



TERMS AND CONDITIONS

1. Introduction. As used in this document, Kaiburr Systems LLC, DBA Kaiburr Systems, will herein be referred to as “Kaiburr Systems”, “KS”, or “Seller”. The terms “Customer” and/or “Buyer” refers to the business, group, or entity that supplied the Purchase Order to Kaiburr Systems, regardless of the end user of any system supplied by Kaiburr Systems. The terms “system” “machine” and “equipment” refer to any automated system to be serviced by Kaiburr Systems. Unless otherwise agreed upon in a separate written contract signed by authorized representatives of both Kaiburr Systems and the Customer this document will prevail over any other agreement, written or oral, provided by either party. This includes, but is not limited to, any Purchasing Terms and Conditions provided by the Customer.

2. Conditions of Sale. Any Purchase Order placed with Kaiburr Systems is understood to be an acceptance of these terms, and the Customer agrees to be bound to this contract with express understanding that no changes in these Terms will be binding on Kaiburr Systems unless made in writing before the order is placed. An order is deemed officially placed upon receipt of Purchase Order by Kaiburr Systems. Customer agrees to pay interest of 2% per month for overdue invoices. Customer agrees that if collection becomes necessary either through attorneys, collection agencies, court proceedings, or any other means, all costs of such collection shall be paid by the Customer in addition to the full invoice amount. Payments

3. Price, Additional Costs, and Changes to the Order. The price as agreed upon in the Purchase Order includes only the specific machine, system, options, modules, modifications, customizations, documentation, additional or spare parts, based upon layouts, products, materials, and requirements as explicitly stated in the final version of the Quotation provided by Kaiburr Systems to the Customer. Any modifications to any section or part of that order may incur additional costs, to be quoted separately by Kaiburr Systems and agreed upon and ordered by the Customer with either an amended Purchase Order reflecting any changes and additional costs or an additional and separate Purchase Order. This includes but is not limited to any changes made by the Customer to their product, materials, artwork or any changes in production requirements, including but not limited to changes in production volumes, required integrations with upstream or downstream processes, or additional options, features, operator, or safety requirements not agreed upon in the final Quote and reflected in the Purchase Order. The Customer agrees to pay any costs related to these changes. The Customer understands that any changes to their order may result in a change in delivery timeline, the impact of which will be supplied to the Customer once it has been determined and/ or estimated.

4. Customer Requirements Document (CRD). The Customer agrees to provide a CRD to Kaiburr Systems before the Purchase

Order is placed. If not received by Kaiburr Systems prior to receiving the Purchase Order the Customer understands that additional costs may be incurred if Kaiburr Systems is required to meet any specification not indicated in writing prior to sale. While Kaiburr Systems does its best to meet customer specifications there is no guarantee any specification not indicated in writing prior to the Purchase Order can be met.

5. Final Acceptance: The order is considered completed and ready for delivery upon approval of the Final Acceptance Test (herein referred to as FAT) unless other terms are explicitly given in the Quotation related to acceptance or completion terms. Any machine, system, related or subsidiary part or subsystem, including any modules, options, or any other part or system as indicated in the final Quote and Purchase order or any additional submitted and agreed upon Purchase Orders for changes or modifications after the initial order, is considered to be functioning to both the satisfaction of Kaiburr Systems and the Customer upon approval of FAT. Any modifications, additions, or repairs required at any point after FAT approval must first be Quoted and a Purchase Order must be received and approved by Kaiburr Systems. Upon approval of FAT, if no additional Purchase Orders are provided, the machine is considered due for immediate delivery to the Customer. Any delays beyond that date may result in additional charges for insurance, storage, and interest (see section 2 regarding interest on overdue payments) on the balance of any and all amounts or payments due.

6. Cancellation. Cancellation of this Purchase Order, either in part or in full, must be provided formally and explicitly in writing by the Customer. Customer agrees to pay any costs relating to work already completely on their order at a standard rate of \$250.00 per hour, as determined or estimated by Kaiburr Systems. In addition, the Customer agrees to pay for any and all costs relating to any work required to end the job, including but not limited to returning any items to stock, updating and destroying files relating to the order, including drawings, job books, memos, documents, and emails, returning or disposing of any sample products, materials, or any other item relating to the order. The Customer also agrees to pay for any and all costs relating to returning to the Customer any provided materials that the Customer does not wish disposed of or destroyed, including products, materials, test runs of materials, or any other physical items provided by the Customer. The Customer also agrees to pay a cancellation fee of 20% of the total of said charges. Kaiburr Systems agrees to send an invoice to the Customer in a timely manner with all cancellation costs which will be due immediately upon receipt. No payments or deposits made prior to cancellation will be refunded.

