## AMSTED RAIL COMPANY, INC. ("BUYER") GENERAL TERMS AND CONDITIONS APPLICABLE TO SELLER

ACCEPTANCE OF TERMS AND CONDITIONS. These Terms and Conditions are incorporated into and made a part of each purchase order, release, requisition, work order, shipping instruction, specification and other document, whether expressed in written form, by electronic data interchange, or any other format, relating to goods and/or services to be provided to Buyer by Seller (such documents inclusive of these Terms and Conditions are collectively referred to as this "Contract"). This Contract limits acceptance by Seller to the Terms and Conditions contained herein. Except as otherwise agreed to by Buyer, in the event of a conflict or inconsistency between these Terms and Conditions and any other purchase order, release, requisition, work order, or other document, these Terms and Conditions shall control. Buyer rejects any additional or different terms, conditions or specifications proposed by Seller, whether stated in Seller's purchase order, release requisition, work order, or any other document. To the extent the Contract includes, in whole or in part, the performance of services by Seller for Buyer, these Terms and Conditions shall be read to govern such services by substituting the word "services" for "goods" wherever applicable. Seller acknowledges and agrees that it has read and understands these Terms and Conditions.

**PRICE WARRANTY.** Seller warrants that the prices for goods under this Contract (a) are not less favorable than those currently extended to any other comparable customer of Seller for the same or substantially similar goods in similar quantities and (b) are complete and include all applicable taxes, transportation, delivery, packaging, labeling, customs duties, storage, boxing, crating, insurance and other charges, unless otherwise expressly agreed to in writing by Buyer. If Buyer is offered material of equal quality by a responsible manufacturer for delivery to the same destination in similar quantities and on like terms as provided by Seller under this Contract at a delivered cost to Buyer lower than Seller's delivered cost, Seller, upon receipt of written evidence of same, shall either meet such lower delivered cost or permit Buyer to purchase elsewhere at said lower delivered cost the quantity offered, which quantity if so purchased from others, shall be deducted from the quantity covered by this Contract.

SHIPPING AND DELIVERY. All goods, products or materials furnished to Buyer by Seller under a Contract (referred to interchangeably herein as "goods") shall be packed, loaded, stored, marked and shipped in a manner so as to secure lowest transportation costs and meet Buyer's and carrier requirements. Any expenses incurred due to Seller's failure to follow shipping instructions will be borne by Seller and may be deducted by Buyer from Seller's invoice. Transportation terms for domestic shipments are FCA (INCOTERMS 2020) and the named place of delivery shall be the address indicated on the purchase order unless otherwise stated. For ocean freight, transportation terms are FOB "Port of Origin." Seller must list the Buyer's purchase order number on all documents. Seller must carry out any export formalities and Buyer shall carry out any import formalities, such as the terminal fee. The goods are delivered when, having been loaded on Seller's means of transport, they reach the named place and are ready for unloading from Seller's means of transport and at the disposal of the carrier or of another person nominated by Buyer. Seller must use best efforts to follow the Buyer's shipping matrix for carrier selection. If deviating from Buver's shipping matrix. Seller must inform Buver in advance of shipping. If Seller is importing the goods from outside of the continental United States, Buyer's designated freight forwarder should be alerted to the shipment. All shipments must use International Standards for Phytosanitary Measures No. 15 (ISPM-15) compliant international pallets and wood packaging, and goods must be marked in English with the country of origin. Buyer requires 100% on time delivery performance. If Seller fails to meet delivery requirements for any reason including, without limitation, reasons beyond Seller's control, then Buyer may, at its option, cancel the affected purchase order in whole or in part.

