



KENTZY INTERNATIONAL, INC.®

TERMS AND CONDITIONS TO SELLER

1. AGREEMENT TO TERMS

All purchase orders ("PO Agreement") issued by Kentzy International Inc ("Buyer") are made expressly subject to these additional terms and conditions. This PO Agreement is between the Buyer and the seller listed on the front of the PO Agreement ("Seller"). The PO Agreement constitutes Buyer's offer to Seller to supply named products ("Purchased Products") or services ("Purchased Services"), and is a binding contract on the terms and conditions set forth herein when it is accepted by Seller or on commencement of performance hereunder. No condition stated by Seller in accepting or acknowledging this PO Agreement shall be binding upon Buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless accepted by Buyer's written approval. Any additional or different terms proposed by Seller are objected to and rejected unless expressly assented to in writing by Buyer. In the event there are conflicting terms and conditions between the PO Agreement and an additional valid agreement fully executed by both parties (the "Other Agreement"), the Other Agreement will prevail through the term of the Other Agreement.

No revisions to the PO Agreement shall be valid unless in writing and signed by an authorized representative of the Buyer.

2. ACCEPTANCE

By shipping the Purchased Products or performing the Purchased Services specified in the PO Agreement, Seller accepts the PO Agreement and agrees to be bound by the terms and conditions provided herein.

3. TIMELY PERFORMANCE

Seller acknowledges and agrees that time is of the essence in the delivery of the goods or completion of the services within the time frame mutually agreed upon by Buyer and Seller, is vital to the interest of Buyer, and that failure to complete the services within such timeframe constitutes a breach of this PO Agreement.

4. CHANGES

Kentzy reserves the right at any time prior to shipment to make a change as to: (1) specifications; (2) method of delivery; (3) place of delivery, (4) schedule of delivery and the (5) quantities of delivery.

In the case of non-standard, custom, and non-restockable Goods, if any changes result in an increase or decrease in the cost or the time required to fulfill this Order, a fair adjustment will be made to the Order price or delivery schedule, or both, and the Order will be modified accordingly. However, no such adjustment will be considered by Kentzy if the Seller fails to submit a written claim, along with an estimated cost breakdown, within twenty (20) days from the date of the change notification. Failure to do so will be deemed as an unconditional and absolute waiver by the Seller of any right to request an

adjustment.

5. CANCELLATION

Kentzy reserves the right to cancel this PO Agreement, or any portion of thereof, without liability, if; (a) as time is of the essence in this PO agreement, delivery is not made when and as specified; (b) Seller fails to meet contract commitments as to exact time, price, quality or quantity; (c) Seller ceases to conduct its operation in the normal course of business; (d) Seller is unable to meet its obligations as they mature; (e) proceedings are instituted against Seller under bankruptcy laws or any other laws relating to the relief of creditors; (f) a receiver is appointed or applied for by Seller, or (g) any assignment is made by Seller for the benefit of creditors. Kentzy also reserves the right to cancel for any other reason permitted by the Uniform Commercial Code then in effect in the State of Indiana. In the event of a cancellation, Buyer shall have no further obligations to Seller except to pay for deliverables that were provided to Buyer prior to such termination and were accepted by Buyer. Upon termination, Seller shall provide any transition assistance that may be reasonably requested by Buyer.

6. DELIVERY

Seller shall deliver the goods or services to Kentzy by appropriate delivery no later than by the dates specified in the PO Agreement. If a delivery is expected to be delayed, the Seller will inform Kentzy and take all reasonable steps, at the Seller's own expense, to expedite delivery. However, buyer reserves the right, without liability and in addition to any other rights or remedies, to cancel this Order by notifying the Seller. Kentzy may then arrange for the completion and/or purchase of substitute items from another source and charge the Seller for any losses or additional costs incurred. With respect to Shipping and handling, seller shall preserve, handle, package, and pack the Goods in a manner that protects them from loss or damage, in accordance with good commercial practice, Kentzy's specifications, government regulations, and other applicable requirements. Seller will be responsible for any loss or damage resulting from its failure to properly preserve, handle, package, or pack the Goods.

7. INSPECTION AND REJECTION

All goods are subject to final inspection and acceptance by Kentzy at destination, regardless of any payment to be made. Seller needs to allow buyer to conduct an inspection within a reasonable time after receipt of goods. Kentzy shall notify Seller if any goods delivered hereunder are rejected, and at Buyer's discretion and Seller's risk and expense, such goods shall be held by Buyer or returned to Seller. No replacement or correction of nonconforming goods shall be made by Seller unless agreed to in writing by Buyer. Rejected Goods may be returned at Buyer's option for repair, refund, credit or replacement at Supplier's expense.

The measurement equipment used by the Seller, any calibration services for said equipment used by the Seller (to include in-house and external calibration services) and calibration services provided by the Seller to Kentzy must be traceable to NIST or the applicable national standard of the Seller's country of origin.

