

To ensure that DornerWorks provides its customers with products and services of the highest quality while also ensuring the consistency of its business, the following standard terms and conditions will be applicable to all sales of engineering products and services by DornerWorks unless DornerWorks specifically agrees in writing otherwise. Purchaser's use of the Goods or Services constitutes Purchaser's acceptance of these Terms and Conditions.

1. Parties.

In this document, "DornerWorks" means DornerWorks, Ltd., a Michigan corporation. "Purchaser" means the entity or person purchasing Goods or Services from DornerWorks.

2. Application.

These Terms and Conditions apply to all sales and licensing of products, components, equipment, tools, intermediate assemblies, parts, supplies, materials, firmware, or other personal property (individually and collectively, "Goods") and engineering or other services (individually and collectively, "Services") by DornerWorks to Purchaser. Purchaser acknowledges and agrees that these Terms and Conditions are incorporated in, and are a part of, each quotation, purchase order, invoice, release, requisition, work order, services agreement, statement of work, shipping instruction, specification, and any other document, whether expressed orally, in written form, or via electronic commerce, relating to the sale or license of Goods or Services by DornerWorks to Purchaser (these communications are collectively referred to as the "Contract Documents"). Nothing in any Contract Document that conflicts with any provision of these Terms and Conditions shall be effective unless it is specifically approved in a writing that makes specific reference to the conflict by a duly authorized DornerWorks representative (meaning a DornerWorks officer with the authority to sign contracts on behalf of the corporation or some other person designated in writing by such an officer). Any Contract Document submitted by Purchaser to DornerWorks confirming Purchaser's intention to purchase Goods or Services will be deemed to constitute a confirmation and acceptance of these Terms and Conditions, even if the Contract Document states terms in addition to or different from these Terms and Conditions. Any execution by DornerWorks of any Contract Document submitted by Purchaser in connection with the purchase of Goods or Services does not constitute acceptance of or agreement to any terms and conditions in addition to or different from these Terms and Conditions but will constitute only acknowledgment of receipt of the document. In addition, the acceptance of delivery by Purchaser of Goods or Services from DornerWorks will constitute a course of conduct constituting Purchaser's agreement to these Terms and Conditions, to the exclusion of any additional or different terms and conditions.

3. Changes to Contracts.

Once a contract has been made between DornerWorks and Purchaser, no change to the contract will be effective unless the change is approved in a writing signed by a duly authorized DornerWorks representative.

4. Contract Cancellation.

Purchaser may not cancel a contract without giving DornerWorks at least 30 days prior written notice signed by a duly authorized representative of Purchaser. Upon cancellation of a contract, DornerWorks shall be entitled to compensation at the contract rate for all work done on the contract project and all expenses incurred by DornerWorks relating to the project, including but not limited to any work and expenses unavoidably done or incurred after receipt of the cancellation notice but before the end of the 30 day period thereafter.

If Purchaser cancels or terminates any part, but less than all, of a contract, DornerWorks may, in its sole discretion, reform the terms of the remaining portion(s) of the contract or cancel the remainder of the contract without penalty.

5. Terms of Payment.

Unless otherwise specifically agreed in writing by DornerWorks, the total price stated on any invoice issued by DornerWorks is due and payable to DornerWorks, without setoff or other deductions or charges, 30 days after the date of the invoice.

At its sole discretion, DornerWorks may issue an invoice electronically and deliver the invoice by electronic mail or may print an invoice and deliver it by United States mail or other delivery service.

Any costs of materials associated with a project will be the responsibility of the Purchaser. Materials purchased by DornerWorks will be invoiced at cost plus a 20% administrative charge. Alternately, by advance written agreement with DornerWorks, Purchaser may separately purchase materials and deliver them to DornerWorks for DornerWorks' use on the project to avoid incurring the handling charge. If prices charged to DornerWorks for materials change significantly during the performance of a contract, the price to Purchaser may be adjusted accordingly.

Shipping services for Goods are a materials cost and will be invoiced at cost plus a 20% administrative charge. Alternately, Purchaser may supply to DornerWorks an account number with UPS, FedEx, or other carrier so that shipping services can be directly billed to Purchaser by the carrier.