**CHANGES; CANCELLATION.** With respect to a Contract, Buyer shall have the right, in its sole discretion, to change: (1) design, materials and specifications; (2) the scope of services or work covered by the Contract, including work related to inspection, testing or quality control; (3) packaging and methods of shipment or transportation; (4) time, place or method of delivery; or (5) any other matters affecting the Contract. Buyer shall discuss any such changes with Seller as early as practicable and Seller shall endeavor to implement such changes within a reasonable timeframe. Except as otherwise agreed, Buyer makes no representation, guaranty or commitment of any kind or nature, express or implied. Seller acknowledges that volume changes, like any other forward-looking projections, are based upon a number of economic and business factors, variables and assumptions, some or all of which may change over time. Buyer shall have the right to cancel at any time any undelivered portion of the goods in whole or in part by written notice to Seller. Upon receipt of such notice, Seller shall immediately discontinue all work on the cancelled portion, except such work as may be necessary to preserve and protect the goods and materials then in process and use its best efforts to cancel and terminate all existing orders which are chargeable and relate to the cancelled portion. In the event of any such cancellation, Buyer shall make payments to Seller in full settlement of all justified claims arising out of such cancellation. Seller shall retain any goods<sup>300</sup> and materials to which any such claim relates for disposition in accordance with Buyer's instructions.

**INSPECTION; TITLE AND RISK OF LOSS.** Buyer is not required to perform incoming inspections on any goods, and Seller waives any right to require Buyer to conduct any such inspections. All goods shall be subject to Buyer's right to final inspection and acceptance, but such inspection or acceptance shall not relieve Seller from any obligations or liability under a purchase order. Because goods may be received and put in inventory or storage without examination until such goods are to be used or resold, inspection and acceptance shall not be deemed to have occurred until actual inspection and acceptance by Buyer. Title and risk of loss for goods shall pass from Seller to Buyer upon actual acceptance by Buyer. No reasonable delay in rejection or return of goods, nor payment for goods, shall be considered acceptance or waiver of Buyer's rights to reject, return or retain such goods or any other remedy as provided herein or by law. Any goods not in precise conformity with Buyer's specifications, ordered quantities, delivery requirements, or Seller's warranties may be rejected, returned or retained by Buyer at Seller's risk and

expense, including without limitation the cost of substitution or "cover," transportation both ways, labor and administrative expenses, reloading and trucking.

**CERTIFICATION; QUALITY; AUDIT.** Seller shall comply with all of Buyer's quality and other procedures and warrants that it has appropriate systems, processes and documentation in place to ensure compliance to Buyer's current standard. Seller must be IATF 16949 and/or ISO-9001 certified. If required by Buyer, Seller shall be ISO-14001 certified. Seller will promote continuous quality improvement in the manufacture, production and distribution of goods, or services. Seller will comply with the quality assurance processes, inspections, and standards specified by the Buyer for suppliers providing goods or services similar in nature to the goods provided by Seller. At its expense, Seller will furnish, keep in good condition, and replace when necessary all of its machinery and equipment, including related tooling, jigs, dies, gauges, molds, patterns, fixtures and other accessories, required for the production of goods covered by this Contract (collectively "Seller's Equipment"). Seller will insure Seller's Equipment with fire and extended coverage insurance for its full replacement value. Seller shall be subject to a full process audit by Buyer (or Buyer's designated agent) at any time during product development or manufacturing.

**PRODUCT WARRANTY.** Seller warrants that all goods covered by this Contract will (a) conform in all respects to the drawings, specifications, statements of work, samples furnished from production, tooling, and equipment and other descriptions and requirements relating to the goods that have been furnished, specified or approved by Buyer, (b) comply with all applicable federal, state and local laws, regulations or orders, and agency or association standards or other standards applicable to the manufacture, labeling, transportation, licensing, approval or certifications thereof, (c) be new, merchantable, and free from defects in design, materials, and workmanship, (d) be fit and safe for any foreseeable purpose for which they are to be used by Buyer, by Buyer's customers, and by the ultimate consumers of such goods; (e) be adequately contained, packaged, marked and labeled; and (f) conform to all representations made by Seller on containers, labels or advertisements for such goods. Seller's warranties herein shall run to Buyer, Buyer's customers and the ultimate consumers of the goods, and their respective successors and assigns.

