material and pay all of IHI's resulting costs, including the cost of removing and replacing it in IHI's products and its customers' products.

21 Customer and Agency Requirements

Requirements of IHI's customers and of listing agencies such as UL and CSA that IHI names on the Order, or sends to Supplier in writing, are part of the Order and flow down to Supplier and its sub-tier suppliers. Supplier shall allow IHI, its customers, and those agencies to visit and audit Supplier's and its sub-tier suppliers' facilities and records related to the Goods on reasonable notice.

22 Records Audit and Cooperation

Supplier shall keep complete and accurate records of everything related to the Order, including costs claimed and charges invoiced, for at least ten (10) years after final payment. IHI may audit those records during business hours. On request, Supplier shall give IHI the index values, base values, weights, and calculations behind every surcharge and every weight-based price within ten (10) business days.

IHI may recover any overpayment, duplicate payment, unapproved surcharge, or charge above the Order price during the record-retention period to the fullest extent applicable limitation periods and lawful setoff or recoupment permit, by refund demand, credit, setoff, or recoupment, and Supplier shall pay it within thirty (30) days after IHI's notice. If an audit shows an overcharge of more than two percent (2%), Supplier shall pay the cost of the audit, and IHI may extend the audit to every Order in the prior ten (10) years at Supplier's expense.

Litigation hold and cooperation. When IHI gives notice that records or samples may be relevant to a claim, audit, investigation, or lawsuit, Supplier shall keep them, including electronic records and retained samples, until IHI releases the hold in writing, even after any retention period in these Terms ends and despite any request to return or destroy information. Supplier shall cooperate with IHI in any claim, suit, arbitration, audit, or government inquiry involving the Goods, including by giving documents and making knowledgeable employees available for interviews and testimony, at Supplier's cost where the matter arises from the Goods or Supplier's breach, and otherwise at IHI's reasonable cost. If Supplier receives a subpoena or other demand for IHI's information, it shall tell IHI promptly and, where the law allows, before disclosing anything, so that IHI can object.

Confirmations. Supplier shall answer, within ten (10) business days, any request from IHI or its auditors, including for IHI's annual financial statement audit and its employee stock ownership plan valuation, to confirm balances, open Orders, credits, consigned material, and IHI Property in Supplier's hands.

23 Invoices and Payment

Supplier shall send a separate invoice for each shipment, showing the IHI Order number, line number, IHI part number and revision, quantity, unit price, and packing list number. An invoice is not complete until all of this is correct and all required certifications have been received.

Payment terms are those stated on the Order. If the Order states none, payment is due sixty (60) days after the start date below. The payment period starts on the latest of: (a) IHI's receipt of conforming Goods; (b) the scheduled delivery date; (c) IHI's receipt of every required certification; or (d) IHI's receipt of a correct and complete invoice. Where a cash discount is offered on the Order or the invoice, IHI may take it on any payment made within the discount period, measured from that start date or from IHI's receipt of a corrected invoice, whichever is later, and may take it on the undisputed part of an invoice even if it withholds the disputed part. The discount is calculated on the full invoice amount excluding taxes. Payment is made in United States dollars unless the Order says otherwise. Payment is not acceptance of the Goods.

Withholding. IHI may withhold payment of any amount it disputes in good faith until the dispute is resolved. IHI may also withhold, without it being a breach: (a) its good-faith estimate of any pending warranty, nonconformance, Field Action, or late-delivery claim; (b) the replacement cost of IHI Property or consigned material not returned or not accounted for; (c) any tooling payment until the lien documents IHI has asked for under Section 16 are received; (d) any amount needed to discharge a lien or claim by Supplier's sub-tier suppliers or employees; (e) payment on any shipment missing required certifications; and (f) payment on any invoice while a certificate and endorsements required under Section 24 are not on file.

Interest on any amount IHI owes Supplier is zero percent (0%) per year until a court or arbitrator enters a judgment or award for it, and the parties agree this is a different rate provided by written contract under Ohio Revised Code 1343.03(A). Supplier assents to this rate in writing by signing the Supplier Acknowledgment or accepting the Order in writing, including by email. IHI owes no late charge, collection fee, or service charge on any amount. Late payment of an undisputed amount is not a material breach of any Order. Supplier's only remedies for late payment are (a) payment of the unpaid amount and (b), after the notice period in this paragraph has run, suspending shipment under open Orders until that amount is paid; Supplier has no other remedy for late payment, including damages, termination, or lost profit. Supplier shall not place IHI on credit hold, stop or slow shipments, demand assurance, or change credit terms (including a credit limit, prepayment, deposit, or cash on delivery) on any open Order unless IHI has failed to pay an undisputed amount more than thirty (30) days after it was due and has not paid it within ten (10) business days after receiving Supplier's written notice, sent to the IHI buyer and to IHI's accounts payable department, naming the invoice. A disputed or withheld amount, or a setoff or recoupment, is never a failure to pay, and a failure to pay by one IHI affiliate gives Supplier no right under this paragraph as to any other IHI affiliate's Orders.

Interest on amounts Supplier owes IHI, including refunds, overpayments, Field Action funding, indemnity, and damages, accrues from the due date at the lesser of one and one-half percent (1.5%) per month and the maximum rate permitted by law. The parties agree this is a different rate provided by written contract under Ohio Revised Code 1343.03(A). It does not apply to amounts IHI owes Supplier, which remain at zero

percent (0%) as stated above until judgment. Supplier assents to both rates in writing by the Order that names these Terms and the website address at which they are posted, and by starting work, shipping, or accepting payment after receiving that Order. To the extent a writing is required, that Order is the record both parties act on. A signed Supplier Acknowledgment or other written acceptance, including by email, is additional evidence of that assent and is not required.

Every invoice, including any surcharge true-up, freight, tooling, or other charge, must be received by IHI within one hundred eighty (180) days after the Goods are delivered or the Services completed, and IHI's obligation to pay any charge first invoiced after that time is discharged. If a court holds that period too short, the period is one (1) year. Credits, refunds, and overpayments owed to IHI are not subject to Supplier's invoice-presentment cutoff; enforcement remains subject to applicable statutes of limitation. IHI's payment of an invoice does not waive any audit, recoupment, or claim.

Construction prompt payment. If Ohio Revised Code 4113.61 or another prompt-payment statute applies to a particular improvement to IHI's land, buildings, or installed machinery, it yields only for work that statute covers, and only to the minimum time, notice, and interest that statute requires. It does not change payment terms for Goods or other Services, and it does not limit withholding, setoff, or recoupment these Terms allow.

Prepayments and deposits. IHI pays nothing before delivery unless the face of the Order states the amount and the milestone that earns it. For any prepayment, deposit, or progress or tooling payment: (a) before invoicing an advance or progress milestone for existing material, tooling, or work in process, Supplier shall identify it to the Order by a signed schedule stating quantities, lot or serial references, location, custodian, and competing liens; items acquired or made later with IHI funds shall be identified and added promptly as they are acquired or made. Title passes when the funded items exist and are identified, and Supplier shall mark and segregate them as IHI's, including identified interests in fungible bulk where applicable law permits. Supplier shall not sell, pledge, divert, or substitute identified items without IHI's written consent; (b) before IHI makes the payment, Supplier shall sign, including electronically, the Order or a security agreement granting IHI a security interest in that material, tooling, work in process, and finished Goods made for the Order, and in their proceeds, to secure the return of every unearned payment and Supplier's performance, and Supplier authorizes IHI to file financing statements describing them; (c) Supplier shall refund any unearned amount within ten (10) days after the Order is cancelled or terminated for any reason; and (d) if any proposed payment exceeds $25,000.00, or the aggregate Outstanding Advances from the issuing IHI entity to Supplier across all Orders exceed or would exceed $25,000.00 after that payment, IHI may require an irrevocable standby letter of credit or refund guarantee from a bank acceptable to IHI, in form and substance acceptable to IHI, securing the full aggregate Outstanding Advances, including the proposed payment. IHI may require that security before payment or while the threshold remains exceeded, and may withhold further advances until it receives the required security. Supplier shall procure and maintain it at Supplier's expense for the period the secured advances remain outstanding; its terms must provide an adequate renewal or replacement mechanism and protection against expiry before repayment or application of the advances. 'Outstanding Advances' means prepayments, deposits, progress payments, and tooling payments not yet refunded or applied to the price of conforming Goods or Services accepted by IHI. Dividing payments, milestones, invoices, or Orders does not avoid the aggregate test, and passage of title alone does not reduce the outstanding amount. Security is for the issuing IHI entity's own advances; this paragraph does not make any IHI entity liable for another's obligations.