Travel expenses incurred by DornerWorks personnel at Purchaser's request are treated as materials costs and will be paid by Purchaser, subject to the same administrative charge described above.

Any amounts due from Purchaser to DornerWorks that are unpaid on or after 30 days of DornerWorks' invoice will bear interest at the rate of 1.8% per month or the maximum rate permitted by law, whichever is less. The accrual or payment of any interest as provided above will not constitute a waiver by DornerWorks of any rights and remedies in connection with a default by Purchaser. Purchaser will pay all costs (including but not limited to attorney fees) incurred by DornerWorks in collecting past-due amounts, including interest.

If shipment or delivery of Goods or Services is delayed by or at the request of Purchaser, payment will remain due in full 30 days from the date of DornerWorks' invoice. In such event, DornerWorks may impose, and Purchaser shall pay, storage charges and other incidental expenses incurred by DornerWorks as a result of the delay in addition to any interest on late payments as described above.

DornerWorks reserves the right to withhold further shipment of Goods or further provision of Services if any payment from Purchaser is overdue.

6. Security Interest.

As security for payment of all amounts due to DornerWorks, Purchaser grants to DornerWorks a security interest in all Goods sold by DornerWorks to Purchaser, and DornerWorks will have all rights of a secured party under the Uniform Commercial Code with respect to the Goods. Purchaser appoints DornerWorks as its attorney-in-fact with authority, at DornerWorks' option, to take actions as DornerWorks deems reasonable in the circumstance to perfect the above security interest in any one or more jurisdictions, and Purchaser shall pay all applicable filing fees.

7. Limited Warranty; Disclaimer of Other Warranties; Limitation of Liability.

DornerWorks warrants that any Goods delivered will pass any acceptance tests expressly agreed upon in writing in the contract with Purchaser. Suitability for any other purpose is not warranted. The acceptance tests agreed upon in writing in the contract shall be the sole means by which suitability of the Goods shall be judged. Failure to pass the acceptance tests agreed upon in writing in the contract shall be the only reason Purchaser may declare Goods defective. DORNERWORKS MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO OR IN ANY WAY RELATING TO THE GOODS, WHETHER BASED ON BREACH OF WARRANTY OR CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.

If Goods are resold by Purchaser, Purchaser will include in its agreement for resale provisions that limit recoveries in accordance with these Terms and Conditions. In case of Purchaser's failure to include in any agreement for resale the terms providing for such limitations, Purchaser will indemnify and hold DornerWorks harmless against any liability, loss, cost, damage, or expense (including reasonable attorney fees) arising out of or resulting from the failure.

IN NO EVENT WILL DORNERWORKS BE LIABLE OR RESPONSIBLE TO PURCHASER, OR ANY THIRD PARTY, FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, OR FOR EXPENSE OCCASIONED BY THE USE OF ALLEGEDLY DEFECTIVE GOODS. IN NO EVENT WILL DORNERWORKS BE LIABLE TO PURCHASER, OR TO ANY THIRD PARTY, IN EXCESS OF THE FEES PAID BY PURCHASER TO DORNERWORKS FOR THE SERVICES OR GOODS IN RESPECT OF WHICH SUCH DAMAGE AROSE, REGARDLESS OF THE FORM OF ACTION.

8. Acceptance.

If Purchaser does not test Goods delivered by the DornerWorks using the acceptance tests agreed upon in the contract and document the results of the tests in writing to DornerWorks within 30 days of delivery of the Goods, the Goods will be deemed accepted, and any rights of Purchaser to declare the Goods defective will be waived. Any requirements or specifications that are not timely tested by the acceptance tests shall be deemed satisfied. Claims for damage due to shipping must be made by Purchaser to the freight carrier.

9. Title and Risk of Loss.

Title to and risk of loss or damage to Goods will pass to Purchaser on delivery by DornerWorks F.O.B. DornerWorks' facility unless otherwise specifically agreed.

10. Equipment.

DornerWorks retains and owns title to all tools used for producing Goods unless it specifically agrees otherwise. Purchaser shall protect DornerWorks' property at any time any of the property of the DornerWorks is on the premises of Purchaser. Purchaser agrees to reimburse DornerWorks for any damage to DornerWorks' property.

