

## **TERMS OF SALE**

**1. APPLICABILITY:** These Terms of Sale (“Terms”) are incorporated by reference into every quotation, acknowledgement, invoice or other sales document (collectively, “Sales Documents”) issued by CTS Corporation and/or its applicable affiliate(s) named thereon (“Seller”) to the buyer and/or its applicable affiliate(s) named thereon (“Buyer”). Seller’s quotation constitutes an offer or counteroffer by Seller to sell the goods and/or services described therein (“Goods”) to Buyer, subject in all respects to, and strictly in accordance with, these Terms and the Sales Documents exclusively, and these Terms together with such Sales Documents are the only terms and conditions that govern or otherwise apply to any sale of Goods by Seller to Buyer. Any of the following acts by Buyer shall constitute Buyer’s acceptance of these Terms and the Sales Documents in their entirety: (a) acknowledging the quotation; (b) issuing a purchase order, release or other similar document for Goods on the same or substantially the same terms as reflected on the face of the quotation; (c) accepting delivery of the Goods; or (d) by any other conduct which recognizes the existence of a contract for the purchase and sale of the Goods. Once accepted, the quotation and other Sales Documents, the applicable final drawings, specifications, statements of work, and assignment of tasks and responsibilities, as each may be amended from time to time by mutual written agreement of the parties, and any other documents signed by an authorized representative of each party relating to the sale and purchase of Goods, are incorporated herein by reference and, together with these Terms, constitute the “Agreement.” Neither Seller’s issuance of any Sales Document nor Seller’s manufacture, delivery or performance of any Goods shall constitute acceptance by Seller of any terms and conditions attached to or purportedly incorporated into any RFQ materials, purchase order, release or other purchasing document issued by Buyer (collectively, “Purchasing Documents”), and any such terms and conditions are specifically excluded and are not incorporated into the Agreement. For avoidance of doubt, Seller hereby objects to any additional or different terms proposed by Buyer in its Purchasing Documents (or otherwise) as wholly unacceptable to Seller, and such proposed additional or different terms shall not become part of the Agreement (or otherwise a part of any contract between Seller and Buyer) and shall have no effect with respect to any sales by Seller or purchases by Buyer of any Goods. Seller’s performance under any accepted purchase order or release issued by Buyer is expressly limited to and conditioned upon Buyer’s acceptance of the terms and conditions of the Agreement exclusively (including, without limitation, these Terms). Seller will not be bound by any provisions in Buyer’s contractual arrangements with Buyer’s direct or indirect customers (“Customers”), including, without limitation, any purported flow-down, flow-through or similar provisions. Notwithstanding the foregoing, Seller reserves the right at any time to reject any order or release not issued in compliance with the Agreement or any order or release that purports to include other terms not including in the Agreement.

**2. RISK OF LOSS:** Unless otherwise stated on the quotation, all sales of Goods shall be Ex Works Seller’s facility listed on the quotation (Incoterms 2020). Title and the risk of loss or other damage to Goods shall pass to Buyer upon delivery of the Goods as determined by the applicable Incoterm.

**3. PRICE:** Price quotations for the Goods shall remain valid only for the period of time specified in the quotation, but if no time period is specified, prices are subject to change without notice and Seller shall invoice Buyer for Goods based on prices in effect at the time of shipment. Prices are not subject to decrease for any reason, including, without limitation, prices charged for similar goods or services sold or otherwise quoted to other customers of Seller (including, without limitation, Buyer’s affiliates), any productivity, quality or other periodic price reduction programs, industry, commodity or other benchmarking activities, or Buyer’s receipt of a quotation for similar goods or services at lower price. Prices do not include supplying Buyer with prototypes, development, pre-production, evaluation samples, test data or service Goods.