**NON-CONFORMING GOODS.** If Buyer determines (including by the use of statistical analysis or other sampling methodology) that goods do not conform to Seller's warranties herein, Buyer will inform Seller in writing about the non-conformity as soon as reasonably practical after Buyer has discovered such non-conformity. Seller will be permitted to rework, replace, or otherwise remedy a non-conformity in the goods as long as: (a) the nonconformity has been discovered after delivery of the goods but before the Buyer has started to use the goods, (b) the Seller can perform the remedial work at its location, or at the Buyer's site (subject to any restrictions in any labor agreement of the Buyer) without disruption to Buyer's operations, (c) the remedial work will not cause any delay in Buyer's operations, including its production process, or cause the Buyer to incur any additional costs; and (d) the cure can be completed by the deadline established by the Buyer. Buyer and Seller shall agree to a reasonable remedial action plan as described herein. If both Buyer and Seller determine in good faith that the remedial work cannot be done as described herein, Buyer is entitled to either (i) reject the nonconforming goods, return them to Seller and, at the Buyer's option, request redelivery of conforming goods or (ii) retain the nonconforming goods and at Seller's expense undertake the work necessary to correct such nonconforming goods.

**CUSTOMS; RELATED MATTERS.** Credits or benefits resulting from the Contract, including trade credits, export credits or the refund of duties, taxes, or fees, belong to Buyer. Seller will provide all information and certificates (including Free Trade Agreement certificates for goods that have been qualified, and a Certificate of Origin for goods not qualifying) necessary to permit Buyer (or Buyer's customers) to receive these benefits or credits. Seller agrees to fulfill any customs or Free Trade Agreement related obligations, origin marking or labeling requirements, and local content origin requirements. Seller will furnish all documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Seller warrants to Buyer that unless otherwise specifically agreed, all goods constituting materials, parts, components or supplies to be used by Buyer in the production of its manufactured products shall originate in the territory of one or more of the parties to Free Trade Agreement Treaties and comply with the origin requirements specified for those goods in the Free Trade Agreement Treaty. If requested by Buyer, Seller shall participate and cooperate in any review or audit of the origin of the goods supplied hereunder by the customs authority of any Free Trade Agreement country. Seller shall hold harmless, indemnify and reimburse Buyer for any duties, taxes, penalties, interest, costs, claims or demands, attorneys' or other legal fees or any amounts incurred Buyer which may become payable by Buyer as a result of a false or invalid Free Trade Agreement Certificate of Origin in respect of the goods or Seller's failure to abide by any of the requirements contained in this paragraph.

**INTELLECTUAL PROPERTY; PROPRIETARY INFORMATION.** Any knowledge or information that Buyer may disclose to Seller under this Contract, including any and all information concerning Buyer's products or processes (including all data, drawings, patterns, designs, specifications or other technical information), scheduling, sources of supply, customers, marketing strategies, or pricing information (collectively, "Proprietary Information") shall remain the property of Buyer. Seller shall retain all such Proprietary Information in strict confidence and shall use such Proprietary Information only to fulfill the obligations imposed by this Contract. Seller shall consider all such proprietary information to be confidential and shall not duplicate or disclose it to others, except as required by law. The provision by Buyer to Seller of any Proprietary Information shall not be construed as, and in no event shall constitute, a grant or transfer of any express or implied rights, title or interest in, to or under any of Buyer's Proprietary Information.

**COMPLIANCE WITH LAWS; RESTRICTED SUBSTANCES.** In connection with its performance under a Contract with Buyer, Seller will comply with all applicable laws, rules, regulations, orders, conventions, ordinances and standards of the country(ies) of origin and destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval, performance and/or certification of the goods or services, including, but not limited to, those relating

to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. Neither Seller nor any of its subcontractors will utilize slave, prisoner or any other form of forced or involuntary labor in the supply of goods or services under this Contract. Seller agrees that in connection with its performance under a Contract with Buyer, neither it, nor anyone acting on its behalf, (i) will violate any antibribery laws or international anti-bribery standards, including but not limited to the Foreign Corrupt Practices Act ("FCPA") regardless of their technical applicability to the Seller; or (ii) participate in any non-U.S. sanctioned boycotts. Seller's goods, products, materials and processes shall comply with any and all governmental and safety constraints on restricted, toxic and hazardous substances. As applicable, Seller shall comply with Ford Restricted Substance Standard WSS-M99P9999-A1 and/or GM Material Specification GMW3059. Upon Buyer's request, Seller will certify in writing its compliance with any of the foregoing. Seller will defend, hold harmless and indemnify Buyer from and against any liability claims, demands, damages or expenses (including reasonable attorney or other professional fees and disbursements) arising from or relating to Seller's noncompliance with this article.