8. INVOICING

Invoices shall be mailed or emailed immediately after shipment of goods or rendering of service is complete to the address listed on the front of the Purchase Order. Agreement and including an "attention to" line indicating the Seller's primary business contact at Buyer. Delays in receiving invoices, errors, or omissions on invoices or lack of supporting documentation required by the terms of this PO Agreement will be cause for postponing the start of the payment terms until the correct information is received.

9. PAYMENT

In consideration of the performance of the completion of the obligations by Seller and acceptance by Kentzy under the PO Agreement, Kentzy will pay the applicable invoice amount. Payment terms are net 30 days from receipt of invoice unless indicated otherwise in a written agreement between Buyer and Seller.

10. Conflict Minerals Compliance/RoHS/REACH

Seller agrees to trace and certify, or if the Seller does not manufacture the Products, to require the manufacturer of the Products to trace and certify the country of origin of any minerals used in the materials, components, or manufacturing of the Products or their parts. The Seller will promptly provide Kentzy with any necessary documents and certifications as requested by Kentzy to meet the Securities and Exchange Commission reporting requirements under Section 1502 of the Dodd-Frank Act concerning Conflict Minerals. The Seller shall comply with the Restriction of Hazardous Substances ("RoHS") Directive 2011/65/EU, the Chinese Administrative Measures for the Restriction of Hazardous Substances in Electrical and Electronic Products (July 2016), Regulation EC No 1907/2006 concerning the Registration, Evaluation, Authorization, and Restriction of Chemicals ("REACH"), and all other relevant product-related environmental regulations of the jurisdictions where the Products will be delivered or marketed. This includes compliance with all applicable federal, national, provincial, regional, state, and local laws, statutes, regulations, ordinances, administrative rules, orders with the force of law, and judicial rulings or opinions ("Laws") such as the EU Battery Directive, WEEE, Ecodesign Directive, and others.

11. COMPLIANCE WITH LAWS

Seller represents and warrants that no law or regulations from the state of Texas in the manufacture, procurement, transporting or sale of any of the deliverables or services furnished, work performed, or service rendered pursuant to this PO Agreement.

12. LIMITATION OF LIABILITY

To the fullest extent allowable by law, in no event shall Buyer be liable under any theory of liability arising in any way out of this contract (including any theory of contract, tort, or strict liability) for any indirect, consequential, incidental, punitive, or special damages (including damages for lost revenue or profits, attorney's fees, loss of data, or costs of procurement of substitute goods or services), even if Buyer has been advised of the possibility of such damages.

13. SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants that: (a) Seller owns all rights, title and interest in the products and services and has legal authority to sell, license or otherwise transfer the right to use or sell such items to the company; (b) the product and service covered under the Purchase Order are of good and merchantable quality and free from defects in design, material and workmanship, are safe and conform to applicable specifications, drawings, samples, descriptions and associated documentation provided to the company in writing; (C) the product and services, and the production and sale thereof, and all warranties, guarantees, representations by Seller made or authorized to be made in connection therewith are in all respects in compliance with all applicable international, federal, state, local laws, rules and regulations.; (d) the goods are fit for the use intended; (e) no Purchased Product and/or Purchased Service, or their sale or use will infringe any patents, trademarks, copyrights, trade secrets or similar intellectual property rights of any third party; (f) Seller will comply with all federal, state and local laws, ordinances, rules and regulations applicable to its performance under this Purchase Order. (g) Seller has not changed any compositions, formulations, or other constituents of the Purchased Products without written approval from Kentzy. (h) Payment for Products will not constitute approval or acceptance of goods or services by Buyer; Buyer's right of inspection will survive payment.

14. INDEMNIFICATION

Seller shall assume entire responsibility for and shall defend, indemnify and hold Kentzy, and its directors, officers, employees and agents (collectively, the "Indemnitees") harmless against all losses, liabilities, claims, costs and expenses arising directly or indirectly out of or in connection with the performance related to this PO Agreement arising from, but not limited to: Injury to any person in the employment of the Seller or any Seller subcontractors; Loss of or damage to the property of Seller, any subcontractor and any of their respective personnel whatsoever and howsoever arising, or by reason of any actual or alleged infringement of any United States patent, copyright or trade secret arising out of the services, products and/or deliverables supplied to Buyer by Seller. If an injunction is due to any claim or action, the Supplier shall either procure for Kentzy and Kentzys' its subsidiaries assign, subcontractors and customers for the right to continue using the Goods, or (ii) replace the same with non-infringing Goods, or (iii) refund to Kentzy for the amount paid for such Goods that are returned to Seller or destroyed. The supplier shall pay for rework expenses and incremental costs incurred by Kentzy to procure alternatives Goods required to fill Orders placed by Kentzy and accepted by the supplier, provided always that his indemnification shall not apply to the extent custom Goods are manufactured to Kentzy's detailed designs and specifications.