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AGREEMENT AND ACCEPTANCE: A Purchase Order is Otis Product Inc.'s, DBA as Otis Technology (herein after "Otis") commitment to make procurement and is subject to Vendor's acceptance of Otis' terms and conditions. The Vendor agrees to the terms and conditions upon the acceptance of the Purchase Order. Otis is not responsible for delivery or payment of any materials or services without a proper Purchase Order.

VENDOR'S OBLIGATIONS: The Vendor shall fully and timely provide all deliverables described in the Purchase Order in strict accordance with the terms, covenants, and conditions of the Agreement, and all applicable Federal, State, and local laws, rules, and regulations. If the Vendor utilizes Subcontractors in providing the goods and/or services, the Vendor shall be fully responsible to Otis for all acts and omissions of the Subcontractors just as the Vendor is responsible for the Vendor's own acts and omissions. The Vendor also grants right of access to Otis, Otis customers and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records per Otis Technology's QMS which is in accordance with ISO9001/AS9100D Aviation, Space and Defense QMS Requirements, as applicable.


GOODS: Goods furnished shall be the equivalent of the approved samples. In addition, the goods shall be of quality workmanship and material. The Vendor represents that all goods and equipment offered shall be new. Counterfeit parts will not be accepted. Unless otherwise specified, used, shopworn, demonstrator, prototype, or discontinued models are not acceptable. Any deviation from the specifications must be clearly indicated in the response to the Purchase Order or promptly documented in writing at or before the confirmation. Any proposed deviations or exceptions need to be reviewed and approved with Otis' purchasing department prior to shipment. Any changes without approval are subject to review by Otis and may be grounds for rejection. If Otis provides any materials used in the production of the goods, inventory must be maintained and accounted for. When a technical specification is referred to on a Purchase Order, it must be in accordance with the revision of the applicable standard that is in place on the date of the issuance of the Purchase Order. If there is any revision change between the date of the Purchase Order and the shipment date of the goods, the vendor must seek clarification from Otis' Purchasing Department as to which revision will apply.

SPECIAL TOOLS AND EQUIPMENT: If the price stated in the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Vendor to fulfill the Agreement, such special tooling and/or equipment and all process sheets associated thereto shall become the property of Otis and shall be identified by the Vendor as such. Otis will also have the right to recall the property.

EFFECTIVE DATE/TERM: Unless otherwise specified in the Purchase Order, this Agreement shall be effective as of the date Otis issues the Purchase Order, and shall continue in effect until all obligations are performed in accordance with the Agreement or cancelled.

CONFIRMATIONS: Vendor must provide to Otis within 24 hours of receipt of EACH PURCHASE ORDER, a confirmation confirming receipt of the Purchase Order unless Vendor has been notified by Otis in writing that the confirmation is not mandatory. Any deviation from the Purchase Order or Terms and Conditions must be noted at this point regardless of confirmation requirement. Confirmations must be faxed or emailed to the appropriate buyer noted on the purchase order.

NOTICE OF DELAY IN DELIVERY: If a delay in delivery is anticipated either at Confirmation or during the manufacturing phase, Vendor shall give written notice to Otis. Otis has the right to extend the delivery time/service date, or to cancel the Purchase Order or Agreement. Vendor shall keep Otis advised at all times of the status of the order. Default in promised delivery, service or failure

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to meet specifications authorizes Otis to procure the goods or services from an alternate source and charge the full increase, if any, in cost and handling to defaulting Vendor. Default on delivery may result in legal action and recourse.

PACKAGING OF DELIVERABLES: Vendor must package deliverables in accordance with good commercial practice and shall include a packing list showing Otis' purchase order number, Otis' part number, description of item, the quantity and number of boxes in the shipment, attached to master pallet. Each shipping container shall be clearly and permanently marked with Otis' name, Purchase Order number, Otis' part number, Otis' part description, quantity and barcodes (if Vendor has the ability).

Vendor shall bear all costs of packaging. Deliverables must be suitably packed to secure lowest transportation cost conforming to common carrier shipping requirements to ensure safe delivery. Vendor must provide to Otis Safety Data Sheets which are applicable to hazardous substances as defined by shipping regulations. In addition, Vendor must supply any documentation requested on the purchase order or previously agreed upon, including but not limited to, the following: specifications, government and regulatory compliances, inspection results, expiration dates or any other flow down from the Otis Technology QMS.

DELIVERY LOCATION, HOURS, DAYS, and HOLIDAYS: Unless otherwise specified, all deliveries must be made to Otis Technology, 6987 Laura Street, Lyons Falls, NY 13368, or to Otis Technology, 20 County Route 59, Phoenix, NY 13135 as directed by the purchasing department, between the hours of 7 AM and 3 PM (EST), Monday through Friday except regularly observed state and federal holidays. Receipt of goods or materials does not signify acceptance of materials.


DELIVERY TERMS, TRANSPORTATION: Deliverables shall be shipped FOB point of Origin unless otherwise specified on the Purchase Order. Otis shall have the right to designate what method of transportation shall be used to ship deliverables and noted on Purchase Order or confirmed at Shipping. The place of delivery shall be specified in the Purchase Order.

RIGHT OF INSPECTION AND REJECTION: Otis reserves the right to inspect the deliverables at delivery or at a reasonable time subsequent to delivery, and to reject defective or non-conforming deliverables. All deemed defective material will be returned or recycled at Vendor expense per the purchasing department. The Vendor will be responsible for crediting Otis' account for all rejected materials. A 10% or greater under-receipt will be deemed incomplete and subject to rejection at time of receipt. A 10% or greater overage per purchase order line(s) will also be subject to refusal unless Vendor notifies and receives prior shipping approval by Otis' purchasing department.