**INDEMNIFICATION; CLAIMS HANDLING.** In addition to Buyer's right to indemnification provided elsewhere in these Terms and Conditions, Seller shall indemnify, defend and hold harmless Buyer, its parent, subsidiary, and affiliated entities and their respective directors, officers, employees, shareholders, and agents from and against any and all liabilities, claims, losses, damages, costs and expenses of any kind (including, without limitation, consequential and incidental damages and reasonable attorneys' fees and court costs) relating to or arising out of: (a) a breach of any of these Terms and Conditions or provisions of a Contract between the parties; (b) a breach of Seller's warranties herein or any other representations or covenants of Seller to Buyer; (c) any claim of actual or alleged patent, trademark or copyright infringement or violation of other proprietary right in connection with the goods; (d) the injury to or death of any person, including employees of Buyer and Seller or damage to any party's property that results from or arises out the contemplated or foreseeable handling or use of the goods; a defect in the design or manufacture of the goods; or a defect in the materials used in the goods; or (e) fraud or willful misconduct by Seller. In addition to the foregoing, if Seller's work under the Contract involves operations by Seller on the premises of Buyer or one of Buyer's customers, Seller shall take all necessary precautions and such additional precautions as Buyer or Buyer's customer may prescribe to prevent the occurrence of any injury to persons or property during the progress of such work and shall indemnify Buyer against all claims, liability, damage, or loss (including expenses and attorneys' fees) which may result in any way from any act or omission of the Seller, or Seller's agents, employees, or contractors. If goods are to be fabricated, assembled or installed by Seller on Buyer's premises, Seller shall keep such premises free and clear of all mechanics' and other liens or encumbrances and shall furnish or cause to be furnished to Buyer such lien waivers, guarantees and related forms as may be reasonably requested by Buyer. Buyer will give Seller prompt written notice of any claim subject to indemnification; provided that Buyer's failure to promptly notify Seller will not affect Seller's indemnification obligations except to the extent that Buyer's delay prejudices Supplier's ability to defend the claim. Seller will defend any claim with counsel of its own choosing (acceptable to Buyer and free of legal conflicts) and settle it as Seller deems appropriate; provided that Seller will not enter into any settlement that adversely affects Buyer's rights without Buyer's prior written consent. At Seller's expense and request, Buyer agrees to cooperate in good faith with Seller in the defense and settlement of any claim subject to indemnification by Seller. Buyer may supersede Seller in the defense of any claim, and assume and conduct the defense at Buyer's sole discretion. In such an event, Seller shall be released from any obligation to pay for attorneys' fees and court costs, but not settlement or damages, and any such release is expressly conditioned on Seller's complete cooperation with Buyer's defense of such claim.

**INSURANCE.** For the duration of the commercial relationship and for a period of three years after the last delivery to Buyer of Seller's goods or services, Seller will maintain at Seller's sole expense Commercial General Liability insurance, including coverage for Products & Completed Operations and Contractual Liability for Insured Contracts with limits of not less than five million U.S. dollars (\$5,000,000) per occurrence and in the aggregate, unless otherwise noted by the Buyer, or per an agreement in conjunction with this purchase order. The required minimum limit of insurance may be met by a combination of General, Umbrella and/or Excess liability insurance. For the duration of the commercial relationship Seller will also maintain Auto Liability insurance covering all owned, hired & non-owned automobiles with a combined single limit of not less than one million U.S. dollars (\$1,000,000) per occurrence and in the aggregate, and statutory Workers Compensation insurance. The Commercial General Liability and Auto Liability policies shall include Buyer and its officers, directors, agents, partners and employees as Additional Insureds on a primary basis without expectation of contribution from any insurance maintained by Buyer. The required insurance policies will allow for the waiver of the insurer's subrogation rights, which Seller does hereby agree to waive. Seller shall furnish Buyer with a certificate of insurance confirming the foregoing insurance coverages prior to the delivery of Seller's goods or services. Neither the failure to deliver a certificate of insurance by Seller nor the acceptance of a non-compliant certificate of insurance by Buyer will act as a waiver of the insurance requirements herein. Such insurance shall be placed with insurers having an AM Best rating of at least A-/VII and Buyer will receive 30 days advance written notice from Seller of any termination or reduction in the amount or scope of coverage. Seller will provide an updated certificate of insurance following each renewal of said insurance and at any other time as requested by Buyer. The existence of insurance does not release Seller of any of its obligations or liabilities under the purchase order.