**4. PAYMENT:** Payment terms are net thirty (30) days from date of delivery unless otherwise specified on the quotation. Payment is due in U.S. dollars via electronic funds transfer with no discount for earlier payment. A one and one-half percent (1.5%) monthly service charge, or the maximum permitted by applicable law, will be added for every month or part of a month that the amount due remains unpaid after its due date. Notwithstanding the foregoing, Seller may require advance payment or additional collateral from Buyer in the event: (a) Seller has reasonable doubt as to Buyer's credit worthiness; (b) Seller determines in its sole discretion a substantial risk of its claim to payment exists due to declining assets of Buyer; or (c) Buyer is in arrears with respect to any payment owed Seller; and Buyer agrees to promptly provide to Seller all information reasonably requested by Seller to make such determinations. If Buyer becomes delinquent in payment, Seller shall have the immediate right, in addition to any other right it may have, without notice, to terminate the Agreement or otherwise cancel all or any part of any order or release, to recall or withhold further deliveries or performance, and declare all unpaid amounts for any Goods previously delivered immediately due and payable. Until the Goods have been paid for in full, Buyer or any agent of Buyer: (a) will hold the Goods subject to a security interest or lien in favor of Seller allowing for the right of re-possession by Seller to the extent permitted by applicable law, and (b) will not alter, remove, destroy, or damage any identifying mark on the Goods or their packaging. Seller may take possession of the Goods under this paragraph at any time after payment for the Goods or any other payment owed to Seller has become due, and Buyer shall cooperate with and provide Seller necessary access to facilitate such repossession.

**5. INVOICE DISPUTES:** Buyer shall notify Seller in writing of any dispute with any invoice (along with substantiating documentation and a reasonably detailed description of the dispute) within ten (10) days from the date of such invoice. Buyer will be deemed to have waived all rights to dispute any invoice for which Seller does not receive timely notification of dispute and shall timely pay all undisputed amounts. The parties shall seek to resolve any invoicing disputes expeditiously and in good faith. Notwithstanding anything to the contrary, Buyer shall continue performing its obligations during any such dispute, including Buyer's obligation to timely pay all due and undisputed invoice amounts.

**6. SETOFF:** Buyer acknowledges and agrees that it may not set off or otherwise debit against or recoup from any amounts due or to become due to Seller, any amounts due or become due to Buyer, unless and until Seller agrees in writing to such setoff or recoupment, and shall not exercise any purported right to setoff, debit or recoupment in connection with any disputed, contingent or unliquidated claim. In the event Buyer fails to comply with the foregoing and without authorization or otherwise improperly sets off, debits or recoups from amounts due or to become due to Seller, Seller shall be entitled, in addition to all of its other rights hereunder or otherwise, to suspend performance of its obligations under the Agreement until Buyer reverses such setoff, debit or recoupment. Further, any amounts due or to become due to Seller shall not be otherwise reduced on account of any price reduction or compromise on receivables that Buyer may agree to with its Customers, including, without limitation, in connection with any systems, assemblies, components, modules or other goods or services incorporating or otherwise utilizing Goods. Buyer shall pay all Seller's costs of collection, including Seller's attorneys' fees.

**7. NON-RECURRING ENGINEERING EXPENSES:** Buyer shall pay any non-recurring engineering expenses ("NRE") incurred by Seller for the development of Goods as determined by Seller in its sole discretion. Unless otherwise agreed in writing, Seller shall invoice NRE, which shall be payable by Buyer on the terms set forth in paragraph 4 above. If the Agreement or any order or release is cancelled or terminated, in whole or in part, for any reason, Buyer shall remain liable for all unreimbursed NRE due to Seller upon such cancellation or termination.

**8. DELIVERY; PACKAGING:** All delivery dates and quantities are estimates only and are not guaranteed. Notwithstanding the foregoing, Seller shall use reasonable efforts to meet Buyer's requested delivery dates and quantities provided that Buyer has complied with Seller's then

applicable lead-time requirements. Without limiting the foregoing, Buyer acknowledges and agrees that Seller may deliver up to fifteen percent (15%) more or less than the ordered/released quantities up to five (5) business days early or late and Buyer shall accept and timely pay for any such excess or shortfall quantities or early or late deliveries. Unless Buyer specifies shipping instructions, shipment and delivery will be made by the carrier and in the manner designated by Seller. Without limiting the foregoing, Seller shall not be liable for any delays or defaults in deliveries except to the extent arising solely and directly as a result of Seller's gross negligence or willful misconduct. Goods shall be packaged and shipped as specified in the quotation or, in the absence of such specifications, Goods shall be packaged in accordance with sound commercial practice. If Seller is requested to use Buyer's returnable packaging but such packaging is unavailable or deficient (as determined by Seller in its sole discretion), Seller may use expendable packaging and Buyer shall reimburse Seller for the costs of such expendable packaging on demand. Unless otherwise specified in the quotation, all crating, marking, labeling, corrosion protection, export or other special packaging will be an additional charge to Buyer.