Bank details and currency. Except for an authorized card purchase or payment to a lawful assignee under Section 30, IHI pays by check, wire, or ACH to an account in Supplier's own legal name at a bank in its country or in the United States. Supplier is responsible for the security of its own email and systems. IHI may, but need not, confirm a change of bank details by phone, and doing so or not doing so is not a duty owed to Supplier. A payment IHI makes in good faith to the account on file, or to an account named in written instructions that appear to come from Supplier, satisfies IHI's obligation for that amount, unless Supplier had warned IHI's accounts payable department in writing, before IHI paid, that those instructions were not genuine. Supplier bears all currency exchange risk, and a price stated in another currency is never adjusted for exchange rates. Each party pays its own bank's charges.

Setoff and recoupment. IHI may set off or recoup any amount Supplier owes IHI against any amount IHI owes Supplier, under this or any other Order, to the fullest extent the law allows. Supplier consents to IHI's use of claims validly assigned by another IHI affiliate for collection and setoff to the extent law permits. An affiliate must actually authorize an agency or assignment; these Terms alone do not create an assignment by a nonsignatory. If Supplier has signed IHI's Supplier Acknowledgment or a separate guarantee, Supplier guarantees payment of every amount a Supplier affiliate owes IHI or an IHI affiliate, and IHI may set off that guaranteed amount as Supplier's own debt. Supplier shall not set off or recoup, against any amount it owes an IHI affiliate, any amount owed to it by a different IHI affiliate or any amount IHI disputes. Related releases and obligations are intended to form an integrated transaction to the extent their actual relationship and applicable law support recoupment. IHI may recoup claims arising from that transaction and use setoff for other claims where permitted; a contractual label does not override statutory mutuality or bankruptcy requirements. IHI may set off or recoup a claim that is contingent or not yet fixed in amount by withholding IHI's good-faith estimate until it is fixed. If any part of this paragraph is unenforceable as to a particular affiliate or proceeding, the rest still applies.

Debit memo. IHI may deduct any amount Supplier owes IHI by debit memo, setoff, recoupment, or reduced remittance, including under Ohio Revised Code 1302.90 where it applies, without a Supplier credit memo, debit-memo approval, portal acceptance, or other Supplier paperwork. A debit memo is notice of IHI's intention to deduct. Supplier shall not condition the deduction, withhold shipment, place IHI on credit hold, or refuse to process the debit memo because Supplier has not issued a credit memo. IHI's deduction is not an accord and satisfaction. If a deducted amount is later shown not to have been owed, IHI shall restore it without interest under this Section.

Payment controls. Supplier shall verify its bank instructions and promptly report compromised accounts, domains, or communications. IHI may hold a reasonably suspicious payment while it verifies the payee, without a late fee or breach. The payment-discharge allocation above applies to Supplier-originated instructions and to a compromise of Supplier or its agents; it does not authorize IHI to ignore known fraud or nonwaivable duties, and it is subject to a valid assignment notice under Section 30. No card authorization permits future charges, recurring debits, or a charge exceeding the approved Order. Supplier shall promptly refund an unauthorized charge. Except to the extent applicable law gives a payment or instrument a different effect, a payment reference, remittance detail, debit memo, or account reconciliation is not a release or accord and satisfaction unless an officer of IHI expressly agrees in a signed record identifying the claim. Supplier shall comply with the disputed-debt payment instructions below; routine processing is not authorization to negotiate a settlement.

Cards. Merchant, card-network, gateway, or processor terms presented at a card, purchasing-card, or online checkout are rejected under Section 2. No convenience, card, surcharge, or processing fee is payable unless it is an Approved Surcharge. IHI may charge back or recoup the price of nonconforming or undelivered Goods purchased by card, and doing so is not a waiver of any other remedy. A card authorization covers only the approved Order amount and does not authorize future or recurring charges.

DISPUTED DEBTS AND PAYMENTS OFFERED IN FULL SATISFACTION. ALL COMMUNICATIONS CONCERNING DISPUTED DEBTS OWED TO AN IHI ENTITY, INCLUDING ANY CHECK OR OTHER INSTRUMENT TENDERED AS FULL SATISFACTION, AND EVERY ACCOMPANYING COMMUNICATION, MUST BE SENT TO THAT ENTITY'S PRESIDENT AT ITS STREET ADDRESS STATED ON THE ORDER, MARKED 'DISPUTED DEBT PAYMENTS.' FOR INTERNATIONAL HYDRAULICS, INC., THE DESIGNATED RECIPIENT IS: PRESIDENT, DISPUTED DEBT PAYMENTS, INTERNATIONAL HYDRAULICS, INC., 7700 ST. CLAIR AVENUE, MENTOR, OHIO 44060-5236. AN IHI ENTITY MAY DESIGNATE A DIFFERENT PERSON, OFFICE, OR PLACE BY A SUBSEQUENT CONSPICUOUS WRITTEN NOTICE TO SUPPLIER. DO NOT SEND THESE ITEMS TO A ROUTINE PAYMENT PROCESSOR, LOCKBOX, BUYER, OR OTHER RECIPIENT UNLESS THAT RECIPIENT HAS BEEN SPECIFICALLY DESIGNATED FOR THIS PURPOSE.

Disputed-debt procedure. The special delivery instructions above control over the general notice instructions in Section 37 for these items. Supplier shall identify the relevant Order and claim. These instructions are

intended to support the designated-recipient procedure under Ohio Revised Code 1303.40(B) (1), where applicable. Their effect depends on timely notice, actual receipt, knowledge, and other statutory conditions; neither this paragraph nor a restriction on settlement authority overrides Section 1303.40(C) or other mandatory law.

Bank security terms. When IHI requires bank security for Outstanding Advances under this Section, Supplier shall provide an irrevocable standby letter of credit issued or confirmed by a United States bank acceptable to IHI, payable in United States dollars to the exact issuing IHI buyer, unless that buyer's officer specifically approves an independent demand guarantee or other equivalent instrument. Supplier bears issuance, confirmation, renewal, and drawing charges without deduction from the secured amount. The instrument shall permit partial and multiple drawings, identify a workable presentation place, method, cutoff time, and expiry, and require only IHI's signed demand and certification of an authorized drawing basis stated below. It shall not require Supplier's consent or countersignature, a judgment, an arbitral award, insurer approval, or proof of final liability. IHI must approve the actual issued instrument and verify it through an independent bank channel before the secured payment; an application, specimen, Supplier promise, or bank comfort letter is not the instrument. A standby shall incorporate ISP98 unless IHI specifically approves other rules. Instrument law, forum, and any confirmation must be acceptable to IHI; these Terms alone do not bind the bank or alter its undertaking.