**SERVICE AND REPLACEMENT PARTS.** During the term of this Contract, Seller will sell to Buyer goods necessary to fulfil Buyer's service and replacement parts requirements to Buyer's customers. If the goods are systems or modules, Seller will sell the components or parts at a price reasonably determined by Seller and agreed to by Buyer. If this Contract is in effect at the end of the program, into which the goods covered by this Contract are incorporated, Seller will also sell goods to Buyer to fulfill Buyer's and its customers' service and replacement parts requirements during a mutually agreed upon period following the end of such

program (the "Post-Production Period"). Seller may, at its discretion, provide such goods from any of its facilities provided such goods meet the specifications described in this Contract. During the Post-Production Period, the price of the service and replacement parts shall be determined by Seller based upon relative volumes.

**BUYER'S PROPERTY.** Any and all molds, tools, dies, jigs, fixtures or similar items ordered herein or delivered to Seller by Buyer shall become and remain the property of Buyer ("Buyer's Property"), shall be used in the manufacture of articles for Buyer exclusively, and shall be promptly delivered to Buyer upon Buyer's request at no additional cost, unless otherwise agreed by Buyer. Buyer's Property, and whenever practical, each individual item thereof, shall be plainly marked or otherwise adequately identified as Buyer's Property. While Buyer's Property is in possession of Seller and until Seller delivers Buyer's property to Buyer, Seller bears all risk of loss and damage thereto. At its cost, Seller is responsible for (i) maintaining Buyer's Property in good working condition and in a manner that ensures the integrity of the goods produced; (ii) f repairing or replacing Buyer's Property if damaged or destroyed regardless of cause or fault or no longer able to produce conforming goods in its current condition. Seller shall not substitute any property for Buyer's Property, and shall not use such property except in filling Buyer's orders. Any special tooling, the full cost or a substantial portion of the cost of which is included in the price of this Contract, shall constitute Buyer's Property and shall be returned to Buyer, or otherwise disposed of at Buyer's request, at Seller's expense upon completion or termination of this Contract.

AFFIRMATIVE ACTION COMPLIANCE. Buyer is an equal opportunity employer and federal contractor or subcontractor. As applicable, Seller agrees that it shall abide by the requirements of 41 CFR Section 60-1.4(a), 41 CFR Section 60-300.5(a), 41 CFR Section 60-741.5(a), and 29 CFR Part 471, Appendix A to Subpart A with respect to affirmative action program and posting requirements, and that these requirements are incorporated by referenced into any Contract between Buyer and Seller. Title 41 CFR Sections 60-300.5 and 60-741.5 require that covered prime contractors and subcontractors ensure nondiscrimination and take affirmative action in employment to employ and advance qualified individuals without regard to their physical or mental disability and/or protected veteran status.

**TERMINATION FOR CONVENIENCE.** In addition to any other termination right of Buyer hereunder, Buyer may immediately terminate all or any part of this Contract at any time and for any reason by notifying Seller in writing. Upon receipt of such notice, Seller shall immediately terminate all work under the Contract, terminate all orders and subcontracts relating to the performance of the work under the Contract, and protect any of Buyer's Property in Seller's possession. Upon termination, Buyer may, at its option, purchase from Seller any or all raw materials, work-in-progress and finished goods inventory related to the goods under this Contract and which are useable and in a merchantable condition. The purchase price for such finished goods, raw materials and work-in-progress on account of such termination, will be (a) the contract price for all previously unpaid for goods or services that have been completed in accordance with the Contract as of the date of termination and delivered and accepted by Buyer, plus (b) the actual cost of work-in-progress and raw materials incurred by Seller in furnishing the goods or services under this Contract to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of this Contract, less (c) the reasonable value or costs (whichever is higher) of any goods or materials used or sold by Seller with Buyer's written consent. In no event will Buyer be required to pay for finished goods, workin-progress or raw materials that Seller fabricates or procures in amounts that exceed those Buyer authorizes; nor will Buyer be required to pay for any goods or materials that are in Seller's standard stock or that are readily marketable. Payments made under this paragraph will not exceed the aggregate price for finished goods that would be produced by Seller under delivery or release schedules outstanding at the date of termination.

