

PURCHASE ORDER TERMS AND CONDITIONS

These Purchase Order Terms and Conditions (these "PO Terms"), together with the terms and conditions set out in the Purchase Order ("PO"), (collectively with these PO Terms, the "Terms") are the only terms and conditions which govern the purchase and sale of goods ("Goods") or services ("Services") (together, "Deliverables") between Cummins Inc., its subsidiaries and affiliates (collectively "Cummins") and the supplier identified on the PO ("Supplier").

1. PURCHASE ORDER ACCEPTANCE

The PO constitutes an offer by Cummins to buy the Deliverables according to the applicable drawings, product specifications, and/or product information, standards or requirements, description, or statement of work (collectively "Specifications"), and the Terms. No additional or different terms offered or asserted by Supplier shall be or become part of the PO without Cummins' prior written consent. Any reference to Supplier's quotation, bid, proposal or other Supplier document shall be for informational purposes only and shall not be construed as acceptance by Cummins of Supplier's terms and conditions. The offer contained in the PO can be accepted by Supplier either expressly in writing or implicitly by the fulfillment of the PO.

2. INTERPRETATION

In the event there is a conflict between a supply contract for the Deliverables ("Supply Agreement"), the PO, or these PO Terms, then the terms of the Supply Agreement shall take precedence over the PO, and the terms of the PO shall take precedence over these PO Terms, and these PO Terms shall take precedence over any other attachment. The PO is not assignable by Supplier in whole or in part without Cummins' prior written consent. The Supply Agreement and the Terms constitute the entire agreement between the Supplier and Cummins with respect to the Deliverables and supersedes all prior oral or written representations or agreements. These Terms which by their nature are reasonably expected to survive the termination or expiration of the PO shall survive. Supplier acknowledges that the terms of the PO may be subject to Cummins' customer flow down requirements when indicated.

3. PRICE AND PAYMENT TERM

3.1 Prices in effect at the time Cummins delivers the PO may not be increased without Cummins' prior written consent. No specific charge shall be made by Supplier for lead time, preservation, packaging, kitting, lot sizes, carriage, or storage without Cummins' prior written consent. The price shall include all sales, use, added value, or any other taxes, fees, duties, imports, withholdings or other impositions of any kind assessed in any manner by any jurisdiction, including license, permits, levies, excises, or other assessments which may arise out of or relate to the supply of the Deliverables, except for any taxes directly related to Supplier's employees. Supplier represents and warrants that all applicable taxes will be paid and no taxes are unpaid or with the passage of time will result in a lien upon the Deliverables.

3.2 Payment terms are Net 60 days from date of delivery or supply of the Deliverables. Given Cummins payment processes, any payments made by Cummins within three (3) business days subsequent to the payment deadline shall be considered timely.

4. DELIVERY AND INVOICING

4.1 Deliveries shall be made in quantities and at times specified in the Supply Agreement or the PO, and if not so specified, then as set forth on delivery schedules furnished by Cummins. Delivery of Goods shall be made FCA (Incoterms 2020) Cummins' location point of use, freight pre-paid, unless otherwise stipulated on the face of the PO. Time is of the essence with respect to the delivery schedule or delivery dates set forth in the PO.

4.2 Supplier shall, upon Cummins' request, suspend shipment and delivery of the Deliverables for up to 180 days without liability to Supplier. Cummins is not responsible for any Deliverables delivered in excess of the quantities set forth on the PO. Supplier agrees to issue one invoice to cover all shipments made on any day. If requested by Cummins, Supplier must receive POs and send invoices electronically. Invoices not sent electronically are to be sent to Cummins at the address specified on the PO.

