General

1. Buyer's Agreement to Terms and Conditions

These terms and conditions ("Terms") are issued on behalf of the GNB Corporation ("GNB", "Buyer" or "GNB KL Group") who is the buyer. These terms shall apply to all purchase orders ("P.O." or "Order") issued to you as the seller ("Supplier" or "Seller") for parts, goods, materials, and services ("Supplies"), whether written, faxed or electronically available to the Supplier, unless GNB expressly waives this provision or portions thereof in writing. The contract between GNB and Supplier with regard to Supplies shall not include any other terms and conditions, whether preprinted or otherwise. GNB's performance of GNB's obligations is expressly predicated on the Supplier's agreement to these Terms.

2. Contract Formation

Any conduct by the Supplier that recognizes the existence of a contract as it pertains to a P.O. issued by GNB will constitute your acceptance of the P.O. and all of these Terms. The GNB P.O. may require approval of the Supplier and the Supplier's Quality System before a contract is created between GNB and the Supplier. If this approval is not completed, then the P.O. will be null and void prior to becoming a contract. The contract between GNB and Supplier shall be formed as of the date and time that GNB submits the P.O. or the date and time that the Supplier is approved by GNB. In order to expedite transactions, the Supplier will be deemed to have agreed to the P.O. and these Terms unless they expressly notify GNB in writing within five (5) days of receipt of the purchase order.

3. Partial Shipments

Unless the P.O. specifically states otherwise, partial shipments will be accepted by GNB. However additional freight charges will not be allowed unless preapproved in writing by GNB. Early deliveries may be accepted, but the delivery date as it relates to payment terms will be defined as the date when both the full order has been received and the due date as referenced on the P.O. has passed.

4. Prices

Prices and quotations are subject to the following: (a) payment for all Supplies will be made according to the prices in effect on the date of the order contract, (b) unless otherwise stated in writing by GNB, all prices shall include transportation, insurance, and taxes (including, without limitation, any use tax, sales tax, or similar tax, all of which shall be paid by GNB). GNB does not accept any Prepay and Add freight terms. If GNB agrees to pay for freight, only a GNB approved transportation company (method) shall be used, and (c) stenographical, typographical, and or clerical errors are subject to correction.

5. Price Warranty

The Supplier may not supply against any P.O. Supplies priced higher than those last quoted or agreed upon without GNB's written authorization. GNB reserves the right to cancel and return Supplies to the Supplier at their expense any Supplies where the price had been increased without GNB's written approval. The Supplier warrants that the prices for the Supplies as sold to GNB are not less favorable than those currently extended by the Supplier to other preferred customers for like Supplies and quantities.

6. Delivery and Delay in Performance

Time, quality, and quantity of delivery is essential. The Supplier is required to achieve 100% on-time delivery and quality performance. Deliveries will be made during regular business hours in the quantities that were specified by the P.O. GNB will not be required to make payment for Supplies delivered to us that are in excess of quantities specified; however, the Supplier will have the option to make arrangements to pick up excess quantities at their cost. Late deliveries may be subject to penalty costs if they are deemed by GNB as causing a financial loss due

to expediting other materials, internal processes, or penalty costs that GNB incurs due to a late product delivery to our customers.

7. Title and Risk of Loss

Title and risk of loss will remain with the Supplier until the Supplies are delivered in a completed state and GNB has inspected them and accepted them at the location as shown on the P.O. The Supplier will bear the cost of return shipments and the title and risk of loss will remain with the Supplier.

8. Terms of Payment

Unless otherwise agreed in writing, all payments for Supplies will be made 45 (Net 45) days after the Supplies are received and accepted at GNB. All payments will be made in U.S. dollars.

9. Transportation:

GNB will have the right to specify the carrier and method of transportation to be used to ship all Supplies. A packing slip will accompany each shipment. If no such slip is provided, then the count by GNB will be conclusive. Failure to comply with these shipping instructions may result in penalty, a reduction in the Supplier's Quality Rating, or refusal of product.

10. Inspection and Acceptance:

Delivery of Supplies to GNB shall constitute acceptance of those Supplies, unless notice of defect or nonconformity is submitted by GNB within 10 days. The Supplier will deliver only Supplies that conform in all respects to the requirements of a P.O. under these Terms. Although GNB is not required to do so, we or our authorized representative may inspect the Supplies at any stage between the order and delivery date. GNB may reject any Supplies for defects or faults revealed by any such inspection, analysis, or subsequent manufacturing operation even though we may have previously accepted such Supplies. GNB will notify supplier of damages or discrepant materials in writing. The Supplier will have first right to replace or authorize GNB to fix the item. If no response is received from the Supplier within two (2) business days after notification of a discrepancy, GNB has the right to repair or replace the Supplies, and all addition costs shall be borne by the Supplier. When the Supplier agrees to replace the part, new delivery terms shall be agreed upon between GNB and the Supplier. GNB reserves the right to add fees based upon administrative costs and lost time associated with nonconforming materials.