**9. FORECASTS; RELEASES:** Unless a longer period is required and communicated by Seller in writing, Buyer shall provide Seller no less than six (6) weeks of firm orders or releases for finished Goods, no less than twelve (12) additional weeks of firm authorization to purchase raw materials, and no less than thirty-four (34) additional weeks for planning volumes. In no event shall Seller be obligated to produce or deliver Goods not in accordance with this paragraph or Seller's standard capacity rates (as modified and communicated from time to time).

**10. INSPECTION; ROOT CAUSE ANALYSIS:** The remedies afforded Buyer under paragraph 12 below shall be exclusive for any non-conforming Goods but shall be unavailable to Buyer if Buyer inspected or reasonably should have inspected the Goods and could have discovered the non-conforming Goods upon such inspection, which failure shall be deemed an irrevocable waiver by Buyer of such or any other remedies. After identifying any non-conforming Goods and so notifying Seller as required under paragraph 11 below, Buyer will provide Seller the results of its internal root cause analysis of the non-conformance(s) within five (5) days together with any other information requested by Seller relating to the non-conformance(s). Buyer shall further cooperate with Seller in a joint root cause analysis led by Seller, and in developing and implementing corrective action programs or other plan(s) to remediate potential failures that may have contributed to such non-conformance(s), which cooperation shall include, without limitation, providing Seller and its agents reasonable access to Buyer's personnel and operations.

**11. LIMITED WARRANTY:** Seller warrants to Buyer: (a) that Seller has good transferrable title to the Goods delivered, free and clear of liens upon receipt of final payment for such Goods; and (b) that at the time of delivery, the Goods delivered will conform in all material respects to the final material specifications issued or otherwise approved by Seller and set forth in the Agreement. Seller shall not be liable for a breach of the foregoing limited warranty unless: (i) Buyer gives written notice to Seller, describing the nonconformance in reasonable detail, within sixty (60) days following delivery or, if Buyer's initial inspection of the Goods could not have uncovered the nonconformance, within seven (7) days of Buyer's discovery of the nonconformance or when Buyer reasonably should have discovered the nonconformance, but in no event later than one (1) year following the date of delivery; (ii) Seller is given a reasonable opportunity to examine the Goods and Buyer (if requested to do so by Seller) promptly returns such Goods to Seller's place of business for examination at Buyer's cost; and (iii) Seller reasonably verifies Buyer's claim that the Goods are nonconforming in Seller's sole discretion. Notwithstanding the foregoing, prototypes, development, pre-production and evaluation samples are provided "AS IS," without warranty of any kind. SPECIFICALLY EXCLUDED FROM ANY WARRANTY OFFERED BY SELLER UNDER THE AGREEMENT ARE THE FOLLOWING, FOR WHICH SELLER SHALL HAVE NO LIABILITY WHATSOEVER: (A) DAMAGES OR DEFECTS CAUSED BY UNAUTHORIZED OR IMPROPER INSTALLATION, ALTERATION, REPAIR, MAINTENANCE

(INCLUDING FAILURE TO PERFORM APPROPRIATE MAINTENANCE), STORAGE, HANDLING, USE OR OPERATION OF THE GOODS BY BUYER OR ANY THIRD PARTY; (B) DAMAGES CAUSED BY THE FAILURE OF THE GOODS TO COMPLY WITH APPLICABLE ENVIRONMENTAL, HEALTH, SAFETY OR OTHER LAWS, STATUTES, REGULATIONS, RULES, ORDINANCES, ORDERS, GUIDELINES, OR PERMITTING OR OTHER REQUIREMENTS; (C) DAMAGES OR DEFECTS CAUSED BY ANY EQUIPMENT, COMPONENT, SYSTEM, OR ASSEMBLY NOT MANUFACTURED OR SOLD BY SELLER ("THIRD-PARTY COMPONENTS") AND/OR THE INTEGRATION, INCORPORATION, INTERACTION, CONNECTION, PLACEMENT, OR USE OF CONFORMING GOODS IN OR WITH ANY THIRD-PARTY COMPONENTS; (D) DAMAGES OR DEFECTS ATTRIBUTABLE TO OR CAUSED BY (1) MISUSE, NEGLIGENCE, ACCIDENT, ABUSE, OR VANDALISM OR ANY TRANSIT-RELATED DAMAGE, (2) ACTS OF GOD OR INSURRECTION, (3) NORMAL WEAR AND TEAR, OR (4) ANY OTHER ACTS THAT ARE BEYOND SELLER'S REASONABLE CONTROL; OR (E) DESIGN DEFECTS TO THE EXTENT GOODS ARE DESIGNED BY BUYER, BUYER'S AFFILIATE(S) OR ANY OTHER THIRD PARTY. CONFORMANCE OF THE GOODS TO BUYER'S WRITTEN SPECIFICATIONS IS AN ABSOLUTE DEFENSE TO ANY SELLER WARRANTY LIABILITY. THE WARRANTIES SPECIFIED IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. NO AGREEMENT VARYING OR EXTENDING THE FOREGOING WARRANTIES, OR THE REMEDIES OR LIMITATIONS CONTAINED HEREIN, WILL BE BINDING UPON SELLER UNLESS IN WRITING AND SIGNED BY A DULY AUTHORIZED OFFICER OF SELLER EXPRESSLY REFERENCING THIS PARAGRAPH.