5. QUALITY AND WARRANTY

5.1 Supplier warrants that the Deliverables will conform to all Specifications, if any, set forth on the PO and will be free from defects and failures due to defective material and workmanship for a period of two (2) years from the from date of delivery of the Goods or supply of the Services. Supplier's warranties shall survive Cummins' acceptance of, inspection of, and payment for the Deliverables. In the event of a breach of warranty concerning any Deliverables, or if any Deliverables do not conform to Supply Agreement or the PO, Cummins may, at its sole discretion: (a) reject such Deliverables and require Supplier, at Supplier's expense, including transportation cost, to inspect, sort out non-conforming Deliverables, rework or repair (or cause to be reworked or repaired) non-conforming Deliverables to render such Deliverables conforming, or scrap the non-conforming Deliverables and replace such Deliverables in a timely manner; (b) rework or repair any such Deliverables at Supplier's expense basing charges on Cummins' then-current hourly rate; or (c) cancel the PO, in whole or in part, without charge to Cummins. In the event a third party is brought in to inspect, sort, rework or repair the non-conforming Deliverables by Supplier, the third party shall be subject to the reasonable approval by Cummins. Supplier shall be responsible for any additional charges that may be incurred by Cummins in connection with nonconforming Deliverables, including but not limited to scrap, rework, repair, engine damage, tear down/re-test expenses, premium freight, assembly disruptions/work stoppage, administrative expenses.

Supplier warrants that the Services shall be carried out in conformance with the PO and/or Specifications and with all reasonable skill, care and diligence commensurate with the standard of care of similar professionals performing similar services in Supplier's industry, and that Supplier personnel assigned to perform the Services possess the training, skills, competence and experience necessary to safely and properly perform the Services. If Supplier is in violation of the foregoing warranties, without prejudice to Cummins' other rights and remedies, Supplier shall, at Cummins' request, promptly re-perform the defective Services at no additional cost to Cummins.

Cummins may withhold payment of any consideration due and owing to Supplier pending Supplier's performance of the foregoing warranty remedies and may ultimately cancel such payments if Supplier fails to perform the warranty remedies in a reasonable, satisfactory and workmanlike manner conforming to the PO and/or Specifications.

5.2 Supplier shall notify Cummins immediately in writing if Supplier cannot satisfy the Specifications, the delivery schedule or other terms set forth on the PO.

6. PACKING, SHIPPING, STORAGE, AND DOCUMENTATION

6.1 Supplier shall, at its expense, package and preserve the Goods in such a manner that they will arrive at the designated delivery point free from damage and in such a condition as to permit reasonable handling and six months' storage under normal environmental conditions without detrimental effects on the Goods. All shipments must contain documentation specified by Cummins. An original packing slip must accompany Goods. If not specified, documentation will be a packing slip listing the Cummins' part number, PO number, plant name, invoice number and receiving locations, with all packages marked identifying Goods by name and Cummins' part number.

6.2 Supplier has a duty to ensure that the Deliverables do not present a health and safety risk when properly used and agrees to indemnify and hold harmless Cummins in respect of all claims arising in connection with the breach of this duty. To facilitate safe handling and use, all packaging containing Goods must be clearly labeled to identify the contents and any hazards they present and Goods must be similarly marked and accompanied by sufficient literature and information to enable their safe handling, use and disposal.

6.3 All invoices, shipping notices, bills of lading, express receipts, packing and packing slips must include the PO number, department number and receiving location code. All packing slips and shipping tags for Goods shipped from other than Supplier's stock must include the PO number and Supplier's name.

6.4 If requested by Cummins, Supplier located in (i) United States shipping to Mexico and Canada; (ii) Canada shipping to Mexico and United States, or (iii) Mexico shipping to Canada and United States, who provide greater than one hundred thousand USD (\$100,000) of Goods per year to Cummins, must provide the applicable USMCA certificate of origin to Cummins Inc., Attn: Manager International Materials and Logistics, Mail code 60216, PO Box 3005, Columbus, Indiana 47202-3005 USA.

7. TERMINATION

7.1 Cummins may terminate the PO or any part thereof at any time upon written notice to Supplier without liability except for payment to Supplier of the documented cost of work in process and material commitments made within the time specified on the face of the PO or, if no time is specified, then within two (2) weeks prior to the date of notice of termination.

7.2 Cummins may terminate the PO or any part thereof if the Supplier commits a breach of any of its obligations under these Terms and fails to cure such breach within thirty (30) days of written notice from Cummins.