11. Warranties

The Supplier's warranties will survive any inspection, delivery, acceptance or payment by GNB. The Supplier will warrant that the Supplies will (a) be new and free from defects in material, and workmanship, (b) be fully merchantable and of good quality, (c) be in conformity with any specification, drawings, samples, or descriptions that have been furnished, and (d) comply with all applicable laws of the countries in which the Supplies were manufactured or assembled, or are to be used.

12. Certificate of Conformance

At GNB's request the Supplier will furnish a certificate of conformance to the attention of the GNB purchasing agent, stating compliance to the specification for the Supplies and all other P.O. requirements.

13. Conflict Minerals

The Supplier represents and warrants that it is in full compliance with conflict minerals laws, including, without limitation, Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 as it may be amended from time to time and any regulations, rules, decisions or orders relating thereto adopted by the Securities and Exchange Commission or successor governmental agency responsible for adopting regulations

relating thereto (collectively, "Dodd-Frank Section 1502"). The Supplier warrants that all products supplied to GNB Corporation are conflict free.

14. Counterfeit Item Prevention

Suppliers must take informed and reasonable steps to ensure that no suspect or counterfeit Supplies are furnished. GNB quality code 204 applies to all orders.

15. Restrictions on Certain Foreign Purchases

The Supplier shall not use in the performance of this contract any Supplies or services if any US government proclamation, Executive order, or statue by the Office of Foreign Assets Control would prohibit such a transaction. Most transactions involving Cuba, Iran, and Sudan are prohibited. Most imports from Burma and North Korea are prohibited as well as transactions involving lists of entities, and individuals that are subject to sanctions.

16. Hazardous Materials

All hazardous materials supplied must comply with all applicable governmental regulations, and the Supplier will provide GNB with appropriate Material Safety Data Sheets prior to the first shipment of such Supplies.

17. Termination

Supplier shall not cancel, terminate, or reschedule any order accepted without consent of GNB. GNB may change or cancel our P.O. at any time by notifying the Supplier in writing. The Supplier will make all changes without financial or other penalties. All adjustments in cost or schedule must be substantiated by the Supplier in writing and approved by GNB as equitable prior to acceptance.

18. Failure to Make Delivery

If the Supplier's acts or omissions result in their failure (or potential failure) to meet our delivery requirements, we may require a more expeditious method of transportation for the Supplies. The Supplier then will, at GNB's sole option, 1) promptly reimburse the difference in cost between the original and expedited delivery method, 2) allow us to reduce payment of invoices by such difference, or 3) ship the Supplies as expeditiously as possible at the Supplier's expense.

19. Patents and Other Intellectual Property Rights

Supplier shall protect all GNB proprietary information and intellectual property with the same care that they would protect their own trade secrets. GNB supplied drawings and documentation shall not be used to manufacture Supplies for any purpose other than to supply them to GNB. The supplier will limit the disclosure of GNB supplied information to only entities that have a necessary use of the information. The Supplier shall have written agreements will all other parties and subcontractors to whom they disclose information, and will exercise the same care for GNB supplied information as they would their own proprietary information. The Supplier shall not use drawings, trade secrets, patents, photographs of Supplies, the GNB name, the GNB logo, or any other GNB design, patent, drawing, document or trade secret for any purpose other than furnishing Supplies to GNB, unless expressed permission is obtained in writing from GNB. By reference, the full GNB Proprietary Non-Disclosure agreement (FM-101) is incorporated into this agreement.

All items supplied to GNB will have a world-wide, royalty-free, irrevocable license for use and resell.

20. Damages and Liability

To the fullest extent permitted by law, the Supplier shall indemnify, defend, and hold GNB, including its associates, owners, directors, officers, employees and agents, harmless against any and all claims, lawsuits, judgments, losses, product recalls, civil penalties, environmental damages, costs, liabilities, damages and expenses (including attorneys' fees) incurred (collectively, "Claims") which may be made or brought against GNB

to the extent it is alleged that the Supplies or the use thereof caused or will cause: (a) death or injury to any person or property, (b) the Supplies failure to comply with any of the Supplier's specifications or warranties, (c) claim in connection with any promotional or advertising information furnished by the Supplier (d) infringement of any patent design, trade name, copyright, trade secret, or any other right of a third party, (e) and any environmental property or toxic tort claim. Under no circumstances will GNB be liable for consequential, incidental, indirect, special punitive or other damages whether foreseeable or not, based on the Supplier's claims or claims of any party claiming by or through the Supplier.

