

BRUNK INDUSTRIES, INC.
PURCHASE ORDER TERMS AND CONDITIONS

ENTIRE AGREEMENT; CONFLICTING TERMS. This purchase order ("Purchase Order") is between Brunk Industries, Inc. ("Brunk") and the party identified as Supplier on the face of this Purchase Order ("Supplier") regarding the products or services ordered hereunder ("Products and/or Services"). Except as otherwise explicitly agreed by Brunk in writing, conflicting, different or additional terms are expressly rejected and acceptance of this offer is expressly limited to the terms stated in this Purchase Order. No course of dealing or usage of trade or actual course of performance shall be relevant to explain or supplement any terms used herein. Any shipment or delivery of Products (including licenses for software, copyrighted items, etc.) or performance of Services shall constitute acceptance of the terms and conditions of this Purchase Order regardless of any purported substitution or addition of terms and conditions by Supplier. Acceptance by Brunk of any shipment from Supplier shall not constitute acceptance of any such different or additional terms and conditions.

PRICE/TERMS OF PAYMENT. This is a firm price order. In the absence of indication of price by Brunk, Supplier shall not fill this Purchase Order at a price higher than last quoted or charged to Brunk without Brunk's written consent. Supplier represents that the prices charged for the Products and/or Services covered by this Purchase Order comply with applicable government regulations in effect at time of order placement, sale or delivery. Unless otherwise stipulated on any Purchase Order, payment terms shall be 2.0% ten days, net sixty (60) days from date of invoice or date of delivery, whichever is longer.

QUANTITIES. Unless otherwise stipulated on any Purchase Order the specific quantity ordered must be delivered in full and shall not be changed without Brunk's prior written consent. Any different quantity without such consent is subject to Brunk's rejection and return at Supplier's expense.

CHANGES. Brunk is entitled, at any time, to change the specifications for the Products and/or Services or any other matters relating to performance of this Purchase Order; provided that the price and/or delivery schedule may be equitably adjusted with Brunk's prior written consent to reflect additional costs and/or schedule adjustments required by the changes. Any claim for adjustment is waived unless made in writing within thirty (30) days after receipt of Brunk's written change order. Supplier shall not make any change or deviation to Products and/or Services covered specifically by this Purchase Order, except with Brunk's prior written consent. Specifically, the supplier may not make changes to any component, raw material or subcontracted process that will change an approved material or process, without first obtaining written permission using supplier's company letterhead. An email request will not be permitted. Upon approval by Brunk of the initial design, any process changes, design changes or deviations considered by the Supplier must be submitted to Brunk in writing for review. If changes are submitted for approval, the information submitted must include a complete description of the change and the effect the change will have on all characteristics of the Product and/or Service. Upon request, Supplier shall submit samples of the proposed change for evaluation and approval by Brunk.

TERMINATION FOR CONVENIENCE. Brunk may terminate all or any part of this Purchase Order for its convenience upon five (5) days prior written notice to Supplier. Upon receipt of such termination notice, Supplier shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work, (b) protect, preserve and deliver in accordance with Brunk's instructions any of Brunk's property related to the order in Supplier's possession, and (c) continue the performance of any part of the work not terminated by Brunk. On termination for Brunk's convenience, Brunk shall negotiate in good faith with supplier to resolve payment for supplier's stock or on firm order completed or uncompleted items or raw, semi-processed or completed materials for use in fulfilling any order. For completed items or materials, Brunk may either require delivery of all or part of the completed goods and may make payment at the order price, or (without taking delivery) may pay Supplier the difference, if any, between the order price and the market price (if lower) at the time of termination. For uncompleted items or raw or semi-processed materials, Brunk may either require Supplier to deliver all or part of such goods at the portion of the order price representing the stage of completion, or (without taking delivery) may pay Supplier for such goods that are properly allocable to this Purchase Order a portion of the order price representing the stage of completion, reduced by the higher of the market or scrap value of the goods at the stage of completion.

TERMINATION FOR CAUSE. Brunk may immediately terminate, upon written notice to Supplier, all or any part of this Purchase Order without obligation to Supplier upon the occurrence of any of the following causes: (a) a material breach of any term of this Purchase Order by Supplier, including, but not limited to, untimely shipment of Products or shipments of Products that do not conform to this Purchase Order; (b) the filing by or against Supplier of any insolvency of bankruptcy proceedings or proceedings for reorganization, receivership or dissolution; or (c) any material adverse change in the condition of Supplier, which Brunk in good faith believes to impair the likelihood that Brunk will receive timely and full performance of this Purchase Order. If Brunk terminates all or part of this Purchase Order for cause, Brunk may procure, upon terms and in a manner it deems appropriate, Products and/or Services similar to those terminated from another supplier, and Supplier shall be liable for any additional costs for the purchase of such similar Products and/or Services. In addition, Brunk may require Supplier to deliver any completed or uncompleted Products and/or Services related to this Purchase Order by agreeing to pay Supplier the order price.