**12. REMEDIES:** In the event that the Goods are determined nonconforming by Seller in accordance with paragraph 11 above following Buyer's timely compliance with the notice requirements thereof, Seller's sole liability to Buyer and Buyer's sole remedy for such nonconformance (whether or not the nonconforming Goods have been installed and whether or not the Goods are the subject of a voluntary or involuntary recall, customer satisfaction or other service campaign or similar action) is limited to, at Seller's option: (a) the repair or replacement, at Seller's facility, of such nonconforming Goods; or (b) refund or credit of the price actually paid by Buyer to Seller for such nonconforming Goods. For avoidance of doubt, in no event shall Seller be liable to Buyer or any other party for any damages, costs or expenses arising as a result of or otherwise relating to any voluntary or involuntary recall, customer satisfaction or other service campaign or similar action. THE REMEDIES SET FORTH IN THIS PARAGRAPH SHALL BE BUYER'S SOLE AND EXCLUSIVE REMEDY TO THE EXCLUSION OF ANY AND ALL OTHER REMEDIES, AND COMPRISE SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN PARAGRAPH 11 ABOVE.

**13. LIMITATION OF LIABILITY:** In the event any remedy provided herein fails its essential purpose and monetary damages may be imposed, except to the extent arising solely and directly as a result of Seller's gross negligence or willful misconduct, Seller's liability, whether founded in contract or tort, arising as a result of or relating to (a) the Agreement or any performance or breach thereof, (b) any design, manufacture, delivery, sale, repair, replacement or use of Goods, or (c) the furnishing of any service, shall not exceed, in any given calendar year, a maximum of five percent (5%) of the revenue actually received by Seller from Buyer during the immediately preceding calendar year for the Good(s) giving rise to such remedy. No legal action arising as a

result of or otherwise relating to the Agreement, whether alleging breach of warranty or other breach, default or tortious acts, shall be commenced against Seller more than one (1) year after delivery of the Good(s) giving rise to such claim, or one (1) year after claimant could reasonably have discovered the basis for such action, whichever comes first. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, RECALL OR OTHER SERVICE CAMPAIGN RELATED EXPENSES, LOSS OF USE OF THE GOODS, COST OF CAPITAL, COST OF ASSEMBLY, PLANT OR LINE SHUTDOWNS, STOPPAGES OR SLOWDOWNS, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE OR CLAIMS OF BUYER'S CUSTOMERS OR OTHER THIRD PARTIES FOR DAMAGES, ARISING AS A RESULT OF OR OTHERWISE RELATING TO ANY BREACH BY SELLER, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY UPON WHICH THE CLAIM IS BASED (CONTRACT, TORT OR OTHERWISE), AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

