



KNIGHT GLOBAL

Knight Terms and Conditions

These Knight Industries and Associates Inc., d/b/a Knight Global (herein "Knight") terms and conditions (the "Terms and Conditions") shall control the quotation and/or sale of products and/or services from Knight to the buyer or recipient of such products, or the recipient of a quotation (together, herein the buyer and/or recipient are the "customer") including, but not limited to, by way of sales order, customer purchase order, or otherwise, and irrespective of any other terms and conditions offered by the customer or any other party. To the extent any conflict exists between these Terms and Conditions and any other terms and conditions, or any other requirements of sale or quotation of products and/or services by Knight from the customer, these Terms and Conditions apply and control. (each of Knight and customer a "party"; together the "parties").

1. Governing Terms and Conditions:

These Terms and Conditions are hereby included with, incorporated into, and/or attached to each and every 1) Knight quote, 2) Knight sales order, 3) other Knight offer to sell products and/or services, or agreement to sell products and/or services to customer, and/or 4) customer acceptance of a quote and/or sales order. Customer's acceptance of a Knight quotation, sales order, or other offer by Knight establishes customer's agreement and consent to these Terms and Conditions. When these Terms and Conditions are included with, incorporated in, and/or attached to Knight's acceptance of a customer's purchase order, or other Knight acknowledgement of a customer's order or purchase, customer assents to these Terms and Conditions unless customer specifically notifies Knight otherwise separately in writing within five days of Knight's acceptance. If such notice is provided, Knight is not obligated to move forward with any customer purchase order acceptance or other order acceptance. To the extent that customer proposes its own terms and conditions in its purchase order, or any other customer documentation of an order or acceptance with Knight, these Terms and Conditions control and customer's terms and conditions shall not be binding on Knight unless Knight explicitly accepts those terms in writing.

2. Knight Quotations and Sales Orders

2.1 Knight Payment Terms. Payment is due NET 30 Days after invoice except for quotations if a different term is shown in the quotation under the "Terms." Payments made later than 60 days after invoice date can be assessed a compounding 2.0% per month service charge. Pricing stated on any quotation is only valid for 30 days from the date of quotation. Quotation pricing is based upon the complete quotation being ordered as stated and understood by Knight. Any changes, additions, or deletions may require cost changes to other items on the quotation. Sales order pricing is set forth in the applicable sales order. Any tax or other government fee or charge upon the production, sale, use import/export and/or shipment of the products, including, without limitation, taxes, fees or charges on the raw materials used to produce the products, now imposed or hereafter becoming effective, shall be added to the price of the products and shall be paid by customer. At Knight's sole discretion, Knight may require earlier staged payments of 40% at time of order / Net 10 days, 50% at time of design approval / Net 10 days and the final 10% not to exceed 90 days after time of shipment for any project, quotation, purchase order, and/or sales order exceeding \$100,000. To the extent the quotation, purchase order, sales order, or similar document calls for machinery and/or equipment to be transferred to customer, title to the machinery and equipment shall remain with Knight until the full amount owed has been paid and cleared by Knight. Otherwise, any and all tooling, equipment, machinery and/or fixtures made, acquired and/or used by Knight in manufacturing or otherwise providing the products shall be and remain the property of Knight, and nothing in these Terms and Conditions, or any agreement to which they apply, shall be construed to grant, convey, or transfer to customer any ownership rights in or to such tooling, equipment, machinery and/or fixtures. Credit card payments are subject to a 3% service charge. All pricing is in US Dollars.

2.2 Knight Design Terms. In the event a quotation is accepted, Knight requires all necessary customer information be forwarded to Knight no later than one week after receipt of customer purchase order by Knight. Any information received after customer approval of the design may require an added charge in Knight's sole discretion if any design parameter is changed or needs to be changed. Any information received after the design approval milestone could change the delivery date. In such an event, late delivery is not a breach of any agreement by Knight. Once a sales order is accepted by customer or a customer purchase order is sent to Knight, all math data, parts, racks/dunnage and sequence of operations are considered final, or not to change, by the customer. Changes to any such items after a sales order or receipt of a customer purchase order are sent may result in added charges. Customer process or product changes during the design and build phase are beyond Knight's control. In addition, incorrect customer information or parts could result in major changes to the design and build phase. Costs associated with customer process or product changes or incorrect customer information or parts are the responsibility of the customer. All PE certifications are the responsibility of the customer unless otherwise specified in the quotation or sales order.