SUSPENSION OF WORK. Brunk may, at any time, direct Supplier to suspend all or any part of the work. In the event of a suspension, Brunk may, in its discretion, reimburse Supplier for reasonable and actual additional costs incurred solely and directly as a result of the suspension, provided that a detailed claim with supporting documentation of such costs is submitted to Brunk within thirty (30) days after the end of the suspension. Supplier agrees to provide Brunk a good faith estimate of suspension costs upon request.

TAXES. Except for state sales and use taxes, the price for the Products and/or Services includes all taxes, fees, and charges that may be imposed with respect to the purchase of the Products and/or Services.

INVOICING. All packages, packing slips and invoices must be plainly marked with the Purchase Order number shown on the face of this Purchase Order and such other information as Brunk may request from time to time. Supplier shall state separately on its invoice the amount of state sales and/or use tax applicable to the sale of Products and/or Services. Signed certification papers must accompany all shipments of component products or subcontract services performed on production parts. Written reference must be made to the specification (if applicable) stated in the body of this purchase order. Failure to do so will result in the entire Lot being rejected.

DELIVERY. Supplier shall furnish sufficient resources as may be required to assure timely delivery. Regardless of delivery or performance in installments, Supplier's obligation is not severable. Unless otherwise specified by Brunk, delivery of all Products and Services shall be F.O.B. Supplier's facility, and title and risk of loss shall pass at that point. Brunk need not accept shipments sent C.O.D. without its consent and may return them at Supplier's risk.

FORCE MAJEURE. If, as a result of riots, wars, terrorism, invasion, acts of God, fire explosion, floods, orders of a governmental authority, or other causes beyond the reasonable control of the parties, the delivery of any Products and/or Services is delayed, delivery shall be suspended until such time as the cause no longer impacts delivery, subject to Brunk's right to terminate for convenience.

INSPECTION. Brunk is entitled to inspect the Products and/or Services (including the performance of tests) before or after receipt and reject them for failure to conform to this Purchase Order, regardless of whether any payment has been made by Brunk, whether the nonconformity substantially impairs the value of the Products and/or Services, or whether the nonconformity may be cured by Supplier. Brunk has the right, upon reasonable notice, to enter Supplier's facilities to inspect the production of Products and/or performance of Services without precluding subsequent inspection and rejection of Products and/or Services. If the inspection discloses, in Brunk's good faith opinion, that Supplier's ability to meet the requirements of this Purchase Order is questionable, Brunk may treat such circumstance as a material breach and terminate this Purchase Order without liability to Supplier. If Products tendered pursuant to this Purchase Order are nonconforming, Brunk may return all of the Products to Supplier, at Supplier's expenses, for first priority repair, replacement or a refund at the election of Brunk.

WARRANTIES. By accepting this order, Supplier warrants that the Products and/or Services furnished will be free from defects in materials and workmanship, merchantable and in full conformity with Brunk's specifications, drawings and data, and Supplier's descriptions, promises or samples, and that such Products and/or Services will be fit for Brunk's intended use, provided Supplier has reason to know of such use, and that Supplier will convey good title to the Products and/or Services, free and clear from all liens, claims and encumbrances. This warranty shall survive acceptance of the items, and is in addition to any warranties of additional scope given to Brunk by Supplier. No implied warranties by the Supplier are excluded. Supplier, without cost to Brunk, shall promptly perform all activities necessary to correct any breach of the above warranties in a manner satisfactory to Brunk. If Supplier is unable or refuses to repair or replace as Brunk may require, Brunk may contract or otherwise repair or replace such defective Products and/or Services and back charge Supplier for any excess costs. Brunk's acceptance of or payment for the Products and/or Services shall not be deemed a waiver of any warranties by Supplier with regard to the Products and/or Services.

CONFIDENTIALITY. Supplier may not disclose to any third party (other than a government or judiciary body, as required by law), or use to the detriment of Brunk, the existence or details of this Purchase Order or any agreement or arrangement with Brunk, or any information Supplier receives or learns about Brunk in connection with or as a result this Purchase Order, except as is necessary to perform this Purchase Order.

ENVIROMENTAL REQUIREMENTS. In order to comply with the Hazardous Communication Standard (29CFR1910.12.00), Brunk requires that a Material Safety Data Sheet (MSDS) be provided prior to or with the shipment of product. Supplier further agrees to supply the required documentation, or support the efforts of Brunk to generate the documentation, showing compliance with applicable regulations, directives, and mandates including but not limited to RoHS, REACH, and Conflict Minerals. Failure to comply will delay the processing of your invoice.