**14. INTELLECTUAL PROPERTY RIGHTS:** Buyer acknowledges and agrees that: (a) any and all of Seller's Intellectual Property Rights (defined below) are the sole and exclusive property of Seller or its licensors; (b) Buyer shall not acquire any ownership interest in any of Seller's Intellectual Property Rights under the Agreement or otherwise (notwithstanding any payment by Buyer relating to NRE), or any other rights in or to Seller's Intellectual Property Rights, except for the limited license described in this paragraph, and all right, title to, and interest in all Intellectual Property Rights and related materials (including all plans, diagrams, specifications, designs, data, drawings and models) which are developed, designed or generated by Seller prior to and/or in the performance of the Agreement shall be owned solely by Seller as legal and beneficial owner; and (c) Buyer shall use Seller's Intellectual Property Rights solely for purposes of using the Goods and only in accordance with the instructions provided by Seller, if any. Buyer is hereby granted a limited, revocable, non-exclusive, non-transferrable license to use, sell and repair the Goods and as required to otherwise incorporate the Goods into Buyer's goods and services. "Intellectual Property Rights" means all industrial and other intellectual property rights comprising or relating to: (i) patents; (ii) trademarks; (iii) copyrights, works of authorship, expressions, designs and design registrations, whether or not copyrightable; (iv) trade secrets; and (v) design rights and all industrial and other intellectual property rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing. Seller shall conduct, at its own expense, the entire defense of any claim, suit or action alleging that the use or resale by Buyer or any subsequent purchaser or user of the Goods directly infringes any U.S. patent issued at the time of delivery of such Goods, but only on the condition that: (A) Seller receives prompt written notice of such claim, suit or action and full opportunity and authority to assume the sole defense thereof, including settlement and appeals, and all information available to and the cooperation of Buyer for such defense; (B) the Goods were made according to a specification or design furnished solely by Seller; and (C) the claim, suit, or action is brought against Buyer. Provided all of the foregoing conditions have been met, Seller shall, at its own expense, either settle such claim, suit or action, or pay all unappealable direct damages finally awarded by a court of last resort ("Seller's IP Indemnification Obligation"). If otherwise permitted use or resale of such Goods is finally enjoined, Seller shall, at Seller's option, procure for Buyer the right to use or resell the Goods, replace the Goods with equivalent non-infringed goods, modify the Goods so they become non-infringing but substantially equivalent, or refund or credit the price actually paid by Buyer to Seller for such Goods (less reasonable allowances for use, damage and obsolescence).

**15. INDEMNIFICATION:** To the fullest extent permitted by applicable law, Buyer hereby

expressly agrees to indemnify, defend, and hold harmless Seller and Seller's affiliates, and its and their officers, directors, managers, employees, agents, successors and assigns from and against any and all claims, liabilities, lawsuits, losses, costs, expenses and damages (including attorneys' and professionals' fees) of any kind or nature whatsoever, including, without limitation, claims for personal injury (including, without limitation, death) or property damage, whether such claims are founded in contract, tort or otherwise, including strict liability, which arise as a result of or otherwise relate to the Agreement (including, without limitation, any breach thereof) and/or the Goods, except to the extent arising solely and directly as a result of Seller's gross negligence or willful misconduct. Seller's obligation to indemnify, defend and hold harmless Buyer, any third party or any other person from any direct or indirect claims, liabilities, lawsuits, losses, costs, expenses and damages is limited solely to Seller's IP Indemnification Obligation.

**16. TERMINATION BY SELLER:** Seller may immediately terminate the Agreement or all or any part of any order or release as a result of: (a) Buyer's breach, threatened breach or repudiation of any representation, warranty, covenant or other term of the Agreement; (b) any assignment for the benefit of creditors or any institution of proceedings in bankruptcy or insolvency by or against Buyer; (c) Buyer's request for accommodation from Seller, financial or otherwise, in order to meet its obligations under the Agreement; (d) Buyer entering or offering to enter into one or more transactions effecting a sale of a substantial portion of Buyer's assets or business or any merger, sale or exchange of equity interests that would result in a Change of Control (as defined below) of Buyer; or (e) financial or other condition that could, in Seller's sole discretion, endanger Buyer's ability to make required payments or otherwise perform. In addition, Seller may terminate the Agreement or all or any part of any order or release, with or without cause, upon delivery of thirty (30) days' advance written notice to Buyer. Following Seller's termination, Buyer shall reimburse Seller, upon receipt of Seller's written demand, for all Goods completed in accordance with Buyer's order or release and for any work-in-progress, raw materials acquired for manufacture of Goods, un-captured amortized capital expenditures for the research, development, and manufacture of Goods, any unreimbursed NRE, and Seller's costs for settling any claims or disputes with its sub-suppliers in connection with component parts, raw materials, or services related to the Goods (collectively, "Termination Costs"). Under no circumstances shall Seller have any obligation to assist Buyer in any transition of supply of the Goods (or substitutes therefor) to Buyer or any other vendor, except to the extent otherwise expressly agreed by Seller, and then, only upon Seller's actual receipt of all Termination Costs owed by Buyer to Seller together with any applicable fees for such transition support.

