

**SPARTON OF CANADA LIMITED**  
**dba Stealth**  
**Terms and Conditions of Sale and Warranty**

1. **AGREEMENT.** These Terms and Conditions of Sale and Warranty ("**Terms**") apply to all sales by SPARTON OF CANADA LIMITED ("**SoCL**") of any products ("**Products**") to the buyer ("**Customer**") and/or the sale or provision by SoCL to the Customer of any warranty services for Products (collectively the "**Services**") purchased. These Terms take precedence over Customer's additional or different terms and conditions, whether contained on a purchase order or other documentation, all of which SoCL hereby rejects. Customer's right to the Products and/or Services is contingent upon Customer's acceptance of these Terms. Acceptance of delivery of Products or acceptance of Services constitutes conclusive evidence that Customer has accepted these Terms. Any changes to these Terms are ineffective, null and void unless specifically agreed to in writing executed by SoCL and Customer. To the extent a conflict or inconsistency exists between these Terms and any document submitted to SoCL by Customer, these Terms will take precedence.

2. **SOFTWARE.** Any software included with Products is licensed to Customer, not sold. Each license is granted by the owner of the software, not by SoCL. Any modification of the software by or for Customer shall render any Product warranty that is otherwise effective null and void, notwithstanding any law to the contrary. SoCL does not warrant any software.

3. **WARRANTY FOR PRODUCTS.**

a. Products are protected by SoCL's standard warranty as set forth in the "**SoCL Warranty**" set out at the following page of SoCL's website (collectively, "**Warranty Terms**"): <https://www.stealth.com/support/warranty-policy/>. SoCL reserves the right to charge for warranty service time expended if any defect claimed is due to any cause not covered by the Warranty Terms. In all cases, SoCL has sole discretion for determining the cause and nature of a Product defect, and SoCL's determination with regard thereto shall be final.

b. When notifying SoCL of, or returning to SoCL, any Products that fail to meet an applicable warranty, Customer shall comply with SoCL's then-current Return Material Authorization (RMA) procedure (available upon request). Customer will pay freight on Products returned to Customer that are not covered by warranty. SoCL will pay freight on Products returned to Customer which are covered by the Warranty Terms if return shipment is within continental US & Canada. If international, then the Customer is responsible to pay for freight. If SoCL repairs or replaces a Product, SoCL warranty continues for the remaining portion of the original warranty period or 90 days from the date of repair, whichever period expires later.

4. **DISCLAIMER OF OTHER WARRANTIES.** EXCEPT FOR THE SoCL WARRANTY, SoCL EXPRESSLY MAKES NO WARRANTIES WITH RESPECT TO ANY PRODUCT, AND HEREBY DISCLAIMS ANY WARRANTIES EXCEPT THE SoCL WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, MERCHANTABILITY QUALITY, FITNESS FOR A PARTICULAR

PURPOSE, TITLE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND ANY WARRANTIES THAT MAY HAVE ARISEN FROM COURSE OF DEALING OR USAGE OF TRADE.

5. **LIMITATION OF LIABILITY.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, SoCL'S TOTAL LIABILITY ARISING FROM OR IN CONNECTION WITH THE PRODUCTS AND/OR SERVICES, WHETHER FOR BREACH OF CONTRACT, TORT, WARRANTY, NEGLIGENCE OR OTHERWISE, WILL BE LIMITED TO THE AMOUNT PAID TO SoCL FOR THE PRODUCTS FOR WHICH LOSSES OR DAMAGES ARE CLAIMED. SoCL WILL NOT BE LIABLE UNDER ANY CAUSE OF ACTION, WHETHER IN CONTRACT, TORT, WARRANTY, NEGLIGENCE OR OTHERWISE, FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, EVEN IF SoCL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE PRICE FOR THE SoCL PRODUCT AND SoCL'S OBLIGATIONS UNDER THIS WARRANTY ARE CONSIDERATION FOR LIMITING SoCL'S LIABILITY. EXCEPT FOR WARRANTY CLAIMS, NO ACTION RELATING TO THE PRODUCTS AND/OR SERVICES MAY BE BROUGHT BY CUSTOMER MORE THAN ONE YEAR AFTER DELIVERY OF THE PRODUCTS.