7. Holding State. In the event the Customer requests a pause or delay, Kaiburr Systems may put the project into a holding state. During a project hold no Kaiburr Systems resources will be dedicated to working on the project. Kaiburr Systems is entitled

to charge a reasonable fee for storage of all Customer items in its possession during a project hold. Kaiburr Systems may charge at its sole discretion, a fee not to exceed 10% of the total Purchase Order amount to re-start the project. In addition to the re-start fee, the Customer agrees to pay for any and all required changes as a result of the holding state. Such changes may include but are not limited to any and all additional labor and/or material costs that result from discontinued or out of stock items, price increases, labor rate increases, and economic inflation. The Customer also agrees that upon re-start the Delivery Estimate is no longer valid, will be reassessed, and may experience delays. In the event a Customer deliverable, including but not limited to input, approvals, and/or payment, is delinquent in excess of 10 business days, the Customer is deemed to have requested a project hold. In the event a holding state lasts in excess of 4 weeks the Customer is deemed to have requested a cancellation, which at its sole discretion Kaiburr Systems may accept.

8. Delivery Estimate. Lead Times and Delivery Estimates are agreed and understood to be estimates based on information currently available. Any order, including and especially those with custom components, require a period of design, assembly, testing, and tuning, as well as the machining and production of custom parts and the ordering of purchased materials and components. Any delays in any of these areas of production may result in an extension of the lead time and rescheduling of estimated delivery. While Kaiburr Systems makes great efforts to meet any estimate, deadline, and/or schedule it can accept no liability of loss to the Customer or any other party, whether direct or consequential, as a result of these delays. Loading and shipping is done at the Customer's risk and the Customer agrees to be responsible for any and all shipping costs, including crating, freight, etc.

9. Production Estimates. Any Production Figures as stated in any Kaiburr Systems quote, statement, or agreement, written or verbal, are understood to be an estimate based on information currently available. Operational speed and reliability heavily depend on processed parts and materials made to automation quality specifications. The Customer agrees to provide sufficient samples of their product for design and testing purposes. Since any loading, feeding, or processing equipment must be designed, developed, and tested utilizing the parts received as samples, any changes in either design, quality, material, artwork, or any other specification, however apparently slight, may result in unsatisfactory performance of equipment. The Customer understands that any modification in product, either during or after the initial design process of their order, must be submitted to Kaiburr Systems along with sufficient quantities of their updated product in a timely manner, and that any delays or modifications due to any modification of the product may incur additional costs to the Customer.

10. Warranty. It is understood that the equipment manufactured by Kaiburr Systems is not a consumer good. Kaiburr Systems will repair or replace parts manufactured by Kaiburr Systems which are found to be defective in material or workmanship during the warranty period of 6 months from the delivery of the equipment to the Customer or End User. Customer understands and agrees that the system may require return to the Kaiburr Systems facility

for repairs and any transportation costs are the responsibility of the Customer. Any item or part not manufactured by Kaiburr Systems is subject to that manufacturer's warranty. There are no other express or implied warranties except as stated in this section of this document. This warranty will not apply to any equipment subjected to misuse, improper installation (by anyone other than Kaiburr Systems personnel), abuse, negligence, failure to perform normal and/or routine maintenance, refusal to heed advice from Kaiburr Systems technicians, improper or insufficient energy supply (compressed air and/or electricity), improper repair (by anyone other than Kaiburr Systems personnel) and any modifications, alterations, or changes not expressly approved by and performed by a trained Kaiburr Systems technician. This warranty does not cover consequential damages, incidental damages, or incidental expenses, including but not limited to damage to property or personnel.

11. Installation, Service & Support. Kaiburr Systems provides multiple options for machine installation, service, and support. Customer understands that any work, service, technical support or assistance, and travel for on-site assistance, other than that expressly covered in the previous Warranty section, may incur additional charges.

12. Limits of Liability. 12a) The customer agrees to hold Kaiburr Systems free and harmless from any claims resulting from or in connection with the use of any equipment or designs furnished by Kaiburr Systems or its subcontractors. The customer also agrees to pay Kaiburr Systems' cost of defending against such a claim including the cost of expert witnesses and counsel. **12b)** The Customer agrees to hold Kaiburr Systems and any related entity free and harmless from any claims of third parties regarding injuries or other losses to persons or property resulting from or in connection with the use of equipment or designs furnished by Kaiburr Systems or its subcontractors. The customer also agrees to pay Kaiburr Systems' cost of defending against such a claim including the cost of expert witnesses and counsel. **12c)** The Customer agrees to hold Kaiburr Systems free and harmless for claims of any proprietary right of another. The customer also agrees to pay Kaiburr Systems' cost of defending against such a claim including the cost of expert witnesses and counsel. **12d)** The Customer agrees not to modify, remove, or alter in whole or in part any safety feature, mechanism, or guard originally installed on the machine. The customer grants Kaiburr Systems the right to inspect and/or repair any safety related item on the machine. **12e)** Under no conditions or circumstances is Kaiburr Systems responsible for incidental or consequential expenses and/or attorney fees.