**17. TERMINATION BY BUYER:** Buyer may only terminate the Agreement (together with all orders and releases) for cause upon a material breach by Seller which remains uncured thirty (30) days following Seller's receipt of written notice of such breach from Buyer (together with all necessary supporting information evidencing such breach), and then, only upon delivery of not less than fifteen (15) additional days' advance written notice to Seller. Following Buyer's termination, Buyer shall reimburse Seller all Termination Costs. Under no circumstances shall Seller have any obligation to assist Buyer in any transition of supply of the Goods (or substitutes therefor) to Buyer or any other vendor, except to the extent otherwise expressly agreed by Seller, and then, only upon Seller's actual receipt of all Termination Costs owed by Buyer to Seller together with any applicable fees for such transition support.

**18. FORCE MAJEURE:** Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached the Agreement for any failure or delay in fulfilling or performing its obligations when such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, foreign or domestic governmental actions, regulations or orders (whether or not later determined invalid), war, invasion or hostilities (whether war is declared), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, pandemic,

disease or other public health emergency (including government-mandated quarantine and travel restrictions), lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), restraints or delays affecting carriers, inability or delay in obtaining supplies of adequate or suitable materials, directed suppliers, telecommunication breakdown, shortage of power or other utilities, supplies, infrastructure, or transportation, or other similar or dissimilar events beyond the reasonable control of Seller. For avoidance of doubt, to the extent that any such failure or delay causes Seller to reduce or suspend its production, deliveries or performance, the time for Seller's performance shall be automatically extended for so long as required for Seller to remove or otherwise overcome such failure or delay. Seller reserves the right to equitably allocate available Goods, materials and resources based on production capacity and customer needs, and Buyer shall cooperate with any such allocation.

**19. CHANGES:** Seller shall have no obligation to accept or otherwise implement any change to the Goods requested by Buyer, including changes to design, specifications, materials, packaging, testing or delivery requirements. To the extent requested changes are agreed upon by Seller, if any, the parties will negotiate in good faith appropriate adjustments to the time for performance, an equitable price adjustment for Seller's increased costs, and the amount of reimbursement by Buyer for the costs of any finished Goods or raw materials or supplies which become obsolete or any other costs or appropriate adjustments resulting from the requested changes. Buyer shall issue an updated order or release, or the parties shall otherwise memorialize such agreement in writing as an amendment to the Agreement, before Seller is under any obligation to commence work on any such agreed-upon change. In addition, all costs and expenses associated with the implementation of any such requested change shall be paid by Buyer in advance unless otherwise agreed in writing by Seller. Seller reserves the right to request changes to the Goods to offer improvements as to cost, quality and/or safety, and the right to unilaterally implement changes required by applicable law or that do not materially affect quality or performance, with or without notice.

**20. TOOLING; SERVICE PARTS:** All tooling, dies, jigs, and other equipment (including any special tooling) required to produce Goods shall remain Seller's property unless otherwise agreed in writing. Seller will manufacture and supply service parts for automotive Goods for a maximum period of ten (10) years after end of current-model production as determined by Seller in its sole discretion. The price for the first year will be the price for current-model production Goods in effect in the last year of current-model production, plus the actual cost differentials for packaging, materials, and any other agreed upon special accommodations. For each year thereafter, the parties shall agree to an adjustment in price that fully compensates Seller for all increased costs of manufacture, including, without limitation, as a result of decreased volume levels versus the last year of current-model production. Applicable minimum order quantities, forecasts, and other incidental commercial requirements for service Goods shall be as determined by Seller in its sole discretion from time to time. Notwithstanding the foregoing, Seller reserves the right to stop manufacturing and supplying service parts and require Buyer to make a one-time final purchase of its services requirements. Except as described herein or otherwise required by applicable law, Seller shall have no obligation to manufacture or supply service parts or any literature, materials or other information relating thereto.