11. Technical Support.

Unless otherwise specifically provided in Contract Documents, any sale by DornerWorks of Goods or Services does not include any technical support once the Goods or Services have been delivered. DornerWorks will, however, consistent with its capabilities and subject to scheduling acceptable to DornerWorks, make available to Purchaser, at Purchaser's expense, technical support services relating to the Goods or Services at the rates then imposed by DornerWorks, together with any out-of-pocket expenses to DornerWorks in connection with providing the technical support.

12. Export Control.

Purchaser agrees to comply with all applicable export and import control laws and regulations of DornerWorks' and Purchaser's countries and with all applicable export or import authorizations and their provisos. Without limiting the foregoing, Purchaser agrees that it will not transfer any export-controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Purchaser, without the authority of an export license or applicable license exemption or exception.

13. Confidentiality.

Purchaser will not disclose to any third party the terms of any contract or any other information provided by DornerWorks to Purchaser in connection with any contract, including, without limitation, any trade secrets, discoveries, ideas, concepts, educational courses and associated documentation, designs, drawings, specifications, techniques, models and relationships, analyses, data, documentation, diagrams, flow charts, research, development, processes, procedures, "know-how," software, programs, source code and binary code, bug fixes, marketing techniques and materials, marketing and development plans, present or prospective customer names and other information related to employees, candidates, customers, recruiting files, price lists, pricing policies and financial information including sales volumes, costs, expenses, employee compensation, prices and profitability and any derivatives of any of the foregoing without DornerWorks' prior written approval, except as may be required by law or by lawful order of any applicable government agency. Purchaser may make no public announcement or news release regarding any part of the subject matter of any contract with DornerWorks without the written authorization of a duly authorized representative of DornerWorks.

14. Non-infringement.

DornerWorks will not knowingly incorporate third-party intellectual property, excluding third-party intellectual property obtained with Purchaser's written consent, or provided by Purchaser, into the Services performed or Goods provided under these Terms and Conditions. Purchaser will indemnify, defend, and hold harmless DornerWorks from all claims, suits, actions, awards (including, but not limited to, awards based on intentional infringement of patents known at the time of such infringement exceeding actual damages and related attorneys' fees and costs), liabilities, damages, costs and attorneys' fees related to the actual or alleged infringement of any United States or foreign intellectual property right (including, but not limited to, any right in a patent, copyright, industrial design or semiconductor mask work, or based on misappropriation or wrongful use of information or documents) and arising out of (i) the use by DornerWorks or Purchaser of any third-party intellectual property provided by Purchaser; or (ii) any Goods or Services based on Purchaser's specifications, designs, and/or instructions; or (iii) the use by Purchaser of any Goods or Services in violation of these Terms and Conditions.

In the event any Goods are held or are likely to be held to constitute an infringement (other than any infringement resulting solely from the use of third-party intellectual property obtained with Purchaser's written consent or provided by Purchaser, or from Purchaser's specifications, designs and/or instructions), DornerWorks shall, at its expense, first use reasonable and prompt efforts obtain for Purchaser the right to continue using the Goods or replace or modify the Goods with functionally equivalent, compatible materials so the Goods become non-infringing. In the event that neither of the foregoing remedies is reasonably available, in DornerWorks sole determination, DornerWorks may refund the fee paid by Purchaser for the Goods.

15. Intellectual Property Rights.

"DornerWorks Intellectual Property" means all ideas, inventions, firmware, software, embedded code or other intellectual property which are owned or controlled by DornerWorks prior to these Terms and Conditions, contemporaneously with these Terms and Conditions but that are not part of the Goods or Services, or created by DornerWorks as part of the Goods or Services but not exclusive to the Purchaser's Deliverables.

"Purchaser's Deliverables" means firmware and software that is unique and inventive in the implementation of the functionality described in the Goods or Services. Purchaser's Deliverables do not include any DornerWorks Intellectual Property. All Purchaser's Deliverables shall be owned solely by Purchaser upon payment in full for the applicable Goods and/or Services.