6. **ARBITRATION.** Any dispute, controversy or claim arising out of or relating to these Terms or any quotation ("**Quote**") by SoCL, including the formation, interpretation, breach or termination thereof, including whether the claims asserted are arbitrable, will be referred to and finally determined by arbitration in accordance with the JAMS International Arbitration Rules. The Tribunal will consist of one arbitrator. The place of arbitration will be either Albany, New York, USA or Toronto, Ontario, Canada, as selected by Customer. The language to be used in the arbitral proceedings will be English. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Notwithstanding the foregoing, nothing in these Terms shall limit either party's right to seek immediate injunctive or other equitable relief whenever the facts or circumstances would permit a party to seek such relief in a court of competent jurisdiction.

7. **USE OF PRODUCTS.** Customer shall indemnify SoCL against all claims, losses, damage, injury, or other liability arising out of or related to the use of the Products. **THE PRODUCTS ARE NOT DEVELOPED OR INTENDED FOR MEDICAL USE, NUCLEAR USE, AVIATION OR ANY OTHER INHERENTLY HIGHER RISK ACTIVITY (COLLECTIVELY, "HAZARDOUS USES"). CUSTOMER AGREES NOT TO USE PRODUCTS FOR ANY HAZARDOUS USES. SoCL SHALL NOT BE LIABLE FOR ANY CLAIMS, LOSSES, COSTS OR LIABILITIES ARISING FROM SUCH HAZARDOUS USES BY ANY PERSON IF CUSTOMER OR ITS SUCCESSORS IN TITLE OR POSSESSION USE THE PRODUCTS FOR HAZARDOUS USES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, CUSTOMER SHALL INDEMNIFY AND HOLD SoCL HARMLESS FROM ANY CLAIMS, LOSSES, COSTS, AND LIABILITIES ARISING OUT OF OR IN CONNECTION WITH THE UTILIZATION OF THE PRODUCTS IN ANY HAZARDOUS USES BY ANY PERSON WHATSOEVER CLAIMING THROUGH CUSTOMER.**

8. DELIVERY OF PRODUCTS; PASSING OF TITLE. Delivery and completion dates are estimates. SoCL will use commercially reasonable efforts to meet desired delivery and completion dates, but will not be liable to Customer or any third party in any way for any late shipment or completion. SoCL shall not be responsible for any delays caused by strike, flood, fire, pandemic, Act of God, scarcity of the materials needed to produce the Products or complete the Services, governmental restrictions, or any other cause beyond the reasonable control of SoCL. Customer will accept and pay for partial shipments of Products. Unless otherwise provided on the Quote, the Products shall be delivered EXW (Incoterms 2010) SoCL's designated facility, service facility, or other place of origin. The Products shall be placed in suitably protected containers, the nature of which shall be determined by SoCL. Title to Products passes to Customer when Products are placed in the hands of the carrier for shipment to Customer. The Products are deemed accepted by Customer upon receipt by the carrier.

9. PURCHASE MONEY SECURITY INTEREST. Customer hereby grants to SoCL a purchase money security interest ("PMSI") in the Products sold hereunder and all the proceeds thereof, including but not limited to insurance proceeds, to secure performance of all of Customer's obligations hereunder. Customer's failure to pay any amount when due shall give SoCL the right to repossess and remove the Products. Customer agrees that SoCL shall have the authority to file any documents necessary, including but not limited to, any Uniform Commercial Code or Personal Property Security Act (or similar) financing statement or continuation statement to perfect SoCL's PMSI granted hereunder.

10. TAXES. Unless otherwise provided on the Quote, the purchase price of the Products is exclusive of, and Customer is responsible for, all sales and use taxes, goods and services taxes, harmonized sales taxes, value added taxes and like taxes and any applicable customs duties, import licenses, excise fees or tariffs. SoCL will invoice Customer for all applicable taxes unless Customer supplies an appropriate and valid tax exemption certificate.