**21. SALES AND OTHER TAXES:** Prices for Goods do not include sales, use, excise, VAT, or any other tariffs or taxes that may be imposed by any taxing authority arising as a result of or otherwise relating to the sale, performance, delivery or use of the Goods and for which Seller may be held responsible for collection or payment either on its own behalf or on behalf of Buyer (collectively, "Taxes"). The amount of any present or future Taxes is in addition to the price for the Goods and shall be paid by Buyer upon demand without regard to the party assessed such Tax or where such Tax is imposed, or, in lieu thereof and as applicable, Buyer shall furnish Seller with a Tax exemption certificate acceptable to the appropriate taxing authority and Seller.

**22. COMPLIANCE WITH LAWS; EXPORT:** Buyer shall fully comply with all applicable laws, statutes, rules, regulations, conventions, orders, standards and ordinances, including, without limitation, all applicable anti-corruption laws, as such acts may be amended from time to time. Each party acknowledges and agrees that the Goods are subject to export controls imposed by the U.S. government under various federal laws. Buyer is responsible for compliance with all applicable U.S. export and international trade control laws, including, without limitation, the U.S. Department of Commerce's Export Administration Regulations (EAR), the U.S. Department of State's International Traffic in Arms Regulations (ITAR), and all economic and trade sanctions administered by the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC). Without limiting the foregoing, Buyer agrees that it will not export, re-export, or otherwise transfer any Goods or technical data provided in connection with the Agreement to any country, person, entity or end-user subject to U.S. export restrictions. Without limiting any other rights or remedies available to Seller under the Agreement or applicable law, Seller may refuse to enter into or perform any order or release, and may cancel any order or release if Seller determines, in its sole discretion, that entry into or performance of such order or release would violate any applicable law or regulation.

**23. PROPOSITION 65:** Without limiting the general compliance with law requirements set forth in paragraph 22 above, if required by California Health & Safety Code Sections 25249.6 et seq. (Proposition 65), Seller will provide following Buyer's written request the text of a warning to be provided to any buyer or consumer of the Goods. Buyer will provide such warning to any party to whom it sells the Goods (directly or as and when required when Goods are incorporated together with other goods and services), and otherwise comply with all applicable provisions of Proposition 65 and its implementing regulations with respect to its sales of the Goods.

**24. GOVERNMENT SALES:** If Buyer elects to resell Goods (including by incorporation into other goods or services) to the U.S. government, any state or local government authority or quasi-government entity, or to a prime contractor or other subcontractor selling to any such persons, Buyer does so solely at its own risk and no provisions required in any government contract or subcontract related thereto shall be a part of the Agreement or otherwise imposed upon or binding upon Seller, and the Agreement shall not be deemed an acceptance of any government provisions that may be included or referenced in any document issued to or by Buyer. Buyer shall be exclusively responsible for compliance with all applicable laws for such sales and agrees not to obligate Seller as a subcontractor or otherwise to such persons. Seller makes no representations, certifications or warranties whatsoever with respect to the ability of the Goods or any related pricing to satisfy Federal Acquisition Regulation, Defense Federal Acquisition Regulations, or any similar or dissimilar laws, statutes, regulations, rules, ordinances, orders, or guidelines.

**25. CONFIDENTIAL INFORMATION:** All non-public, confidential or proprietary information of Seller, including, without limitation, specifications, samples, patterns, designs, plans, drawings, documents, data, hardware, software, material formulations and compositions, manufacturing processes and methods, business operations, customer or supplier lists, pricing, discounts or rebates, disclosed or otherwise made available by Seller or its agents to Buyer, and any representations, compilations, analysis, and summaries of the foregoing, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, or observed or otherwise learned, and whether or not marked, designated or otherwise identified as "confidential" in connection with the Agreement shall be held by Buyer in strict confidence and used solely for the purpose of doing business with Seller pursuant to the Agreement, and may not be otherwise used, disclosed or copied by Buyer unless authorized in advance by Seller in writing. Buyer shall restrict access to and limit disclosure of Seller's confidential information to only those of Buyer's employees, directors, officers, managers, and advisors with a need to know the information to accomplish the purpose of the Agreement, provided that they have been