Expiry and permitted drawings. Required bank security shall remain effective for at least ninety (90) days after the latest agreed date for application or refund of the secured advances. Supplier shall extend or replace it before a schedule change would leave a shorter period. An automatically renewing instrument shall give IHI at least sixty (60) days' notice of nonrenewal; in every case Supplier shall provide an acceptable extension or replacement no later than thirty (30) days before expiry while advances remain outstanding. Subject to the actual instrument and mandatory law, Supplier authorizes IHI to draw: (a) a covered advance refund that is due and unpaid; or (b) cash collateral for Outstanding Advances if required security will expire, be cancelled, or be reduced without an acceptable replacement, once the thirty-day replacement deadline has passed or a shorter threatened termination makes an earlier drawing reasonably necessary. A drawing under (b) may occur before an underlying refund is due, but shall not exceed Outstanding Advances less other undrawn effective bank security and unapplied cash collateral for those same advances. For either drawing basis, IHI shall first credit amounts already recovered or available as unapplied cash collateral for that same refund or advance exposure. The combined demand shall not exceed the remaining eligible amount. Each demand shall identify the applicable basis and amount truthfully. IHI shall separately account for cash collateral, credit sums applied to amounts actually owed, and return excess within ten (10) business days after reconciliation establishes that it is no longer required for Outstanding Advances. IHI may not retain it solely for an unrelated contingent claim after those advances are fully applied or refunded. A drawing is not a penalty, does not expand the underlying debt, and permits no double recovery. Amounts recovered and applied reduce the relevant debt once. These provisions do not waive mandatory fraud rules, beneficiary warranties, court orders, or other nonwaivable limits.

24 Insurance

The face of the Order may increase these insurance requirements. A reduction, deletion, or substitute requires the specific officer-signed approval described in Section 2 and the Evidence and coverage gaps paragraph below. Subject to such an approval, Supplier shall carry, with insurers rated A- VII or better by A.M. Best and admitted or approved in the United States: (a) commercial general liability, including products and completed operations and contractual liability covering Section 18, of at least $1,000,000.00 per occurrence and $2,000,000.00 aggregate; (b) automobile liability of at least $1,000,000.00 combined single limit for any vehicle used for IHI's work; (c) workers' compensation as required by law, and employer's liability of at least $1,000,000.00, including stop-gap employer's liability for employees in Ohio or any other monopolistic state; (d) for suppliers of production material, plating, coating, heat treating, and screws, and for any work on IHI's premises, umbrella or excess liability of at least $2,000,000.00 ($5,000,000.00 for suppliers of extrusions, bar, and imported screws); (e) for plating, coating, and heat-treating suppliers, pollution liability of at least $1,000,000.00 per claim; (f) for freight carriers, the federally required limits but not less than $1,000,000.00 automobile liability, plus motor truck cargo of at least $100,000.00; and (g) for suppliers of

Production Goods, product recall or product withdrawal coverage of at least $2,000,000.00 per event and aggregate, including third-party recall expense where commercially available, unless an officer of IHI approves a different requirement in writing before acceptance; for other Suppliers, coverage in the amount stated on the Order where required.

In addition: (h) for any Supplier with access to IHI Systems or that holds IHI Data, technology errors and omissions and cyber liability, covering Security Incidents, network security, privacy liability, notification costs, and regulatory defense, including the IHI Parties' losses from a Security Incident caused by Supplier, of at least $2,000,000.00 per claim; (i) for consulting, engineering, software, information technology, and calibration Services, professional liability of at least $1,000,000.00 per claim; (j) for staffing, cleaning, security, building maintenance, information technology, and any Supplier whose people have unescorted access to IHI's premises or IHI Systems, commercial crime coverage, including theft of client property by Supplier's employees and computer and funds-transfer fraud, of at least $250,000.00, naming IHI as loss payee; and (k) for staffing agencies, employment practices liability of at least $1,000,000.00 including third-party and client coverage, naming IHI as an additional insured where available.

The general liability, automobile, umbrella, and pollution policies shall name IHI and its affiliates, and their officers, directors, and employees, and any IHI customer that the face of the Order or IHI's written request names, as additional insureds: for production suppliers on ISO form CG 20 15 (Vendors) or its equal, with the exclusions for repackaging, relabeling, physical or chemical change, and use as a part or ingredient of another product deleted, and for on-site work on CG 20 10 and CG 20 37 or their equal. The policies shall be primary and noncontributory and shall waive subrogation against the IHI Parties, and workers' compensation shall waive subrogation where law allows. Supplier shall keep products and completed operations coverage, and required product recall or withdrawal coverage for Production Goods, in force until the later of five (5) years after its last relevant delivery to IHI and two (2) years after the last applicable contractual warranty on the relevant Goods expires, including a warranty renewed by repair, replacement, or re-performance. Required claims-made coverage shall remain effective for at least three (3) years after Supplier's last relevant delivery or completion of Services, and for any longer applicable coverage period required by the preceding sentence or the Order. The written coverage schedule below shall identify how each policy satisfies the applicable period. An extended reporting period is acceptable only to the extent its actual terms cover the risk for the required period; it does not replace required coverage for later acts or events that the policy or extension excludes. A reduction or alternative requires the specific officer-signed approval in this Section. Deductibles or self-insured retentions over $25,000.00 need IHI's written approval and are Supplier's responsibility.

A Foreign Supplier shall carry the coverage in (a) and (d) with an insurer that covers claims brought in the United States, and shall appoint an agent in the United States to receive service of process and give IHI that agent's name and address.

Supplier shall give IHI a certificate and the additional insured endorsements before its first shipment and on each renewal if Supplier is in a category in (d), (e), (f), (h), (j), or (k) above or works on IHI's premises; any other Supplier shall give them within ten (10) days after IHI asks. Supplier shall give IHI thirty (30) days' notice before any cancellation or reduction. IHI's payment obligation does not start for any invoice while a required certificate and endorsements are not on file. IHI's failure to ask for or object to a certificate does not waive these requirements. These requirements apply even where Section 18 is limited by law, and they do not limit Supplier's liability.

Evidence and coverage gaps. A certificate alone does not amend coverage or establish additional-insured, loss-payee, primary, noncontributory, or waiver-of-subrogation status; Supplier shall provide the actual required endorsements and relevant policy provisions on request. If an endorsement or required coverage is unavailable, Supplier shall disclose the exact gap and obtain IHI's officer-signed approval of equivalent protection or a specific exception before performance. Supplier shall seek cancellation and material-reduction notice endorsements where available and in every case notify IHI promptly upon learning of any change, and before a voluntary cancellation or reduction. Claims-made policies shall have a retroactive date no later than first performance and continuous coverage or a reporting tail for the required period. Supplier shall not impair

coverage by failing to notify insurers and shall assist IHI in presenting covered claims. Supplier bears deductibles, retentions, uninsured losses, and gaps, and its obligations are not reduced by IHI's review, an insurer's denial, or exhaustion of policy limits. Coverage and risk-transfer requirements remain subject to Section 18's mandatory-law limits. Upon a claim or event reasonably likely to trigger coverage for IHI's loss, Supplier shall promptly tender it to each potentially responsive primary and excess insurer, request any required consent, and provide IHI the claim references and relevant coverage positions. IHI will reasonably cooperate with a timely request to preserve available coverage, without delaying urgent protection, assuming uninsured cost, or surrendering contractual remedies. A consent requirement in a policy does not become a condition of Supplier's payment obligations; these Terms do not bind an insurer or alter its policy.

Coverage schedule and continuing evidence. Before first performance for Production Goods, or for any other Order IHI designates, Supplier shall provide a completed coverage schedule identifying the relevant warranty end dates, required coverage periods, policy triggers, limits, aggregates, retentions, retroactive dates, additional-insured and loss-payee endorsements, and material exclusions or gaps. Supplier shall obtain its broker's or insurer's written explanation of how the actual policies and any reporting extension meet those requirements, including contractual liability, third-party recall, removal and reinstallation, and IHI Property where relevant. Supplier shall disclose unavailable coverage and obtain a specific officer-approved alternative before performance; a blank schedule, certificate, or broker's review is not an exception or insurance coverage. Supplier shall update the schedule on renewal, a material policy change, and a repair or replacement that extends a required period, and provide renewal evidence throughout the required continuation period. IHI's review does not relieve Supplier or create insurance coverage, and the warranty and indemnity obligations remain independent of policy coverage.