11. PAYMENT TERMS. Quoted prices for Products are binding on SoCL for only 30 days from the date of SoCL's written Quote (unless otherwise stated). All Products are invoiced upon shipment. Terms of payment and credit limits are determined by SoCL's credit department on a case by case basis. Large orders and new customers normally require a deposit at the time of order and/or prior to shipment. Unless otherwise agreed in writing signed by SoCL, terms of payment are net 30 days from the date of invoice, unless otherwise expressly provided for and confirmed in writing by SoCL. On a case by case basis, SoCL may authorize Customer to pay by credit card. If Customer pays by credit card, Customer will be responsible for paying for or reimbursing SoCL for credit card or merchant transaction fees for Customer's credit card purchases over \$25,000 in the aggregate in any calendar month. Notwithstanding any specified payment terms, SoCL may require payment in advance of shipment of Product or commencement of repair services if Customer's credit, in SoCL's sole judgment, is impaired. The purchase price of the Products shall become immediately due and payable and SoCL may cancel any unfilled portion of an order upon Customer's failure to make any payment when due. Overdue payments shall be subject to finance charges computed simple interest equal to the

lesser of one and a half (1½%) percent per month (eighteen (18%) percent per year) or the maximum amount allowed by law.

12. SPECIAL ORDERS. Customer acknowledges that if any purchase is a special order for custom Products, the provisions of this paragraph supersede any conflicting general provisions of these Terms. Customer agrees to defend, protect, and hold harmless SoCL against all suits at law or in equity and from any and all damages, claims, and demands for personal injury or actual or alleged infringement of any U.S., Canadian or foreign intellectual property right and to defend any suit or actions which may be brought against SoCL for such injury and/or any alleged infringement because of the manufacture and/or sale of the custom Products to the specifications of the Customer.

13. EXPORT RESTRICTIONS; COMPLIANCE WITH LAW. Customer represents and warrants that it is buying Products for its own use only, and not for resale or export. Customer will not export or re-export the Products or any related technical documentation in any form in violation of the export or import laws of the United States or any other jurisdiction. Customer shall not, without U.S. government authorization, export, re-export, or transfer any goods, software, or technology subject to these Terms, either directly or indirectly, to any country subject to a U.S. trade embargo or to any resident or national of any such country, or to any person or entity listed on the "Entity List" or "Denied Persons List" maintained by the U.S. Department of Commerce or the list of "Specifically Designated Nationals and Blocked Persons" maintained by the U.S. Department of Treasury. In addition, any software or any technology subject to these Terms may not be exported, re-exported, or transferred to an end-user engaged in activities related to weapons of mass destruction.

14. LAW; VENUE. These Terms will be governed by the laws of either, at the Customer's option, the State of New York and the applicable federal laws of the United States or of the province of Ontario and the applicable federal laws of Canada, without giving effect to any conflicts of laws principles that require the application of the law of a different jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods will not apply to these Terms.

15. GENERAL. No waiver of rights under these Terms by either party shall constitute a subsequent waiver of this or any other right under these Terms, and all waivers must be in writing to be effective. Neither these Terms nor any rights under these Terms shall be assigned or otherwise transferred by Customer (by operation of law or otherwise) without the prior written consent of SoCL and any unauthorized transfer or assignment shall be void. These Terms shall bind and inure to the benefit of the successors and permitted assigns of the parties hereto. In the event that any of the provisions of these Terms are held to be illegal by any court of competent jurisdiction, all remaining provisions of these Terms shall remain in full force and effect. These Terms together with SoCL's Quote constitute the entire understanding and agreement between the parties regarding the subject matter hereof and supersede all prior or contemporaneous understandings, written or oral. In the event the terms of a Quote contain additional or different terms than these Terms, the terms of the Quote will govern and control to the extent only of the conflict. These Terms may only be amended by an explicit and formal written document, hand signed by the authorized representatives of both parties.