7.3 If Supplier ceases to conduct operations in the normal course of business or becomes unable to meet its obligations as they mature, if any bankruptcy or insolvency proceeding is brought by or against Supplier, if a receiver, administrative receiver, liquidator or similar is appointed or applied for, if Supplier makes an assignment for the benefit of creditors, or if Cummins reasonably believes Supplier may be unable to perform pursuant to these Terms and/or the Supply Agreement, Cummins may demand adequate written assurance of performance or, at its option, terminate the PO, in whole or in part, without liability except for Deliverables previously delivered to and accepted by Cummins. If Supplier fails to provide written assurance of performance, Cummins may terminate the PO without any liability.

8. CHANGES

Cummins may at any time, by written instructions or verbal instructions subsequently confirmed in writing to Supplier, make changes in the Services to be performed or the Goods to be delivered hereunder in any one or more of the following: (i) Specifications; (ii) method of shipment or packing; (iii) time and/or place of delivery; and (iv) the quantity of items ordered. Supplier shall notify Cummins in writing within three (3) days of notification of such changes of any proposed differences in price, quality or delivery. Such proposed changes shall be subject to approval by Cummins. In the event Supplier fails to notify Cummins in writing of any change in price, quality, or delivery within the time required, Supplier shall be deemed to have accepted the requested change without an increase in price, decrease in quality, or extension of delivery date.

9. INTELLECTUAL PROPERTY

9.1 Supplier warrants that the Deliverables (and their sale or use, alone or as a significant element of a combination) will not infringe any United States, Canadian or foreign patents, copyrights, trade names, trade secrets or other intellectual property. Supplier agrees to indemnify and hold harmless Cummins and anyone selling or using any of Cummins' products against all judgments, decrees, costs, and expenses (including legal fees and court costs) resulting from any alleged infringement, and agrees that Supplier shall, upon request of Cummins and at Supplier's own expense, defend or assist in the defense of any action which may be brought against Cummins or those selling or using any of Cummins' products because of any such alleged infringement.

9.2 Any inventions, discoveries, patents, copyrights, trade names, trade secrets, mask works or other intellectual property created in the performance of the Supply Agreement and/or the PO shall be the sole property of Cummins, and Supplier shall do all things requested by Cummins to transfer the ownership thereof to Cummins and to perfect the same.

10. DESIGN AND CUMMINS CONFIDENTIAL INFORMATION

It is understood that any Goods made according to a design specified or provided by Cummins (not previously a standard commercial design of Supplier) are confidential and will not be disclosed or provided by Supplier to any other person, firm, or corporation. It is recognized that all non-public, confidential, or proprietary information of Cummins, including but not limited to, trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customer, pricing, and marketing disclosed to Supplier, whether disclosed orally or disclosed or accessed in written, electronic or other form or method, and whether or not marked, designated, or otherwise identified as "confidential", in connection with the provision of the Deliverables is confidential and shall not be disclosed or copied by Supplier without the prior written consent of Cummins.

11. REMEDIES

11.1 The remedies herein reserved shall be cumulative and in addition to any other or further remedies provided in law or equity. No waiver of a breach of any provision of these Terms shall constitute a waiver of any other breach or of such provision on the future occasion.

11.2 In no event shall Cummins be liable to Supplier for any aggravated, exemplary, punitive, indirect, consequential, economic, incidental or financial losses or damages, however caused and howsoever arising in any way related to or arising from these Terms and/or any Deliverables supplied under these Terms. In no event shall Cummins' liability under these Terms to Supplier or any third party claiming through Supplier or on Supplier's behalf exceed the total amount of the invoices issued by Supplier to Cummins in the first 12 months following the issuance of the applicable PO.

12. INDEMNITY AND INSURANCE

12.1 Supplier agrees to defend, indemnify and hold harmless Cummins and its officers, directors, employees, agents, representatives and customers against any and all liabilities, claims, losses, costs, damages, judgments, penalties, fines, demands, and reasonable attorneys' fees, court costs, in any way connected with, related to or arising out of a Supply Agreement, a PO, these Terms, any Deliverables supplied under these Terms, breach of these Terms by Supplier, its directors, officers, servants, employees, agents or representatives and/or the negligence or more culpable act or omission of Supplier, its directors, officers, servants, employees, agents or representatives or any bodily injury or death of any person or damage to real or tangible personal property caused by the acts or omissions of Supplier, its directors, officers, servants, employees, agents or representatives or the Deliverables.