25 Work on IHI Premises

Anyone Supplier sends onto IHI's premises shall follow IHI's safety, security, conduct, and no weapons rules, shall wear the protective equipment IHI requires, and may be removed by IHI at any time. Supplier is responsible for the acts of its people, for their wages, taxes, and benefits, and for any damage they cause. Supplier is an independent contractor, and nothing in the Order makes Supplier or its people employees, agents, or partners of IHI. This does not waive, and IHI keeps, every immunity and defense it has under Ohio Revised Code 4123.74, Section 35 of Article II of the Ohio Constitution, or any similar law as the customer, special employer, or borrowing employer of any Staffed Worker or other person Supplier sends to IHI.

Except for IHI's day-to-day direction of Staffed Workers under Section 26, Supplier alone controls the means, methods, sequence, and safety of its work and its people. Except for its direction of Staffed Workers, IHI does not undertake supervision of Supplier's means and methods merely by imposing site conditions. Statutory responsibility depends on actual conduct and applicable law, and each party shall perform its nondelegable duties. IHI's safety rules, permits, protective equipment requirements, and right to stop or remove people are minimum site conditions; they are not participation in or control of Supplier's work and do not make IHI responsible for Supplier's safety program. Supplier shall not use IHI's forklifts, cranes, ladders, lifts, or other equipment without IHI's written permission, and if it does, it uses that equipment as-is, at its own risk, and within its indemnity under Section 18. Supplier's tools, equipment, vehicles, and materials on IHI's premises are at Supplier's sole risk.

Spills and workplace hazards. Supplier is the creating and controlling employer of its own work, chemicals, wastes, and equipment on IHI's premises. Supplier shall immediately contain, clean up, and report any spill, release, or exposure its people or materials cause, and shall not leave a hazard for IHI to discover. IHI is not the creating employer of a hazard Supplier introduces. Statutory labels follow actual conduct and applicable law; this paragraph allocates contractual responsibility to Supplier for its work.

Background checks and site access. Before any of Supplier's people gets unescorted access to IHI's premises, a key, badge, or alarm code, administrator or remote access to IHI Systems, or access to Personal Data, Supplier shall, as the law allows and in compliance with the Fair Credit Reporting Act (15 U.S.C. 1681 and following), complete a background check covering at least seven (7) years of criminal convictions in every county and state where the person lived, a national sex offender registry search, and a search of United States sanctions lists, plus any drug test the Order requires, and shall assign only people who meet

the criteria IHI gives Supplier in writing, applying any individual assessment the law requires. Supplier shall tell IHI only whether each person meets the criteria, and shall not send IHI the background report. Supplier's people shall sign in and out, wear IHI's badge where it can be seen, stay in the areas IHI allows, and shall not photograph, film, or record IHI's premises, machines, parts, drawings, or screens, or connect any device to IHI's network, without IHI's permission. Supplier shall return every key, badge, and access card, shall tell IHI the same day when anyone with access leaves Supplier or the assignment, and shall pay for rekeying and re-coding if it does not.

Work without an Order. For emergency, repair, service, or other work without a written Order, these Terms apply through the prior Supplier Acknowledgment or notice and assent procedure in Section 2. Starting work after receipt of IHI's offer and these Terms is acceptance to the extent Section 2 and applicable law provide. No one may start work on IHI's premises until IHI has a current insurance certificate under Section 24. For any improvement to IHI's land, buildings, or installed machinery, Supplier shall comply with Ohio Revised Code Chapter 1311 and, as a condition of each payment, give IHI lien waivers from itself and from every subcontractor, worker, and material supplier for all work covered by the prior payment, with final waivers before final payment. Supplier shall discharge or bond off any lien filed against IHI's property within ten (10) days after notice, failing which IHI may bond or pay it and set off the cost under Section 23.

Hiring and information misuse. Supplier shall not use confidential employee contact, compensation, or personnel information obtained through IHI to target IHI employees for recruitment or induce misuse of IHI's confidential information. This is an information-use restriction, not an agreement to allocate workers or prevent lawful solicitation, applications, or hiring independently of that information. IHI owes no placement, conversion, buyout, or finder's fee for hiring a person Supplier furnished or introduced, including a Staffed Worker, except as Section 26 provides.

26 Temporary and Contract Workers

"Staffed Worker" means a person a staffing agency or other Supplier furnishes to work under IHI's day-to-day direction. As between the parties, Supplier is the employing and payroll entity responsible for the obligations allocated to it below. Actual employer, joint-employer, special-employer, and leased-employee status depends on applicable law and facts; these Terms preserve every available IHI immunity under Section 25 and do not create an employment contract with IHI. Supplier alone shall: (a) recruit, hire, pay, discipline, and end the employment of each worker; (b) pay all wages, overtime, and final pay on time under the Fair Labor Standards Act (29 U.S.C. 201 and following), Ohio Revised Code Chapter 4111 and 4113.15, and every other wage law, for all hours actually worked, whether or not IHI has approved or paid the invoice; (c) withhold and pay all payroll taxes and unemployment contributions; (d) keep workers' compensation coverage for every worker and give IHI, before the first worker starts, a current Ohio Bureau of Workers' Compensation certificate of coverage for work in Ohio; (e) offer health coverage so that no penalty under 26 U.S.C. 4980H falls on IHI for any worker; and (f) handle all leave, accommodation, and benefits.

Benefits. These Terms do not grant a Staffed Worker or other Supplier personnel any right to participate in IHI's benefit plans or amend any plan. Eligibility, exclusions, required service credit, and leased-employee treatment are determined exclusively by the governing plan documents and applicable law, including tax-qualification requirements. Supplier shall obtain an acknowledgment that it, rather than IHI, administers the benefits it promises, without requiring a waiver of nonwaivable rights. Supplier shall provide accurate census, hours, coverage, and employment-status information needed by IHI and its plan administrators and indemnify the IHI Parties to the extent lawful for costs caused by Supplier's breach, misclassification, or inaccurate information. Nothing indemnifies a fiduciary for a breach where law prohibits it.

IHI may end any assignment at any time for any lawful reason. IHI pays nothing for a worker it turns away as unsatisfactory within the first eight (8) hours, and Supplier shall supply a replacement within one (1) business day. IHI may hire any Staffed Worker and owes no placement or conversion fee after the worker has worked five hundred twenty (520) hours for IHI or ninety (90) days after first assignment, whichever comes first; before then it owes only the fee stated on the face of the Order. Supplier shall not restrict any worker from accepting work with IHI.

Supplier shall give each worker general safety training, and the training the job description on the Order requires, before the first day; IHI gives site-specific training. Supplier shall report any injury or illness of a worker to IHI's safety contact within twenty-four (24) hours, with the facts IHI needs for its own records under 29 C.F.R. Part 1904.

Supplier shall verify the identity and work authorization of every person it sends to IHI, complete and keep Form I-9 for each under 8 U.S.C. 1324a, and use E-Verify for each new hire, and shall certify this on request. Supplier shall not send IHI anyone not authorized to work in the United States. Supplier shall defend and indemnify the IHI Parties under Section 18 against every fine, penalty, back pay, benefit, tax, and claim arising from any worker's immigration status, wages, classification, or employment by Supplier, including any claim that IHI is a joint employer and any claim of discrimination, harassment, or retaliation, except to the extent caused by an IHI Party's own unlawful conduct.

Coordination and payroll proof. Supplier shall verify each assignment's job requirements and general safety training before placement, promptly investigate reported hazards with IHI, and coordinate injury reporting, leave, accommodations, and return-to-work requirements. IHI retains its own mandatory site-specific safety and employer duties; no contractual label eliminates them. Supplier shall provide evidence of timely wage, tax, benefit, and insurance payments on reasonable request, with unnecessary personal information redacted. A disputed invoice, unsigned time sheet, or IHI's rejection of a worker does not excuse Supplier from paying that worker for all compensable time. Supplier shall not charge IHI for unworked hours, Supplier training, recruiting, replacement, leave, or benefits except as expressly priced on the Order.