2.3. Knight Standard Products. Knight Standard Products include, but are not limited to, products that Knight offers for sale without modification and irrespective of any customer specific requirement or design. Customer acknowledges and agrees that Knight Standard Products have proprietary designs, components, and sub-components and are the result of proprietary processes and manufacturing information. Changes to any of these designs could affect the performance, durability and safety of the product. Any possible deviations must be discussed at the quoting stage and can only be approved by Knight in writing. Knight cannot guarantee to meet jobs per hour requirement, unless a detailed, precise sequence of operation for the operator is provided before Knight's quotation, in a sales order, or before acceptance of an order. Customer acknowledges that it is the customer's responsibility to inform Knight of any unique manufacturing, plant, local or state requirements related to the products or services that may be different than, or above and beyond, the products and services that Knight currently provides as it relates to safety, mechanical operations, or controls options. Once a standard product is purchased and/or design approvals are given, the customer is solely responsible for all unique plant, manufacturing, local and state requirements or laws related to the products or services. If any



unique options, product, or service is needed, such requirement must be set forth separately by the customer, agreed upon by Knight, and set forth in the applicable quotation and/or sales order.

2.4 Knight Freight Terms. Any reference to freight charges contained in a quotation is an estimate. Customer is responsible for any differences that may occur between the quotation and actual charges. All freight is the responsibility of the customer. All freight charges are to be prepaid by the customer and customer agrees to explicitly state on any customer purchase order that it will prepay all freight charges. For collect shipments to one location with freight charges billed to another location, the customer is responsible for such freight charges. Customer must specify on their Purchase Order the name of the party to be billed, address, carrier and account numbers if applicable. Delivery is Ex Works Knight Global Auburn Hills, MI. Knight Global standard packaging is palletizing and / or boxing. Crating is not included. If crating is requested, customer must request such freight in writing in sufficient time to allow for such change in packaging and pay a separate charge set forth by Knight. When Knight is the responsible party for the shipment, cross border customs duties charges will be paid by customer and are still the responsibility of the customer. The risk of loss transfers to the customer at Auburn Hills, MI. Customer acknowledges that most shipments require multiple days. If shipment is required in a shorter time than what Knight deems to be standard shipping durations, the customer is responsible for the added cost and will pay such additional cost. Knight reserves the right to determine the routing of the shipment unless agreed upon in writing between the customer and Knight. UPS Ground is the normal method of shipment for orders weighing up to 80lbs. If any special routing or handling is requested, it must be noted on the customer's purchase order. Such requests as well as contact name, phone number, point of shipment/dock number must be provided before the item is ready for shipment. When shipping outside of the continental United States, the customer is responsible for and must supply customs paperwork (USMCA and Commercial Invoice) a minimum of three days in advance of the first date of shipment. Any purchase order submitted by customer for the products that is accepted by Knight is accepted only on the basis that time is not of the essence. Knight shall not be liable for any delays in delivering the products caused by any of the following: (a) a Force Majeure event; (b) priorities granted at the request or the benefit, directly or indirectly, of any governmental authority; (c) any changes in the products or the delivery schedule or method of shipment; or (d) any other cause beyond the reasonable control of Knight.

2.5. Returned Goods. If customer seeks to return any products, all returned products require a Returned Goods Authorization (RGA) number provided by Knight. Any shipment without an RGA number will be refused by Knight. When product condition is less than "like new", further assessment for credit from customer will be required. Customer may contact Knight Inside Sales to request a RGA number or with any additional questions about returning goods. All returns must be received by Knight within 90 days of the earlier of transfer of title to customer or delivery to customer. All returned products are subject to a 25% restocking fee. After 90 days, the products delivered by Knight to customer under these Terms and Conditions shall be deemed finally inspected and accepted unless notice of rejection or notice of any claim is given in writing to Knight within such time. Acceptance shall constitute acknowledgment of full performance by Knight of all its obligations under these Terms and Conditions with respect to the products accepted except for any applicable warranty obligations set forth herein.

2.6. Knight Manufacturing Standards. Below are certain standard manufacturing criterion used by Knight. To the extent customer requires alternatives or deviations from the below, customer agrees to pay any difference in cost or other charges Knight requires to agree to such changes. Any such alternatives or deviations shall not be effective unless set forth in the quotation or otherwise agreed upon in writing by Knight. Any such alternatives or deviations set forth in a customer purchase order are inapplicable unless separately agreed upon by Knight, in writing.