12.2 Supplier agrees to maintain at its expense insurance and to evidence same to Cummins with Certificates of Insurance for the following types and specifications in addition to insurance required by statute: (a) Public/Products Liability covering bodily injury, property damage and personal injury with a limit of no less than US\$5,000,000; (b) Workers' Compensation covering employees for statutory benefits and Employer's Liability with a limit of no less than US\$500,000; and (c) if the Supplier or its employees will operate a motor vehicle in performance of the work, Automobile/Motor Liability covering bodily injury and property damage with limits no less than US\$1,000,000. These policies must be primary and non-contributory with any other insurance available to Cummins (to the extent of Supplier's negligence) and contain a waiver of subrogation in favor of Cummins and its affiliated companies and their employees, officers and directors (except to the extent of gross negligence of Cummins). Insurance required by (a) and (c) above shall schedule Cummins and its affiliated companies as an Additional Insured or an Indemnity to Principals clause (to the extent of Suppliers' negligence). If the annual value of Supplier's work exceeds US\$1,000,000, Supplier shall also carry Umbrella/Excess Liability insurance that schedules the insurance required by (a), (b) and (c) above as underlying insurance and with limits no less than US\$2,000,000. If Supplier's work involves accounting, construction, engineering, IT, legal, medical, or other professional services, Supplier shall also carry Professional Liability/Errors & Omissions Insurance with limits no less than US\$5,000,000. If Supplier's work involves transporting or storing Cummins' product, Supplier shall also carry Cargo/Transit Liability or Warehouseman's Legal Liability with limits no less than US\$1,000,000. Any of Supplier's standard shipping documents (such as, but not limited to, Bills of Lading, Warehouse Receipts, etc) containing limitations of liability or limitations of time to file suit are invalid as to Cummins and its affiliated companies. Should damage result to Cummins product, Cummins will have complete discretion as to how salvage is managed. If Supplier's work involves waste, hazardous materials or construction, Supplier shall carry Environmental Impairment Liability/Contractor's Pollution Liability with limits no less than US\$5,000,000. Cummins Inc. and its affiliated companies shall be an additional insured on this policy. In no event shall Cummins be liable for any indirect, consequential, economic or financial losses or incidental damages, however caused and howsoever arising out of or relating to these Terms.

13. ADVERTISING OR USE OF NAME "CUMMINS"

Supplier shall not use or permit the use of the word "Cummins" or any similar word or any trademark of Cummins in description of or in the marketing of products produced by Supplier, or in any manner advertise or publish the fact that Supplier has contracted with Cummins to furnish the Deliverables.

14. COMPLIANCE WITH LAWS, GOVERNING LAW AND JURISDICTION

14.1 The Supplier agrees to comply with all applicable governmental laws, regulations and rules (including any relevant requirement under any EU Directive) applicable to Deliverables furnished pursuant to these Terms, including without limitation the US Foreign Corrupt Practices Act, the Canadian Corruption of Foreign Public Officials Act the U.K. Anti-terrorism, Crime and Security Act 2001 or any similar anti-corruption legislation and all US Export Regulations (and any national, EU or United Nations embargoes or restrictions). In this connection, the Supplier further agrees to indemnify, defend and hold Cummins harmless from and against any liability arising from a breach of the same and agrees to defend at its expense any action brought against Cummins.

14.2 TO THE EXTENT APPLICABLE, SUPPLIER AND ITS SUBCONTRACTORS SHALL ABIDE BY THE REQUIREMENTS OF 41 CFR 60-300.5(A) AND 41 CFR 60-741.5(A). THESE REGULATIONS PROHIBIT DISCRIMINATION AGAINST QUALIFIED INDIVIDUALS ON THE BASIS OF PROTECTED VETERAN STATUS OR DISABILITY, AND REQUIRE AFFIRMATIVE ACTION BY COVERED PRIME CONTRACTORS AND SUBCONTRACTORS TO EMPLOY AND ADVANCE IN EMPLOYMENT QUALIFIED PROTECTED VETERANS AND INDIVIDUALS WITH DISABILITIES. To the extent applicable, the employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, and the VETS-4212 reporting requirements set forth in 41 CFR § 61-300.10 are hereby incorporated by reference into this contract. Supplier shall include this Paragraph 14.2 in each lower tier subcontract it issues.