27 IHI Systems Data and Security

"IHI Systems" means IHI's computers, networks, servers, software, accounts, email, cloud services, phones, and the controls, programmable logic controllers, operator screens, and data collection devices on IHI's machines. "IHI Data" means all information that IHI, its employees, or its customers enter into, give to, or create through Supplier or the Services, or that Supplier gets from IHI Systems, including Personal Data, drawings, programs, prices, and the output of any software or artificial intelligence tool used for IHI. "Personal Data" means information that identifies or can be linked to a person, including IHI's employees, applicants, and their family members, and includes "personal information" under Ohio Revised Code 1349.19.

A Supplier that has access to IHI Systems or holds IHI Data shall keep a written information security program that reasonably conforms to a recognized framework, such as the NIST Cybersecurity Framework or the CIS Critical Security Controls, and at least shall: (a) use multi-factor authentication for all remote and administrator access; (b) encrypt IHI Data in transit and at rest; (c) give each person only the access the work needs; (d) install security fixes for critical and high vulnerabilities within thirty (30) days; (e) keep access logs for at least one (1) year and give them to IHI on request; and (f) on request, give IHI its most recent independent security audit report (such as a SOC 2 Type II report) and answer IHI's security questionnaire.

Remote access. Supplier shall connect to IHI Systems only by a method IHI provides or approves in writing, using a named account for each person, never a shared account, and only for the work and time IHI authorizes. Supplier shall not install, leave running, or connect any remote-access software, modem, cellular or wireless gateway, or other device on IHI Systems or IHI's machines without IHI's prior written approval, shall tell IHI of every such device on equipment it has supplied, and shall remove it when the work ends or IHI asks. Supplier shall not change any program, setting, password, or firmware on IHI Systems or IHI's machines without IHI's approval for that change, shall back up the existing program before any change, and shall give IHI the as-left program, configuration, and every password and unlock code when the work is done. Supplier shall not scan, test, or try to get around the security of IHI Systems beyond what IHI authorizes. IHI may end any account or session at any time.

Security Incidents. Supplier shall notify IHI within twenty-four (24) hours after it discovers or reasonably suspects any unauthorized access to, or acquisition, use, disclosure, loss, encryption, or corruption of, IHI Data or IHI Systems in the care of Supplier or its sub-tier suppliers, any compromise of an account or device Supplier uses to reach IHI Systems, or any ransomware or malware incident in Supplier's systems that could reach IHI or affect the Goods (a "Security Incident"), by phone and email to the IHI buyer and to the

information technology contact on the Order. Supplier shall then: (a) contain it and preserve all evidence and logs; (b) give IHI every fact it learns, including the data and people affected; (c) cooperate with IHI, its investigators, its insurers, and law enforcement; and (d) not notify any affected person, customer, or agency about IHI Data without IHI's consent unless the law requires it. Supplier's notice to IHI is its notice to the owner of the data under Ohio Revised Code 1349.19, and IHI decides whether, when, and how anyone else is notified. Supplier shall pay all costs of any Security Incident involving Supplier's systems, people, or sub-tier suppliers, including forensic investigation, restoring IHI Systems and data, lost production, notices, call centers, two (2) years of credit monitoring and identity protection for each affected person, regulatory fines, customer charges, and attorney fees. These costs are direct damages, are not limited by any Supplier document, and are within Section 18.

Ransomware and active encryption. If ransomware, wiper malware, or an encryption event in Supplier's systems affects, or Supplier reasonably suspects it may affect, IHI Systems, IHI Data, or Supplier's ability to perform, Supplier shall notify IHI by phone and email within four (4) hours after discovery, and shall begin containment immediately. The twenty-four (24) hour Security Incident period still applies to other incidents. A delayed notice is a material breach, and Supplier shall pay all costs that timely notice would have avoided.

IHI Data. IHI Data belongs to IHI, and Supplier gets no right to it except to perform the Order for IHI. Supplier shall not sell or share IHI Data, combine it with other customers' data, or use it for analytics, benchmarking, advertising, or to train, fine-tune, or improve any artificial intelligence or machine-learning model, even in de-identified or aggregate form, without IHI's prior written consent. Supplier shall not put IHI Data or IHI confidential information into any artificial intelligence tool that keeps it, learns from it, or lets anyone outside Supplier see it. Supplier shall tell IHI in writing before it uses an artificial intelligence tool to make any deliverable, program, or report for IHI, and remains fully responsible for the result, including its accuracy, its ownership under Section 17, and its warranties. Supplier shall store IHI Data only in the United States unless IHI approves another location in writing. On IHI's request at any time, and within thirty (30) days after the Order ends for any reason, Supplier shall return all IHI Data in a complete, usable, commonly readable format with its documentation, at no extra charge, then securely delete every copy (backups within their normal cycle, kept confidential until deleted) and certify the deletion in writing, subject to any litigation hold under Section 22. Supplier shall never withhold, delete, or limit IHI's access to IHI Data because of a payment dispute or for any other reason.

Subprocessors and recovery. Before giving a third party access to IHI Systems or IHI Data, Supplier shall disclose its identity, access purpose, data location, and safeguards and obtain IHI's written approval. Supplier shall bind it to protections at least as strong as these Terms and remains responsible for it. Approval of one subprocessor or location is not approval of another. Supplier shall maintain segregated or logically isolated IHI Data, tested recoverable backups, and a documented continuity and restoration plan appropriate to the Services; ransomware shall not make all backup copies inaccessible. Supplier shall test recovery at least annually and provide IHI the relevant results and corrective actions. For an actively exploited vulnerability affecting IHI, Supplier shall begin containment immediately, provide an effective mitigation within seventy-two (72) hours or sooner where reasonably required by the risk, and complete remediation promptly; a thirty-day patch allowance does not justify leaving known active exploitation uncontained.

Restricted data and artificial intelligence. Supplier shall not send IHI confidential information or IHI Data to any external generative-AI service, model provider, or model-training repository without IHI's specific prior written approval, including where the provider claims not to train on inputs. Approved use remains subject to the approved access, location, retention, security, and ownership limits. Supplier shall human-review AI-assisted deliverables for accuracy, infringement, security, and suitability. Supplier shall not use IHI Data to develop a competing product or retain it through a residuals, telemetry, derived-data, or anonymization exception. Where privacy law requires a controller-processor, service-provider, or business-associate agreement, Supplier shall execute the necessary agreement before access, at no additional fee; Section 2 governs precedence for legally required provisions.

28 Software Subscriptions and Service Levels

Where IHI buys software, software as a service, or a data or support subscription, Supplier grants IHI, its affiliates, and contractors working for IHI a nonexclusive, worldwide right to use it for IHI's business for the term paid, at every IHI location, including backup, test, and disaster-recovery copies at no extra charge, subject to the agreed paid term. Supplier may terminate a paid-term license before its expiry only for IHI's failure to pay an undisputed fee after the notice and cure procedure in Section 23, and subject to required transition Services. Termination or expiry does not authorize disabling delivered machinery, revoking a fully paid perpetual license, withholding IHI Data, or avoiding the return and transition obligations in Sections 27 and 28. Necessary use rights continue during transition Services requested under this Section at the applicable Order rates. The scope of use is only the number of users, devices, or sites, and the term, stated on the Order. (a) No subscription renews automatically, and no price increase applies to a renewal, unless the face of the Order says so; IHI may let any subscription end at the close of the period paid, and owes no early termination, minimum commitment, or cancellation fee. (b) Supplier shall not reduce the features, security, or support of what IHI bought during the paid term. (c) Supplier may verify IHI's use no more than once a year, on thirty (30) days' written notice, at Supplier's cost, by IHI's written self-certification unless IHI agrees otherwise, and IHI's only obligation for use beyond its licenses is to buy the added licenses at the Order price, from the date the extra use is found, with no back support, penalty, list price, or audit fee.

(d) Each license under an Order of intellectual property, as 11 U.S.C. 101(35A) defines it, is a license of a right to intellectual property for purposes of 11 U.S.C. 365(n), and IHI keeps all its rights if Supplier or its trustee rejects the Order.