SOFTWARE LICENSES. If software is licensed under this Purchase Order, except as explicitly agreed to the contrary by Brunk in writing, the license is worldwide, perpetual, royalty-free and granted in favor of Brunk, which may make a reasonable number of copies of the licensed software. Supplier represents and warrants that there is no unauthorized code in any of the hardware or software supplied by Supplier and that any support/maintenance by Supplier will not introduce unauthorized code into the hardware or software. Unauthorized code means any virus, trojan horse, worm or other software routines designed to permit unauthorized or undocumented access, to disable, erase or otherwise cause harm to software, hardware or data.

INTELLECTUAL PROPERTY – THIRD PARTY CLAIMS. Supplier shall, at its expense, indemnify, defend and hold harmless Brunk from and against any suit or proceeding brought against Brunk, its successors and assigns, based on any claim that any Products and/or Services or any component part delivered or furnished hereunder infringes or otherwise violates the rightful claim of any third party, including any U.S. or foreign patent or trademark (excepting infringement necessarily resulting from adherence to specifications furnished by Brunk). Brunk agrees to notify Supplier in writing of any such claim and to provide such assistance, at Supplier's expense, as may be reasonably required in defending the suit or proceeding. Supplier shall pay all damages, costs and attorneys' fees awarded in any suit or proceeding. If the Products and/or Services or any component part furnished hereunder are held to infringe and their use is enjoined, Supplier shall, at its option and its own expense, (a) procure for Brunk and its successors and assigns the right to continue using the Products and/or Services, (b) replace them with a substantially equivalent non-infringing Product and/or Service acceptable to Brunk, or (c) modify them so they become non-infringing with substantially equivalent performance acceptable to Brunk. Absent (a), (b), (c), Brunk reserves its rights at law, and may, at its option, return the infringing Products and/or Services to Supplier at Supplier's expense and Supplier promptly shall refund the purchase price to Brunk.

INSURANCE. Unless otherwise stipulated on any Purchase Order the Supplier shall maintain, at Supplier's expense, general liability insurance, including product liability and contractual liability insurance coverage, on an occurrence basis in an amount of at least \$1,000,000. Supplier shall provide Brunk with a certificate confirming such coverage and providing that Brunk shall be named as an additional insured on such policies and that the insurance company will provide thirty (30) days notice to Brunk of any cancellation, modification or reduction in coverage. In addition, Supplier shall maintain, at Supplier's expense, workers compensation insurance as required by applicable state laws and employer's liability insurance of at least \$500,000.

PROPERTY FURNISHED TO SUPPLIER BY BRUNK. All drawings, plans, specifications for Products and/or Services, special dies, molds, patterns, jigs, fixtures, and any other property that Brunk furnished to Supplier or specifically pays for, for use in the performance of Supplier's obligations, shall be and remain Brunk's property, shall be subject to removal upon Brunk's instruction, shall be for Brunk's exclusive use, shall be held at Supplier's risk, and shall be kept insured by Supplier at Supplier's expense while in its custody or control in an amount equal to the replacement cost, with loss payable to Brunk. Supplier will furnish copies of policies or certificates of insurance on Brunk's demand.

INDEMNITY. Supplier agrees to defend, indemnify and save Brunk harmless against all liabilities, claims or demands whether in tort or in contract for injuries or damages to any person or property arising out of Supplier's acts or omissions in the performance of its duties and obligations under this Purchase Order.

LIMITATIONS. Any actions or claims by Supplier under this Purchase Order for breach, nonperformance or otherwise shall be commenced within twelve (12) months after the occurrence giving rise to the action or claim.

APPLICABLE LAWS. Supplier warrants and agrees that it has complied with, and will comply with, all applicable Federal, State and local laws, codes and regulations, including, without limitation, the Fair Labor Standards Act of 1938, as amended.

WAIVER. Brunk's rights hereunder may not be waived, except by written instrument signed by an authorized agent. Brunk's waiver of a breach of this Purchase Order in one instance shall not be deemed a waiver with respect to any other breach.

SUCCESSORS; ASSIGNS. This Purchase Order shall be binding upon the representatives, successors and assigns of the parties; provided that Supplier may not assign this Purchase Order in whole or in part without the prior written consent of Brunk and any such purported assignment shall be void.

GOVERNING LAW. This Purchase Order, its terms and conditions, and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of the State of Wisconsin without giving effect to any choice of law rule that would cause the application of the laws of any other jurisdiction.

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