instructed and are bound in writing not to disclose the confidential information or use it for any purpose other than as permitted under the Agreement; and provided further that Buyer shall at all times remain fully liable to Seller for any act or omission by such persons that would constitute a breach of the Agreement if taken or not taken by Buyer. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller and promptly and securely destroy (with written certification thereof) any compositions, summaries or other embodiments thereof. Seller shall be entitled to injunctive relief for any violation of this paragraph. The obligations of non-use and confidentiality set forth in this paragraph do not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure as evidenced by Buyer's written records; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party as evidenced by Buyer's written records. The obligations contained in this paragraph shall not prevent Buyer from disclosing Seller's confidential information to the extent required by applicable law or a valid order issued by a court or government agency of competent jurisdiction, determined on advice of competent counsel, provided that Buyer provides Seller prompt written notice of such requirement so as to permit Seller to seek an appropriate protective order to prevent disclosure of all or part of such confidential information and Buyer reasonably cooperates with Seller in obtaining such protective order, and provided further that Buyer will disclose only that portion of the confidential information that Buyer is legally required to disclose and will make reasonable efforts to obtain reliable assurances that confidential treatment will be accorded such confidential information. For the avoidance of doubt, Buyer's obligations under this paragraph shall survive any expiration or termination of the Agreement.

**26. ASSIGNMENT:** Buyer may not assign or delegate the Agreement or any of Buyer's rights or obligations under the Agreement without Seller's prior written consent. Any attempted assignment or delegation by Buyer in contravention of this paragraph shall be null and void. A sale of a substantial portion of Buyer's assets or a material change in the direct or indirect ownership or control of Buyer (including control of more than twenty-five percent (25%) of Buyer's equity interests), any merger or consolidation directly or indirectly involving Buyer, or any other substantial change in Buyer's organization shall be deemed an assignment by Buyer ("Change of Control"). The Agreement shall inure to the benefit of the parties' permitted successors and assigns.

**27. NOTICES:** Any notice, communication or statement required or permitted to be given under the Agreement shall be in writing and deemed to have been sufficiently given when delivered in person or by registered or certified mail, postage prepaid, return receipt requested, by overnight courier service, or by email (with delivery receipt requested), addressed to the address of the party specified on the face of the Order. A copy of any notice to Seller shall also be delivered to CTS Corporation, 4925 Indiana Avenue, Lisle, IL 60532, USA, Attention: General Counsel (general.counsel@ctscorp.com).

**28. GENERAL:** The Agreement (including, without limitation, these Terms) contains the entire understanding of the parties relating to the subject matter thereof and is intended as a final expression of the parties' agreement and a complete statement of the terms thereof, and all prior negotiations and proposals between the parties regarding the sale and purchase of Goods are superseded. The Agreement (including, without limitation, these Terms) may only be amended or modified in writing signed by an authorized representative of Seller; provided, however, that notwithstanding the foregoing, the parties hereby acknowledge and agree that Seller may modify these Terms from time to time by posting revisions to Seller's website at <https://www.ctscorp.com/resource-center/terms-and-conditions/> (or any successor thereto) prior to the date when any such modification shall become effective, and such revised Terms shall apply to all new or revised orders or releases issued on or after the effective date thereof, and Buyer further acknowledges and agrees it is responsible to review such Seller website periodically. Headings are solely for the purpose of reference, are not part of the agreement of

the parties, and shall not in any way affect the meaning or interpretation of the Agreement. Buyer and Seller are independent contractors, and nothing contained herein makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or create any obligation on behalf of the other party. In the event of a conflict between the Terms and any other Sales Document made part of the Agreement, the applicable Sales Document shall control. Seller's waiver of any breach by Buyer shall not be construed as a waiver of any other breach, and no waiver by Seller shall be effective unless it is in writing. The failure of Seller to require performance under any provision of the Agreement shall in no way affect Seller's right to require full performance at any subsequent time. The validity, interpretation, and enforcement of the Agreement shall be governed by the law of the State of Illinois, U.S.A., without regard to conflicts of law provisions, and the U.N. Convention on Contracts for the International Sales of Goods shall not apply. Buyer irrevocably submits and agrees to the exclusive jurisdiction of the state and federal courts sitting in Chicago, Illinois, U.S.A. Buyer shall pay Seller's reasonable attorneys' fees, costs, and expenses incurred in enforcing any provision of the Agreement. If any provision of the Agreement is held by a court of competent jurisdiction to be contrary to law or public policy, or otherwise invalid or unenforceable, the remaining provisions will remain in full force and effect, and the parties shall substitute the invalid or unenforceable provision with a valid provision that, as closely as possible, achieves the same business purpose as the invalid or unenforceable provision. These Terms shall survive and continue in full force and effect following the expiration, cancellation or termination of the Agreement.

Effective: January 1, 2022