In addition to Section 10, Supplier warrants that all software, firmware, and programs (including machine and controller programs) and software as a service it furnishes: (a) will perform as described in the Order and Supplier's documentation for twenty-four (24) months after IHI accepts them, and for as long as IHI pays for support or a subscription; (b) contain no virus, malware, back door, time bomb, license key that expires before the term paid, or other code that could disable, damage, or allow unauthorized access to IHI Systems or IHI's machines, and Supplier shall never disable, lock, or slow IHI's software or equipment by any means, including in a payment dispute; (c) will not collect or send IHI Data anywhere IHI has not approved in writing; (d) contain no open-source component under a license, such as the GNU General Public License or the GNU Affero General Public License, that would require IHI to disclose or license its own software or data or would limit IHI's rights, and Supplier shall give IHI on request a list of every third-party and open-source component and its license; and (e) will receive fixes for known exploitable vulnerabilities rated critical or high within thirty (30) days after they become known, for as long as Supplier supports the product. For software made for IHI or needed to run IHI's machines, Supplier shall give IHI the source code, current with each release, at delivery or, if the Order says so, into escrow with an agent IHI approves, released to IHI if Supplier stops supporting it, fails to fix a defect it must fix, goes out of business, or becomes the subject of an insolvency proceeding.

Service levels. Supplier shall meet every response time, resolution time, uptime, and other service level on the Order or in Supplier's published service levels, whichever is better for IHI. Service credits are a partial remedy only and do not limit IHI's other remedies. If Supplier misses the same service level twice in any three (3) months, IHI may terminate the affected Services under Section 14 and receive a refund of all prepaid fees for the period after termination. When Services end for any reason, Supplier shall keep providing them at the Order rates for up to ninety (90) days if IHI asks, and shall help move them to IHI or a new supplier.

Perpetual operating rights. Unless an officer of IHI expressly approves a subscription for the specific item, software, firmware, controller logic, keys, and diagnostic rights delivered as part of purchased machinery or other Goods are licensed perpetually, fully paid, and irrevocably for operation, maintenance, repair, backup, replacement hardware, and transfer with those Goods. Expiration of maintenance does not disable an existing perpetual license. Supplier shall disclose before acceptance every third-party subscription or connectivity dependency needed to operate the Goods and its full cost. A paid SaaS subscription remains licensed for its agreed paid term; this paragraph does not falsely characterize a hosted service as a perpetual delivered program. Escrow, where permitted instead of delivery, shall contain usable source, dependencies,

build instructions, credentials, and documentation, be updated with each material release, and be tested for completeness. Release and continued use are subject to mandatory insolvency law, without reducing IHI's rights otherwise available.

29 Calibration and Equipment Service

Calibration. Supplier shall calibrate IHI's instruments and gauges in a laboratory accredited to ISO/IEC 17025 by an accreditation body that has signed the ILAC Mutual Recognition Arrangement or a successor international recognition arrangement accepted by IHI, within the laboratory's accredited scope, with results traceable to the International System of Units through the National Institute of Standards and Technology or another national metrology institute, unless IHI approves otherwise in writing. Each certificate shall identify the instrument by IHI's identification number and show the as-found and as-left readings at every point, the measurement uncertainty, the standards used and their due dates, the environmental conditions, the decision rule used to state pass or fail, and the next due date, and shall carry the accreditation symbol. Supplier shall record as-found data before any adjustment or repair, and shall label any limited calibration.

Supplier shall notify IHI in writing within two (2) business days after it finds any IHI instrument out of tolerance as found, or learns that any standard, method, or calibration it used for IHI in the prior three (3) years was out of tolerance or wrong, naming the instrument, the error, and the dates affected. Where an IHI instrument was out of tolerance because of Supplier's earlier calibration, adjustment, damage, or handling, or because Supplier's own standard or method was wrong, Supplier shall recalibrate at no charge and pay all IHI's costs of finding and reviewing product measured with that instrument since its last good calibration, including re-inspection, sorting, customer notice, and Field Action under Section 11.

Equipment repair and service. Supplier shall: (a) respond within the times on the Order, or if none, by phone within four (4) hours and on site within one (1) business day for a machine that is down; (b) use only new parts from the original equipment manufacturer, or parts IHI approves in writing, and return replaced parts to IHI unless IHI says to scrap them; (c) follow IHI's lockout and tagout procedure and 29 C.F.R. 1910.147, and never remove, bypass, or defeat any guard, interlock, light curtain, or safety circuit, or leave one disabled, except for a necessary temporary testing or servicing procedure permitted by law and IHI's approved energy-control procedure, with required alternative safeguards and restoration before release to production; IHI approval never permits violation of a safety requirement; (d) before leaving, test the equipment with IHI, restore every guard and safety device, and give IHI a written report of the cause, the work done, the parts used, and every program or setting changed; and (e) give IHI, at no extra charge, the passwords, unlock codes, programs, and diagnostic software Supplier installs or uses on IHI's equipment, which IHI may use to maintain it itself or through others. If Supplier misses a response time, or a repair fails within its warranty period, IHI may have the work done by anyone and charge Supplier the added cost, and Supplier shall pay IHI's lost production, overtime, and expedited freight caused by a failed repair or by equipment Supplier damages.

30 Subcontracting and Assignment

Supplier shall not subcontract any material part of the Goods, including raw material sourcing, plating, coating, heat treating, or machining, beyond what IHI has approved in writing, and remains fully responsible for the work of every sub-tier supplier. Supplier shall not assign or transfer the Order, or any duty under it, without IHI's prior written consent; any attempt is void. IHI may assign the Order to any affiliate or to any successor to the business it relates to. These Terms bind Supplier's successors and permitted assigns. A merger, sale of assets, or change of control does not release Supplier.

Supplier shall flow down these Terms, to the extent they apply, to every sub-tier supplier performing a material part of the Goods, and remains fully responsible for that work whether or not it does so. IHI has no contract with a sub-tier supplier unless IHI signs one. Flow-down does not create any IHI duty to a sub-tier supplier.

If Supplier assigns or grants a security interest in a receivable, IHI retains every defense, contractual limitation, and claim in recoupment arising from the underlying transaction, and every other setoff or defense

available under applicable law. IHI shall recognize an effective notification signed by Supplier or its assignee that reasonably identifies the assigned rights and directs payment, subject to IHI's right to request reasonable proof and continue paying Supplier where Ohio Revised Code 1309.406 permits. IHI need not accept ineffective or unsupported instructions or split payments where law permits refusal. Supplier shall notify each assignee of these Terms and obtain its written recognition of IHI's contractual defenses where requested, but that duty does not make a legally effective notice ineffective. An assignment does not release Supplier from performance or enlarge IHI's payment obligations. Restrictions and administrative charges apply only to the extent permitted by applicable law, including Ohio Revised Code 1309.404 and 1309.406.

31 Continuity of Supply

Supplier shall give IHI at least twelve (12) months' written notice before it stops making or supplying any Goods or performing any process for IHI, and shall then accept last-time-buy Orders at the prices in effect. If Supplier stops supplying for any reason, it shall cooperate with moving production to another supplier, including transferring IHI Property and the process information IHI needs.

Transition readiness. Supplier shall maintain and test a written business-continuity plan for facilities, key sub-tiers, tooling, labor, utilities, and information systems affecting IHI, and provide the relevant portions and recovery results on request. It shall promptly notify IHI of a material threat to supply and maintain the safety stock expressly required by the Order at Supplier's cost and risk until firm release. On an actual or threatened interruption, Supplier shall cooperate with alternate qualification, release available IHI Property and licensed process information, identify critical sub-tiers, and provide reasonable transition assistance at no additional charge where the interruption results from Supplier's breach, discontinuance, or failure to maintain required continuity measures. For other transition services expressly requested by IHI, any additional fee requires IHI's advance written approval. No transition duty authorizes unlawful production or transfer of third-party rights Supplier does not own; Supplier remains responsible for obtaining rights it promised.