13. Design Rights. Any and all designs that are produced by Kaiburr Systems are the property of Kaiburr Systems, which includes but is not limited to mechanical designs, electrical designs, electro-mechanical designs, drawings, documentation, instructions, methodologies, and any and all software. Kaiburr Systems retains sole rights to the production, reproduction and modification, in whole or in part, of any design produced by Kaiburr Systems. The Customer agrees to take reasonable steps to ensure that any design produced by Kaiburr Systems are not shared with any other entity without the express written approval of Kaiburr Systems. Kaiburr Systems agrees that any products or

systems provided by the Customer are proprietary in nature and agrees to comply with any confidentiality or non-disclosure agreements put in place. If no such agreement is put in place both Kaiburr Systems and the Customer agree to abide by the standard Kaiburr Systems privacy policy (see Privacy Policy section).

14. Reproduction of Parts. The Customer agrees that any part or component designed and/or manufactured by Kaiburr Systems is considered to be proprietary. The Customer agrees that unless expressly given license, neither the Customer or any other company or entity may reproduce any part, component, or drawing designed by Kaiburr Systems. The Customer agrees not to produce or assist in any way with the production of a Kaiburr Systems designed system, or any system based on, in part or in whole, any Kaiburr Systems designed machine, equipment, system, loader, module, or option.

15. Title. The title and right of possession of this equipment shall belong to Kaiburr Systems until payment has been made in full. In the case of resale, the Customer shall inform the end user of the payment status and protect the title and right of possession in the Seller's name until full payment has been made.

16. Taxes. The prices quoted do not include any sales, use, excise, or any other taxes. The customer agrees to pay any applicable taxes to the appropriate tax entity. Kaiburr Systems is not liable for any nonpayment of necessary taxes or tariffs relating to the purchase of any Kaiburr Systems product or service.

17. Payments. The Customer may not withhold payment based upon claim of breach of warranty. Late or payments withheld for any reason are subject to interest (as stated in section 2) and may incur additional penalties as outlined in the loan agreement. In the event payments due to Kaiburr Systems from the Customer become delinquent for work under this or any other Purchase Order, Kaiburr Systems may, at its sole discretion, cease all work related to this order and may consider this non-payment as a formal and explicit cancelation of the order by the Customer (refer to section 6).

18. Assignment. The customer shall not assign any order, or any interest therein, of this agreement to any other party without the prior and written consent of Kaiburr Systems.

19. Arbitration. Any controversy or claim arising out of or relating to these terms or any separate written contract signed by authorized representatives of both Kaiburr Systems and the Customer, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial [or other] Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

20. Choice of Law and Venue. This agreement shall be governed by the law of the State of Massachusetts, excluding any in conflict with this agreement. Any action instituted by the Customer in connection with this agreement shall be brought in

Middlesex County, Massachusetts. Customer hereby consents to jurisdiction in these courts in any action involving this agreement.

21. Force Majeure. Kaiburr Systems shall not be liable for any delays, failures, or losses resulting in whole or in part from Acts of God, labor disruptions, shortages, inability to procure product, supplies, or raw materials, severe weather conditions, catastrophic events, acts or threats of war or terrorism, or any other circumstance or cause beyond the control of Kaiburr Systems in the conduct of its business.

22. Severability. If any provision, or portion thereof, of this agreement is, or becomes invalid or unenforceable under any applicable statute or rule of law, or in conflict with any other agreement, it is to be deemed stricken, in whole or in part, to the extent that the section is either made enforceable or is removed, and the rest of this agreement shall remain in full force and effect.

23. Consumer Warranty. Kaiburr Systems makes no warranties under the Magnuson-Moss Warranty-Federal Trade Commission Improvement Act. Kaiburr Systems provides no warranties to consumers.

24. Privacy Policy. Kaiburr Systems agrees not to share with any party unless legally required or approved by Customer, any information obtained from the Customer, including documents, emails, drawings, product samples, materials, memos, communications, etc. However Kaiburr Systems may use photographs, videos, and samples of Customer's Products in a reasonable and responsible way for marketing purposes, and while Kaiburr Systems does their best whenever possible to obscure logos or other identifying marks, unless specifically forbidden by an agreed upon and superseding privacy policy, non-disclosure agreement, or confidentiality agreement, Kaiburr Systems makes no guarantees that images or videos of products and/or materials will not be used in marketing materials in the future.