**FORCE MAJEURE.** If Seller is unable to produce, sell, or deliver any goods or services covered by this Contract, or Buyer is unable to accept delivery, buy or use any goods or services covered by this Contract, as a result of an event or occurrence beyond the reasonable control of the affected party and without such party's fault or negligence (a "Force Majeure Event"), then any delay or failure to perform under this Contract that results from such Force Majeure Event will be excused for only so long as such Force Majeure Event continues. A Force Majeure Event may include, but is not limited to, natural disasters, epidemics or pandemics, fires, floods, windstorms, sever weather, explosions, wars, sabotage, equipment breakdowns, power failures, strikes or other labor dispute, or orders issued by a civil authority. The affected party shall provide the other party with written notice of the occurrence of a Force Majeure Event as soon as practicable and no protections of this paragraph shall apply unless such written notice is timely provided. In the event Seller's performance is delayed by a Force Majeure Event, Buyer at its option may acquire possession from Seller of all finished goods, work-in-progress, and raw materials produced or acquired for the Contract. Buyer also reserves the right to acquire the goods elsewhere for the duration of the Force Majeure Event and for a reasonable time afterwards to minimize production disruptions until Seller's facilities are producing the quantities required under this Contract. In the event a Force Majeure Event affects Seller's performance for more than two (2) consecutive months following written notice to Seller.

**CUMULATIVE REMEDIES; SURVIVAL.** The remedies herein reserved to Buyer shall be cumulative, and additional to any other or further remedies provided in law or equity. Seller's warranty and indemnification obligations and Buyer's rights related thereto shall survive the expiration, termination, completion, or cancellation of this Contract.

**DISPUTES; GOVERNING LAW; JURISDICTION.** The construction, interpretation and performance of this Contract and all disputes relating to it ("Disputes") shall be governed by the laws of the State of Illinois, U.S.A. without regard to or application of conflicts of laws principles. The sole and exclusive forum for litigation permitted under this Contract will be the state and federal courts situated within the geographic bounds of Cook County, State of Illinois (the "Courts"). Seller (a) consents to jurisdiction in

the Courts and hereby appoints the pertinent Secretary of State or other applicable government authority as agent for receiving service of process; (b) waives any objection to venue in any of the Courts; and (c) waives any objection that any of the Courts is an inconvenient forum. In any action commenced by either party to this Contract, there shall be no right to a jury trial. THE RIGHT TO A TRIAL BY JURY IS EXPRESSLY WAIVED TO THE FULLEST EXTENT PERMITTED BY LAW. Pending final resolution of any Dispute, Seller shall proceed with performance of this Contract according to Buyer's instructions so long as Buyer continues to pay amounts not in dispute.

**MISCELLANEOUS.** Entire Agreement. Unless superseded by a specific signed agreement between Buyer and Seller, this Contract, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced in this Contract, constitutes the entire agreement between Seller and Buyer with respect to the subject matter contained therein and supersedes all prior oral or written representations and agreements. <u>Modification</u>. This Contract may not be modified except by mutual written agreement of the parties. <u>Severablity</u>. If any provision of this Contract is held to be invalid illegal or otherwise unenforceable, then such provision shall be deemed modified to the extent necessary to make such provision enforceable, or, if not practicable, then deleted. The unenforceability of any portion of this purchase order shall not impair or affect the validity and enforceability of the remainder. <u>Assignment</u>. Seller may not assign, transfer or subcontract this Contract or any rights or obligation thereunder without the prior written consent of the Buyer. <u>Translation</u>. Buyer may provide translated versions of these Terms and Conditions; however, the English language version of these Terms and Conditions will control in the event of any disagreement over the meaning or construction of any translated provision. <u>Independent Contractor</u>. Seller and Buyer are independent contracting parties. Nothing in this Contract makes either party the agent or legal representative of the other party. <u>No Waiver</u>. No waiver by Buyer of any of these Terms and Conditions or a provision of the Contract shall be construed as a permanent waiver of such term or condition or of any other term or condition.