14.3 For PO issued by Cummins, these Terms and all matters arising hereunder shall be interpreted in accordance with the laws of the State of Indiana, notwithstanding its conflict of laws rules. The parties agree that the courts of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with these Terms and any matters arising hereunder.

14.4 United Nations Convention on Contracts for the International Sale of Goods or any implementing legislation do not apply to these Terms or any Goods supplied by Supplier to Cummins under these Terms.

14.5 If Deliverables are for resale to the Federal Government, Supplier grants to the Comptroller General of the United States the right to audit its books and records and all contractual flow down clauses are incorporated herein.

14.6 Supplier shall provide to Cummins a supply chain map, to include a bill of material for all Deliverables, a list of the names and addresses of Supplier's tier 1 and sub-tier suppliers (collectively "Sub-tier Suppliers"), and what bill of material inputs/components/raw materials the Sub-tier Suppliers' supply.

15. CUMMINS POLICIES

The Supplier agrees to conform to the Cummins Environmental Policy and to the procedural requirements associated with the Cummins Environmental Management System. The Supplier shall ensure it understands its obligations under the Cummins Environmental Management System and assumes responsibility for the consequences of departing from specified procedures. Supplier shall comply with (i) Cummins Supplier Code of Conduct, (ii) Cummins Corporate Environmental Policy and Environmental Standards, (iii) Cummins Supplier Handbook, (iv) Cummins Green Supply Chain Principles, (v) Restriction of Prohibited Materials, (v) Government Requirements, (vi) Human Rights Policy. Link to access these policies can be found at <https://supplier.cummins.com>. To obtain further information, please refer to supplier.cummins.com or email supplier.compliance@cummins.com.

16. MISCELLANEOUS

16.1 Force Majeure. Neither party shall be liable to the other for failure to perform its obligations hereunder when performance is prevented by any unforeseeable causes beyond its control, limited to, flood, drought, fire, war, riot, acts of terrorism, acts of God or acts or demands of any governmental authority. During Supplier's inability to supply the Deliverables, Cummins may, at its option, cancel the PO and procure such Deliverables from other suppliers without liability to Supplier.

16.2 Cummins may set off any amounts due to Supplier for Deliverables purchased pursuant to these Terms or the Supply Agreement against amounts owed by Supplier to Cummins for any reason.

16.3 If requested by Cummins, Supplier agrees to give Cummins or its authorized representative's access to all pertinent documents, data and other information relating to the Deliverables, and to view any Supplier facility or process relating to the Goods. Cummins reserves the right to audit Supplier's records and facilities regarding its performance under this Agreement. If Cummins requests such an audit, Cummins shall conduct it at reasonable times, on reasonable notice, during normal business hours and no more than once annually unless required by law.

16.4 Notice. Any written notice required to be made hereunder to Cummins shall be made to: Cummins Inc., General Counsel, 301 E. Market St., Fifth Floor, Indianapolis, IN 46204, in addition to any Cummins address specified on the PO. Any such notice to the Supplier shall be to the address specified on the PO.

16.5 Cummins expects Supplier to actively pursue sourcing of materials and services from minority owned and small disadvantaged businesses. Cummins reserves the right to periodically meet with Supplier's purchasing department to review minority sourcing programs and results.

16.6 Supplier agrees to comply with the United States Generally Accepted Accounting Principles, as applicable, and if requested by Cummins, Supplier will comply with and assist Cummins as reasonably necessary in its compliance with the requirements of the Sarbanes-Oxley statute and related regulations.

16.7 The relationship between the parties is that of independent contractors. Nothing contained in these Terms shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

16.8 If any provision, clause, or conditions of these Terms becomes or is deemed invalid or unenforceable under any statute, regulation, ordinance, executive order, or other rule of law, then such provision, clause, or conditions shall be deemed reformed or deleted, but only to the extent necessary to comply with any statute, regulation, ordinance, executive order, or other rule of law; and all other provision, clause, or conditions of these Terms shall remain in full force and effect.