PAYMENT TERMS: Otis will pay the Vendor within the terms noted on the Purchase Order. No unapproved line item charges shall be permitted after Purchase Order confirmation. The Vendor may charge a late fee (fee shall not be greater than that permitted under federal, state and local law) for payments not made in accordance with this prompt payment policy; however, the policy does not apply to payments made by Otis in the event: (a) there is a bona fide dispute between Otis and Vendor concerning the goods, supplies, materials, equipment delivered, or the services performed, that causes the payment to be late; (b) there is a discrepancy with the Invoice, Packing Slip, and/or Purchase Order (c) the invoice is not received at Otis in strict accordance with instructions on the Purchase Order or Agreement, or other such contractual agreement.

TAX EXEMPT STATUS: Otis is exempt from all Federal, State and Local Sales Taxes on all materials used in the manufacturing of our products, unless otherwise stated in this document. New York State Sales Tax Exemption Certificates are furnished upon request.

INVOICING REQUIREMENTS: Unless otherwise specified, all invoices shall be submitted to Otis Technology, Accounts Payable, 6987 Laura Street, Lyons Falls, NY 13368, and issued as required by the Purchase Order or Agreement. Invoices may also be emailed to: invoicing@otistec.com. Each invoice must reference the Purchase Order number, and include the Vendor's complete

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name and remit-to address. A copy of the Packing Slip must be on file from the Receipt, if applicable. Invoices for labor shall also include a tabulation of hours worked at the appropriate rates, if applicable. Invoices will not be paid until all said paperwork is complete.

FORCE MAJEURE: Neither party shall be liable for any default or delay in the performance of its obligations under this Agreement if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond reasonable control. In the event of default or delay in performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference either in person or by telephone, will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.


INSURANCE REQUIREMENTS: Unless specific insurance requirements are noted, the Vendor shall maintain insurance coverage appropriate for the fulfillment of the Purchase Order. In the event the Vendor, its employees, agents or subcontractors enter premises occupied by or under the control of Otis, the Vendor agrees to maintain public liability and property damage insurance in reasonable limits covering the obligations set forth in this Purchase Order, and will maintain Workers' Compensation coverage (either by insurance or, if qualified pursuant to law, through a self-insurance program) covering all employees performing on premises occupied by or under control of Otis. Upon request, Vendor shall provide a copy of its insurance policies to Otis.

WARRANTY: The goods or equipment specified shall be warranted against defects in material or workmanship for a period of not less than twelve (12) months from date of acceptance by Otis. If the manufacturer's warranty exceeds twelve (12) months, then the manufacturer's warranty shall be in effect. Vendor shall furnish a copy of the manufacturer's warranty at the time of delivery. Vendor may not limit, exclude or disclaim any warranty provided by manufacturer.

DEFAULT AND TERMINATION: Vendor shall be in default under the Agreement if the Vendor (a) fails to fully, timely, and faithfully perform any of its material obligations under the Agreement, (b) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (c) makes a material misrepresentation in Vendor's Offer, or in any report or deliverable required to be submitted by Vendor to Otis. In the event of default by the Vendor, Otis shall have the right to terminate the Agreement for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Vendor, within such ten (10) day period cures such default, or provides evidence sufficient to prove to Otis' satisfaction that such default does not, in fact, exist. In addition to any other remedies available under law or inequity, Otis shall be entitled to recover all actual damages, costs, losses, and expenses incurred by Otis as a result of the Vendor's default, including without limitation, cost of cover, reasonable attorneys' fees, court costs and prejudgment and post-judgment interest at the maximum lawful rate. Additionally, in the event of default by the Vendor, Otis may remove the vendor from Otis's Approved Vendor List and any quote submitted by the Vendor may be disqualified.

ADVERTISING/PUBLICITY: The Vendor shall not, without first obtaining the written consent of Otis, in any manner advertise or publish the fact that the Vendor has contracted to furnish Otis with goods and services.

GOVERNING LAW AND COMPLIANCE: This agreement is made under and shall be governed by the laws of the State of New York. Vendor agrees to comply with all federal, state and local laws, Executive Orders, rules and regulations and ordinances which may be applicable to the Vendor's performance of its obligations under this order.

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INDEX OF CHANGES					
Training Required?	Doc. Rev.	Revised by:	Revision (revision, Addition, Removal); Pages or sections affected	Date	Approved by
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	0	Erin Bush	Original Issue	02/18/13	Harold Philbrick
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	1	Erin Bush	Updated Process Owner	01/08/15	Beth Sussey
YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	2	Nancy Devereaux	Added verbiage for technical specification revision level	04/03/17	Beth Sussey
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	3	Nancy Devereaux	Updated Process Owner	05/02/18	Beth Sussey
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	4	Nancy Devereaux	Updated Process Owner	05/23/19	Quinn McDonald
YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	5	Nancy Devereaux	Added verbiage that counterfeit parts will not be accepted. Added authorities to Internal Auditors for approval.	11/19/19	Erin Bush
YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	6	Nancy Devereaux	Corrected formatting and updated Otis' address.	12/2/19	Quinn McDonald
YES <input type="checkbox"/> NO <input type="checkbox"/>					