- Standard Colors: Safety Orange (# RAL-2011), Safety Yellow (# RAL-1018), Safety Red (# RAL-3020), TCI Signal Blue (# RAL5005) and TCI Dash Black (Flat Black -- # 8000-9000).
- Standard Pneumatic Components: Lift cylinders-FLAIRLINE, clamp, tilt and rotate cylinder-FABCO/BIMBA, power valves-NUMATICS (stackable), relays, delays, memories, pressure and anti-tie down valves-SMC, logic elements-CROUZET, vacuum systems-PIAB, vacuum cups-PIAB, fittings-SMC (push on), tubing-Freelin-Wade. Standard Electrical Components: most hardware and software-Allen Bradley, servo drives-Sieb & Meyer, absolute servo motors-Kollmorgen.

Due to ongoing product development, Knight reserves the right to alter product specifications without prior notice. Knight's products adhere to industry standard safety requirements. If the customer requires specific safety requirements, whether it is plant, company, local or state codes, Knight is willing to consider changes to a quote for such adapted requirements to Knight products to meet those requests. However, no such request is effective unless agreed upon by Knight in writing and customer agrees to bear any additional cost resulting from the request.

2.7. Limited Warranty. Knight warrants that its products and parts shall meet all applicable agreed upon specifications, performance requirements, and be free from defects in material and workmanship for one year from invoice. Knight warrants servo hoists, servo arms, and servo tractors to be free from defects in material or workmanship for a period of two years from date of shipment. However, such limited warranty does not apply to the following: 1) Any purchased components not manufactured by Knight and their specific individual warranties; 2) Paint defects, scratches and marring from shipping; or 3) Failure or defective operation caused by inadequate training provided by customer regarding the operation and/or maintenance of the tool or product, misuse, negligence, mis adjustment, or alteration not approved by Knight or in a manner beyond the normal use of the tool or product as set forth by Knight. Moreover, Knight distributors/agents are not authorized to circumvent any of the terms and conditions of this limited warranty unless approved in writing by Knight management. Statements made by Knight distributors/agents do not constitute warranties and are not binding on Knight.



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Knight's liability under this limited warranty is limited to the replacement or repair of Knight's products at a location designated by Knight. Customer is responsible for all associated internal removal and installation costs as well as freight charges to and from Knight Industries. Knight's maximum liability shall not in any case exceed the contract price for the products claimed to be defective.

On a design and build job, the customer is the owner of the equipment once they authorize shipment. The equipment cannot be returned for reimbursement or credit. Unauthorized changes to any of Knight's products voids this limited warranty and any potential liability of Knight.

When a Knight product is sold through a Distributor, the customer is required to engage directly with Knight Global Service for any service-related issues. To the extent a customer does not engage directly with Knight on service related issues, no warranty shall apply and Knight shall not be responsible for such issues.

DISCLAIMER: OTHER THAN AS SET FORTH HEREIN, NO OTHER EXPRESS WARRANTIES, AND NO IMPLIED WARRANTIES, ORAL AND WRITTEN, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE MADE BY KNIGHT WITH RESPECT TO ITS PRODUCTS AND ALL SUCH WARRANTIES ARE HEREBY SPECIFICALLY DISCLAIMED. KNIGHT SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY INCIDENTAL, SPECIAL AND/OR CONSEQUENTIAL DAMAGES WHATSOEVER, WHETHER OR NOT FORESEEABLE, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS AND ALL SUCH INCIDENTAL, SPECIAL AND/OR CONSEQUENTIAL DAMAGES ARE HEREBY ALSO SPECIFICALLY DISCLAIMED. IN NO EVENT SHALL THE LIABILITY OF KNIGHT ARISING OUT OF THE SALE OF PRODUCTS OR SERVICES, OR ANY QUOTATION FOR PRODUCTS OR SERVICES, EXCEED THE AMOUNT PAID BY CUSTOMER TO KNIGHT FOR SUCH PRODUCTS AND/OR SERVICES, OR UNDER SUCH QUOTATION.