Upon payment in full for the Goods and/or Services, DornerWorks agrees to and hereby shall grant to Purchaser a non-exclusive, transferable, royalty-free, paid-up, worldwide license without right of sublicense, to DornerWorks Intellectual Property for use by Purchaser solely in connection with Purchaser's business and as necessary for use of the Goods and/or Services, each in a manner consistent with the purpose for which Purchaser and DornerWorks entered into these Terms and Conditions. In the event of a breach of the foregoing, DornerWorks may terminate such licenses and Purchaser shall immediately return to DornerWorks all material and documentation relating to DornerWorks Intellectual Property. Any rights not expressly granted to Purchaser in DornerWorks Intellectual Property are hereby retained by DornerWorks. Purchaser acknowledges that all DornerWorks Intellectual Property are and shall remain the exclusive property of DornerWorks. Purchaser further acknowledges that DornerWorks can, in DornerWorks' sole discretion, use general purpose code and other code developed as part of Purchaser's Deliverables so long as DornerWorks does not do so in any product for a third party that competes with the Purchaser's Deliverables provided hereunder.

Notwithstanding anything to the contrary herein, each party and its personnel shall be free to use and employ its and their general skills, know how, and expertise, and to use, disclose, and employ any generalized ideas, concepts, know how, methods, techniques, or skills gained or learned during the course of these Terms and Conditions, so long as it or they acquire and apply such information without disclosure of any confidential information of the other party and without any unauthorized use or disclosure of work product owned by the other party.

The provisions of this paragraph 15 may be superseded by the provisions of any services agreement between DornerWorks and Purchaser relating to intellectual property.

16. Subcontractors.

DornerWorks reserves the right to subcontract any and all work under any contract with Purchaser at its sole discretion.

17. Recruitment of Employees.

Except with the express written consent of both parties, for a period commencing on the start date of the first Contract between the parties and ending one year following the completion of that or any subsequent Contract (the "Restrictive Period"), the parties agree not to induce or attempt to induce any person who is an employee, officer, independent contractor, consultant, or agent of the other Party to terminate said relationship with the Company or to enter into an employment relationship with the other party or another business that is in a business relationship with the other party. For purposes of this agreement, the term "induce" shall not be deemed to include general solicitations of employment by advertisement in trade journals or publications of general solicitation not specifically directed towards the employees of either party.

If either party breaches the above paragraph during the Restrictive Period, that party shall pay the other, as liquidated damages, 20% of that employee or subcontractor's base yearly salary. The parties acknowledge that in respect to the foregoing, actual damages would be extremely difficult to determine and that the liquidated damages expressly provided for herein represent a reasonable estimate and agreed value of such damages. The parties acknowledge that the inclusion of

such liquidated damages provisions in these Terms and Conditions and their enforceability is a material inducement to the parties' entrance into these Terms and Conditions, and that no party would have entered into these Terms and Conditions without the benefit of such liquidated damages. Such liquidated damages shall be exclusive of all other remedies at law or in equity in respect of damages incurred arising from the event giving rise thereto

18. Equal Employment Opportunity.

DornerWorks and its subcontractors shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

19. Indemnification.

Purchaser shall defend, indemnify, and hold harmless DornerWorks, its employees, officers, directors, agents, and other representatives from and against any and all claims, demands, actions, debts, liabilities, judgments, costs, and attorney's fees arising out of (i) product liability claims relating to any actual or alleged negligence of Purchaser or any actual or alleged defect in Goods or Services purchased by Purchaser; (ii) violations of the intellectual property rights of others, as more particularly described elsewhere in these Terms and Conditions; and (iii) Purchaser's breach of any of its duties or obligations under any contract with DornerWorks.

A party having a right to indemnification under these Terms and Conditions ("Indemnified Party") may, at its election, require the party having an obligation to indemnify under these Terms and Conditions ("Indemnifying Party"), to defend any claim that is subject to indemnification, provided that the Indemnifying Party is notified promptly in writing of such Claim (provided, however, that any delay by the Indemnified Party in giving such notice shall not relieve the Indemnifying Party of its obligations, except to the extent that the Indemnifying Party demonstrates actual damage caused by such delay) and is given authority, information and assistance to handle and defend such claim. In such a case, the Indemnifying Party will pay all damages awarded against the Indemnified Party, including the amount that the Indemnified Party would consent to pay under any settlement involving such claims. The Indemnified Party, at its own expense, shall have the right to employ its own counsel and to participate in any manner in the defense against any claim for which indemnification is available. The Indemnified Party shall cooperate in all reasonable respects with the Indemnifying Party and its attorneys in the investigation, trial and defense of any such claims.