Critical supply schedule. For Goods IHI identifies as critical on the Order, Supplier shall agree and maintain a written continuity schedule before first performance. It shall specify the covered part numbers and revisions, Supplier-funded buffer quantities and locations, replenishment times, reserved capacity if required, maximum interruption and recovery milestones, approved backup facilities, critical sub-tiers, and reporting contacts. Supplier shall report buffer quantities and material exceptions at least weekly and notify IHI within one (1) business day after learning a required quantity, capacity, or recovery milestone is at risk. Supplier shall test the agreed recovery plan at least annually and report corrective actions. A backup site or process must have the approvals and qualifications required by Section 8 before production or shipment. Buffer and reserved-capacity commitments do not create IHI exclusivity, minimum purchases, requirements obligations, or liability for unreleased inventory; Section 4 and the agreed option maximums still control. No storage, reservation, obsolescence, or transition charge is payable unless the face of the Order expressly authorizes that charge and its maximum, subject to Sections 2 and 13. Supplier remains responsible for commitments expressly agreed in the schedule; forecasts alone do not establish a buffer quantity or capacity reservation.

32 Force Majeure and Delays Caused by IHI

Supplier is excused from a delay only to the extent it is caused by an event beyond its reasonable control and without its fault, such as fire, flood, or war, and only if Supplier gives IHI written notice within two (2) business days after the event begins, with a plan to recover. The following are not force majeure: changes in the cost or availability of material, energy, freight, or labor; the imposition, increase, or extension of any duty, tariff, quota, trade remedy, or export restriction, or any detention, exclusion, or seizure of the Goods by customs authorities; strikes or labor disputes involving Supplier's or its sub-tiers' workforce; failure of a sub-tier supplier, unless itself caused by a force majeure event; equipment breakdown; a Security Incident in Supplier's systems; a pandemic, epidemic, or public-health emergency; and a government order that closes Supplier's plant, unless the same order also closes IHI's receiving plant for the same period. During any shortage, Supplier shall give IHI at least its historical share of Supplier's output. If a delay lasts or is likely to last more than fifteen (15) days, IHI may cancel any affected Goods without liability and buy them elsewhere.

IHI may delay receipt of Goods without liability if its operations are disrupted by an event beyond its reasonable control, including the loss or delay of its customers' orders for products in which the Goods are used, and Supplier shall hold the Goods under the next paragraph. If IHI cancels Goods because of such an event, the cancellation is a cancellation for convenience, and IHI's liability is limited to what Section 13 allows.

If IHI is late in furnishing consigned material, IHI Property, approvals, or information, or asks Supplier to hold Goods, Supplier's sole remedy is an equitable extension of the delivery date. Supplier shall store held Goods at no charge for up to ninety (90) days, insured and at its own risk. Supplier waives any right under Ohio Revised Code 1302.54(C) to treat risk of loss as resting on IHI before delivery.

33 Limitation of IHI Liability and Time Limit for Supplier Claims

The IHI Parties shall not be liable to Supplier, whether in contract, warranty, tort (including negligence), strict liability, statute, or otherwise, for any lost profits, lost revenue, loss of business or goodwill, cost of capital, idle capacity, or any special, incidental, indirect, consequential, exemplary, or punitive damages, however caused, even if told they were possible. The IHI Parties' total liability to Supplier for all claims of every kind arising out of or related to an Order shall not exceed, in the aggregate, the amounts these Terms expressly require IHI to pay for that Order: the price of conforming Goods IHI has accepted and not paid for, any amount Section 13 allows, any equitable adjustment IHI has agreed to in writing under Section 12, the option fee expressly due under Section 4, and any refund, credit, or payment for tooling that these Terms expressly promise. Each amount is counted only once and reduced by amounts already paid or validly credited. For a blanket order, the cap is measured only by the affected firm release or releases and any unpaid option fee, never by forecasts, unreleased quantities, unrelated Orders, or aggregate anticipated business. No officer, director, or employee of an IHI Party has any personal liability to Supplier. Supplier waives, and shall have its insurers waive, every right of recovery and subrogation against the IHI Parties for loss of or damage to Supplier's property, vehicles, or Goods before delivery.

Supplier must give IHI written notice of any claim, with the facts and amount, within ninety (90) days after Supplier knew or should have known of it, or within any shorter time another Section sets for that kind of claim (including Sections 12 and 13), or the claim is waived. An invoice IHI has received is notice of a claim for its unpaid amount. Any action by Supplier against IHI, for Goods, Services, or both, and whether in contract, tort, or otherwise, must be brought within one (1) year after the cause of action accrues.

IHI's claims against Supplier may be brought within the longest period permitted by applicable law, including four (4) years after the cause of action accrues for a contract for the sale of goods under Ohio Revised Code 1302.98, and six (6) years for a claim on a written contract under Ohio Revised Code 2305.06 where that statute applies. A future-performance warranty accrues as Section 10 and Ohio Revised Code 1302.98(B) provide. These Terms do not extend a period the law forbids extending. No Supplier document shortens IHI's period. Supplier's claims against IHI remain subject to the notice and one-year filing limits in this Section.

These limits apply to the fullest extent the law allows. They do not apply to a claim for IHI's fraud or willful misconduct, or for bodily injury or death, to the extent the law does not allow liability for that claim to be limited, and a court's refusal to apply them to one claim does not affect them for any other claim.

Independent allocation. The exclusions of damage categories, monetary cap, exclusive cancellation remedy, and claim-notice and filing requirements are separate agreed allocations of commercial risk. To the fullest extent permitted by law, each applies even if another remedy fails of its essential purpose and regardless of the theory pleaded, including contribution, unjust enrichment, promissory estoppel, or negligent misrepresentation. No claim against an IHI affiliate, officer, employee, customer, successor, or assignee enlarges the aggregate cap or creates liability for another entity's Order. Supplier shall pursue payment only against the issuing buyer, except to enforce a separate guarantee actually signed by the guarantor. Mandatory judgment interest, nonwaivable statutory remedies, and liabilities that cannot lawfully be limited remain subject to applicable law; the remainder of this Section continues to apply.

34 Remedies and No Waiver

IHI's rights and remedies under the Order are cumulative and in addition to every remedy available at law or in equity, including under the Ohio Uniform Commercial Code. Supplier agrees that its breach of Sections 16, 17, 27, 28, or 19 may cause IHI irreparable harm and that IHI may seek an injunction, specific performance, or recovery of IHI Property, with bond waived to the extent the tribunal and applicable law permit. Supplier's consent does not dispense with judicial prerequisites for relief. Supplier shall reimburse IHI for reasonable attorney, expert, and collection fees and costs incurred in investigating and enforcing a Supplier obligation or collecting an amount Supplier owes, including direct claims between the parties, establishing indemnity or defense rights, appeals, and judgment or award enforcement, to the extent IHI establishes that obligation or amount by agreement, judgment, or award. No separate third-party claim is required. Costs shall be reasonably allocated if IHI succeeds only in part. This provision does not postpone Supplier's separate duty to fund a covered third-party defense or response costs when due. IHI's failure or delay in enforcing any term is not a waiver of that term or of any other right.

Supplier liability. No aggregate monetary cap, consequential-damage exclusion, exclusive repair remedy, or limitation to the processing charge applies to Supplier unless an officer of IHI specifically agrees to it under Section 2 and identifies the affected obligations. The losses expressly allocated to Supplier include foreseeable production interruption, cover, customer charges, lost sales or profits proved with reasonable certainty, recall, removal and reinstallation, IHI Property, cybersecurity, and enforcement costs, whether classified as direct, incidental, consequential, or otherwise. No reclassification of a loss as consequential defeats its express allocation to Supplier. IHI shall take commercially reasonable mitigation steps required by law, but need not jeopardize safety, regulatory compliance, customer relationships, or production to select the cheapest response. Recoveries for the same loss shall be credited once paid, without reducing Supplier's obligation to fund defense or response costs when due.