3. Intellectual Property. Unless otherwise specifically agreed to in writing by Knight, all drawings, techniques, processes, inventions, patents, patent applications, confidential information, know-how, and/or other intellectual property or improvements thereon (i) now owned by Knight, (ii) created hereafter by Knight outside the scope of these Terms and Conditions, or any related Sales Order, Quotation, or customer submitted purchase order, (iii) previously owned or created by Knight, or owed to Knight under a duty to assign, or (iv) created by Knight (collectively, "Knight's Intellectual Property") shall be and remains Knight's property and solely owned by Knight. Knight grants no license or other right to customer in Knight's Intellectual Property, whether now owned or hereafter created. Unless otherwise agreed upon by Knight and customer, to the extent necessary, customer hereby assigns to Knight any Knight Intellectual Property created jointly by Knight and customer in connection with the Sales Order, Quotation, or customer submitted purchase order. Except as to Knight Standard Products as referenced herein (without modification or combination with any other product, and when used in the manner intended by Knight), customer agrees to indemnify and hold Knight harmless from and against any and all cost, damage, liability, or expense resulting from claims or demands by a third party based on alleged infringement of any third party's intellectual property as a result of obligations or subject matter related to any quotation and/or sale of products and/or services from Knight.

4. Changes. No amendment to any quotation or sales order, or other agreement to which Knight is a party, for products and/or services, including without limitation, any change, cancel, or reschedule may be made by customer without the express written consent to Knight. No purchase order issued by a customer is valid unless accepted by Knight in writing, and subject to these Terms and Conditions.

5. Force Majeure. Delay in or failure to carry out the duties imposed upon either party under these Terms and Conditions shall not be deemed a material breach if such delay or failure results from causes beyond the reasonable control of the party claiming relief hereunder, including, without limitation, fire, explosion, labor disputes, casualty or accident, lack or failure of transportation facilities, epidemic, cyclone, flood, drought, declared or undeclared war, revolution, civil commotion, terrorism or acts of public enemies, blockage or embargo, or by reason of law, proclamation, ordinance, demand, or requirement of any governmental or ruling authority, including, without limitation, any denial by a governmental authority of appropriate export authorization. A party may claim relief if such circumstances exist as to a subcontractor and the delay in performance of the subcontractor will cause or contribute to a delay in performance by the party. The party claiming relief under this provision shall notify the other of the circumstances giving rise to its application, provide an estimate of the impact on its performance, and take all reasonable steps to remove or mitigate the impediment.

6. Assignment. Customer may not assign its rights or obligations hereunder without the express written consent of Knight. Knight may assign any or all of its rights or obligations hereunder without the express written consent of customer.

7. Governing Law and Venue. These Terms and Conditions shall be governed by, construed under and enforced in accordance with the laws of the State of Michigan without regard to its choice of law principles. The parties agree that the provisions of the United Nations Convention on Contracts for International Sale of Goods shall not apply to any transaction covered by these Terms and Conditions. The parties shall, if possible, attempt, in good faith, to resolve any controversy, claim, or dispute arising out of these Terms and Conditions. The parties agree to and submit to the jurisdiction and venue of the Circuit Court for the County of Oakland, State of Michigan and/or the United States District Court for the Eastern District of Michigan with respect to any action arising, directly or indirectly, out of these Terms and Conditions, any Knight quote, sales order, or other Knight offer to sell products and/or services to which these Terms and Conditions apply, any acceptance of the quote or sales order, or other Knight offer, by customer, and any related customer purchase order or other document issued by customer. Knight and customer agree that the venues referenced herein are convenient and will be the sole forums for any dispute between them regarding the subject matter described



in this section. The parties hereby waive any defense or allegation related to improper or inconvenient venue and agree such allegations shall not be raised as long as any action is brought in the above noted courts.

8. Compliance with Laws. Each party agrees to be responsible for complying with all applicable laws, rules, regulations, judgments, decrees, orders and permits in performing its obligations under these Terms and Conditions.

9. Entire Agreement. These Terms and Conditions, along with the terms on the face of the document to which they are attached or otherwise apply, constitute the entire agreement between the parties and may only be amended by express written agreement of Knight and customer.

10. Miscellaneous. If any provision or part of any provision of these Terms and Conditions shall be invalid or unenforceable under applicable law, such provision or part of such provision shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions of these Terms and Conditions. No failure on the part of either party to exercise any right or remedy hereunder shall impair, prejudice or constitute a waiver of any such right or remedy.