21. Excusable Events

Neither GNB nor the Supplier will be liable for a delay or inability to perform directly due to: act of terrorism, war, riot, insurrection, civil commotion, fire, flood, earthquake, storm, act of God, or embargo provided that excusable events do not include delays or nonperformance within reasonable control. Excusable events shall not include shutdowns for equipment maintenance, holidays or vacations, equipment breakdown, or the inability to acquire raw materials, energy, parts, labor or any other item required to provide the Supplies in accordance with the P.O.

22. Termination for Cause

GNB reserves the right to cancel all or any part of a P.O. without liability if the Supplier: (a) repudiates or breaches any of the Terms including warranties, (b) fails to perform any requirement as specified by GNB, (c) fails to make progress so as to endanger timely and proper delivery, (d) is in process of any sale or change in control of a substantial portion of Supplier's assets, or (e) is at risk of insolvency.

23. Applicable Law

These Terms shall be construed and enforced under the laws of the State of California as if GNB and Supplier were both citizens of the State of California, and without giving effect to conflicts of law, rules, or policies.

24. Binding Affect

This agreement shall be binding upon the parties and their respective successors, assigns, agents, servants, employees, and representatives. Any invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other provisions of this Agreement.

25. Dispute Resolution

In the event of a dispute in any manner relating to or arising out of this Agreement, the parties shall meet and confer and negotiate in good faith in an attempt to resolve the dispute. If the dispute is not resolved by the parties themselves, the dispute shall be resolved through binding arbitration conducted under the commercial arbitration rules of the American Arbitration Association in California. The award or order of the arbitration shall be binding upon the parties and shall be enforceable by judgment thereon entered in a court having jurisdiction after application for confirmation of the arbitration award or order by a party. In the event the arbitrators determine that there is a prevailing party in the arbitration, the prevailing party shall recover from the losing party all costs of arbitration, including all arbitrators' fees and all attorneys' fees reasonably incurred by the prevailing party.

26. Modifications

These Terms shall not be modified in any respect except by a writing signed by both parties.

27. Buyer Furnished Property:

Seller shall not use, product appropriate or disclose to anyone other than Buyer any material, samples, tooling, dies, drawings, designs, specifications, software, technical information and other property or data furnished by Buyer, nor shall the Seller use the same to product to manufacture articles other than those required hereunder without prior written authorization from Buyer. Title to such Buyer-furnished property shall be and remain in Buyer at all times. Buyer does not guarantee the accuracy of any tooling or the quality or suitability of any

material supplied by it. Seller shall bear the risk of loss, damage or destruction of the property furnished by the Buyer and shall promptly replace or repair without expense to Buyer any property which is lost, damaged or destroyed, unless such loss, damage or destruction is solely, directly and proximately caused by the Buyers negligence. All Buyer-furnished property, together with spoiled and surplus materials shall be returned to Buyer at termination of completion of the Order unless Buyer shall direct otherwise in writing. Where Buyer's data, designs or other information are furnished to Seller's suppliers for procurement of Supplies or services by Seller for use on the performance of Buyer's Order, Seller shall insert the substance of this provision on its subcontracts. Seller acknowledges that any such data, designs or other information of Buyer are unique, and that Buyer may enforce its rights under this paragraph by specific performance.

28. Release of Information:

Seller shall not advertise, publish or otherwise release any information relating to the Order, without Buyer's prior written permission.

29. Setoff and Withholding

Buyer may setoff any amount due to Seller, whether or not under the Order, against any amount owed by the Seller. Buyer may withhold from payment to Seller an amount sufficient to reimburse Buyer for any loss, damage, expense (including attorneys' fees), cost or liability relating to Seller's alleged or actual failure to comply with any requirement of the Order or any other contract between parties.

30. Specification

Unless otherwise directed in the Order, Seller shall manufacture the goods in accordance with the current specifications, drawings and designs for the goods. Seller is responsible for verifying that the Order's specifications, drawings or designs are the current revisions. If Seller determines that any of the specifications, drawings and designs are not the most current revision, Seller shall so notify Buyer immediately.

31. Entire Agreement

Except when issued to carry out a written contract between the parties, the Order constitutes the entire agreement of sale and purchase of the goods specified in the Order.

Date:	Revision	Description of Revision:
	-	Draft
4/10/11	A	Released
7/1/11	B	Add Russ' comments, and updated punctuation and verbiage. Added sections about Acceptance (replacing contract formation), Buyer Furnished Property, Release of Information, Setoff and withholding, Specification, and Entire Agreement. Changed document name from "Supply Chain Terms and Conditions"
6/6/19	C	Added Section M Conflict Minerals and updated GNB Logo
2/27/25	D	Reformatted and added paragraphs 14 (Counterfeit Item Prevention) and 15 (Restrictions on Certain Foreign Purchases)