35 Governing Law and Disputes

Governing law. The Order and these Terms are governed by the laws of the State of Ohio, without regard to its conflict-of-law rules, and the arbitration agreement in this Section is also governed by the Federal Arbitration Act. The United Nations Convention on Contracts for the International Sale of Goods does not apply, and neither does the United Nations Convention on the Limitation Period in the International Sale of Goods.

Domestic Suppliers. If Supplier is not a Foreign Supplier, any suit arising out of or related to the Order shall be brought in the Court of Common Pleas of Lake County, Ohio, or the United States District Court for the Northern District of Ohio, Eastern Division. Supplier consents to the jurisdiction of and venue in those courts and waives any objection to them. IHI may also bring suit in any court that has jurisdiction over Supplier or its assets.

Foreign Suppliers. If Supplier is a Foreign Supplier, every dispute arising out of or related to the Order, including its validity, termination, and scope, except that a court decides whether an arbitration agreement was formed where applicable law requires, shall be finally resolved by arbitration administered by the International Centre for Dispute Resolution under its International Arbitration Rules in effect when the arbitration starts. The seat of arbitration is Cleveland, Ohio. The arbitration will be conducted in English before one arbitrator, who shall be a lawyer admitted to practice in the United States. The arbitrator shall apply these Terms as written, including Sections 23, 33, and 34, and shall award IHI its attorney fees and costs where Section 34 provides for them. The award is final and binding and may be entered and enforced in any court with jurisdiction, and Supplier waives any defense of sovereign or other immunity. Notice of the arbitration and every other document in it may be served on Supplier by email to the address Supplier uses with IHI, or by international courier, in addition to any method the rules allow.

Nothing in the paragraph above prevents IHI from: (a) asking any court for an injunction, attachment, replevin, or other interim relief, including to recover IHI Property; (b) seeking lawful provisional security against Supplier's assets or recognition and enforcement of an award in any competent court, without submitting the underlying arbitrable merits to that court; or (c) exercising setoff or recoupment under Section

23. Supplier shall not litigate the merits of an arbitrable dispute in court, except where mandatory law permits or requires; this restriction does not bar legally protected applications concerning formation, interim relief, recognition, enforcement, or review of an award. If for any reason the arbitration agreement does not apply to a dispute with a Foreign Supplier, or a court or arbitrator holds it invalid or unenforceable, the Domestic Suppliers paragraph applies to that dispute as if Supplier were not a Foreign Supplier, and Supplier consents to the jurisdiction of and venue in those courts. A different forum requires the specific officer-signed exception described in Section 2; an ordinary purchase-order note alone is insufficient.

Class and consolidation. To the fullest extent permitted by law, Supplier waives any right to participate as a plaintiff or class member in a class, collective, or representative action against any IHI Party arising out of or related to an Order. No arbitration or suit may be consolidated or joined with a dispute involving another supplier without IHI's prior written consent. This paragraph does not limit IHI's right to join claims or parties, and does not waive any claim that must remain available to a worker or other nonparty.

36 Waiver of Jury Trial

IHI AND SUPPLIER EACH KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO A TRIAL BY JURY in any suit arising out of or related to an Order, to the extent permitted by law. Supplier has had the chance to review this waiver with counsel.

37 General

Notices. Notices to IHI must be in writing and sent to the IHI buyer named on the Order, with a copy to Purchasing at the address of the IHI affiliate that issued the Order (for International Hydraulics, Inc., 7700 St. Clair Avenue, Mentor, Ohio 44060-5236). Email from IHI's purchasing system or an IHI email address is a written notice. Supplier shall reference the IHI Order number on all correspondence, packing lists, and invoices. Notices from IHI to Supplier may be delivered to Supplier's business address or sent to the email address or electronic ordering system Supplier designates or regularly uses for the Order. Electronic notice is received when it enters that designated system in a form capable of being retrieved and processed; a known rejection or delivery-failure message is not effective receipt. Supplier shall keep those contacts current and monitor them during business days. Notices from Supplier to IHI must follow the recipients and any additional procedures stated for that notice in these Terms. These delivery rules do not establish assent to a new contract or amendment, replace legally required service of process, or extend a claim-filing deadline.

Electronic records and signatures. Orders, acknowledgments, notices, and signatures may be electronic and have the same effect as paper and ink under Ohio Revised Code Chapter 1306 and 15 U.S.C. 7001. Supplier's acknowledgment through email, a portal, or IHI's purchasing system is an electronic signature when adopted by an authorized person with intent to sign. A domain name or automated message alone does not establish authority or signing intent. Supplier shall identify its authorized contacts and promptly report a compromise or authority change. IHI's system records of each Order sent, the date sent, and the version of these Terms it named are evidence of those facts.

Third parties. IHI and its affiliates may enforce the Order. The other IHI Parties are intended beneficiaries of Sections 10, 11, 18, and 33 and the waivers of subrogation in Section 24. Each IHI Party may, without IHI's prior written consent, assert any applicable exclusion, limitation, immunity, release, waiver, or defense in those provisions to defeat or limit a claim against it, including by requesting dismissal, a stay, or declaratory relief limited to that protection. A defensive assertion does not authorize affirmative monetary recovery. An IHI Party other than IHI or its affiliates may pursue affirmative payment or performance under those beneficiary provisions only with IHI's written consent. No beneficiary has greater rights than the applicable provision grants, and no claim or assertion creates a separate or increased liability cap or permits duplicate recovery. IHI and Supplier may change, waive, or settle any term without the consent of any other IHI Party. Nothing in an Order makes any IHI customer or other IHI Party liable for any obligation of IHI or gives Supplier any right against them.

Survival. Every term that by its nature should survive completion, cancellation, or termination of the Order survives, including Sections 3, 4, 5, 7, 8, 9, 10, 11, 13, 15, 16, 17, 18, 19, 20, 22, 23, 24, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, and 37.

Severability. If a court holds any term invalid or unenforceable, in whole or as applied, the court shall reform it to the minimum extent needed to make it enforceable while keeping as much of IHI's protection as the law allows, and the rest of these Terms, including every other limit, waiver, and remedy, remains in effect. Each paragraph of Sections 2, 18, 33, 35, and 36 is a separate agreement, and the failure of one does not affect another.

Language and headings. These Terms are written in English, and the English version controls. Headings are for convenience only. "Including" means "including without limitation." Plural includes singular and singular includes plural. To the extent Ohio Revised Code Chapter 1302 applies to the Order, Supplier is a merchant in the Goods under Ohio Revised Code 1302.01(A)(5). Supplier has had a reasonable opportunity to review these Terms, to consult counsel, and to request a written exception under Section 2. These Terms shall not be construed against IHI as the drafter.

Mandatory insolvency law. Rights of termination, setoff, recoupment, repossession, escrow release, and access are exercised subject to applicable bankruptcy and insolvency law, including any automatic stay. No provision authorizes prohibited self-help, creates mutuality by label alone, or makes an unenforceable insolvency-triggered termination effective. IHI retains all lawful ownership, security, adequate-assurance, stay-relief, and intellectual-property rights, including available rights under 11 U.S.C. 365(n). Supplier shall cooperate in obtaining lawful access and relief; no broader waiver of IHI's rights is intended.

Mandatory duties and interpretation. Nothing disclaims a nonwaivable duty of good faith, diligence, reasonableness, or care, extends a statute of limitations that law forbids extending, or binds an absent third party merely by describing it. Each contractual deadline and remedy applies to the fullest lawful extent, with the minimum adjustment necessary if mandatory law requires a different period or procedure. The parties intend the lawful portions to operate independently. The provisions controlling mandatory anti-indemnity limits in Section 18 and insolvency law in this Section prevail over inconsistent general wording. No waiver of Supplier claims creates a release of independent rights held by a worker, regulator, plan participant, insurer, or other nonparty.