20. Force Majeure.

Except for Purchaser's payment obligations, neither party shall be liable to the other party for delays or nonperformance of a contract occasioned by acts of God, public enemies, civil disobedience, governmental regulations or decrees, endemic or pandemic, labor disputes, unavailability of materials, equipment failure, strikes, fires, accidents, or any other causes, whether or not of the kind enumerated in this provision, that are beyond such party's reasonable control. If performance by either party to a contract is delayed due to any of the foregoing causes, the delay shall not be deemed a breach of the contract, and the contract shall remain in full force and effect. If it appears that performance by either party to the contract will be delayed due to any of the foregoing causes, the party shall promptly notify the other party in writing stating the cause of the delay and its expected duration and shall use commercially reasonable efforts to carry out performance as soon as reasonably possible.

21. Disputes and Remedies.

Any disputes between Purchaser and DornerWorks that the parties cannot resolve themselves will first be submitted to the Dispute Resolution Center of West Michigan in Grand Rapids, Michigan, and then if necessary to a court of competent jurisdiction sitting in Grand Rapids, Michigan. The foregoing notwithstanding, DornerWorks shall have the right to pursue equitable, interim, or provisional relief from a court of competent jurisdiction located in Grand Rapids, Michigan to avoid irreparable injury or to vindicate the intellectual property rights of DornerWorks.

Any delay by DornerWorks in enforcing any of the provisions of a contract shall in no way be considered to be a waiver of the right to thereafter enforce such provisions.

Any and all rights and remedies conferred upon DornerWorks under a contract shall be cumulative and in addition to, not in lieu of, any other or further rights and remedies available at law or in equity.

22. Notices.

All notices required to be given or made by DornerWorks to Purchaser shall be given or made to Purchaser at the address designated by Purchaser in writing. All notices or payments required to be given or made by Purchaser to DornerWorks shall be given or made to DornerWorks at the following address:

DornerWorks, Ltd.
3445 Lake Eastbrook Blvd SE
Grand Rapids, MI 49546

23. Governing Law.

Any contract between Purchaser and DornerWorks shall be governed by and construed in accordance with the laws of the State of Michigan.

24. Severability.

In the event any one or more of the provisions of these Terms and Conditions shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of these Terms and Conditions shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable provision, which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal, or unenforceable provision.

25. Assignment.

These Terms and Conditions shall bind and inure to the benefit of the parties hereto and their respective permitted successors and assigns. Neither Party shall assign all or any portion of these Terms and Conditions to any other person or entity without the other Party's prior written consent, provided, however, that either Party may, without the other Party's consent, assign these Terms and Conditions to its successor in the event of a merger, consolidation, or sale of all or substantially all of its assets. The foregoing shall not be construed to prohibit or restrict a Party from engaging independent contractors.

26. Survival.

After expiration or termination of these Terms and Conditions, those provisions which specifically provide for survival beyond expiration or termination, and all provisions, if any, regarding indemnification, limitations of liability, confidentiality, and recruitment of employees.

27. Entire Agreement.

These Terms and Conditions contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior understandings, promises, proposals, representations, negotiations and agreements, whether written or oral, between the parties respecting subject matter hereto. Except as expressly provided in a Service Order, no waiver, change, amendment or modification of any of the terms hereof shall be binding unless in writing and signed by both parties hereto. The section headings contained in these Terms and Conditions are inserted for convenience of reference only and will not affect the meaning or interpretation of these Terms and Conditions. No statement, representation, warranty, covenant or agreement of any kind, including without limitation, any terms included in or located on a purchase order, invoice or website, accessed through a URL, provided as an end user license agreement, or provided in a click-wrap, shrink-wrap or other similar format, not expressly set forth in these Terms and Conditions shall affect, or be used to interpret, change or restrict, the express terms and provisions of these Terms and Conditions.