

AMPHENOL BORISCH TECHNOLOGIES

4511 East Paris SE
Grand Rapids, MI 49512

Purchasing Agreement Under Consignment Stock

Between

AMPHENOL BORISCH TECHNOLOGIES
4511 East Paris SE
Grand Rapids, MI 49512-5314
USA

Hereafter called **ABT**

AND

Hereafter called

INTRODUCTION

This Agreement, effective as of (DATE) by and between _____ (hereinafter referred to as “XXXXX”), a corporation formed and existing under the laws of the state of _____, having a principal place of business at _____ and ABT Borisch Technologies (hereinafter referred to as “ABT”), having a principal place of business at 4511 East Paris SE Grand Rapids, MI 49512.

RECITALS

ABT manufactures and sells wire harness, box assemblies and circuit card assemblies for use in aerospace, aviation and military applications.

XXXXX manufactures Product and is capable of manufacturing Product for ABT’s assemblies and piece parts.

ABT may purchase from XXXXX, and XXXXX is willing to sell to ABT, Product for integration and sale by ABT with ABT’s connectors upon the terms and conditions that are hereinafter set forth.

Definitions

- The Daily Report is a document generated by ABT which identifies all Product to be provided by XXXXX to ABT.
- “Product” shall be defined as all parts referenced by part number and revision as identified in **Exhibit A** to this Agreement. Any additions or deletions of Product or changes regarding Product referenced in Exhibit A may only be modified upon the mutual consent of both parties.
- “Consignment Store” is a bonded warehouse located on ABT’s Premises in Grand Rapids, MI or Nogales, Mexico.

SALES, PRICING AND PAYMENT

- A. XXXXX agrees to deposit on consignment to ABT Product as identified in Exhibit A in accordance with this Agreement.
- B. The parties may include additional Products from XXXXX in Exhibit A. The terms of this Agreement apply to any additional Product mutually agreed by XXXXX and ABT. Such additions will be reflected in a modified Exhibit A.
- C. Payment will be made to XXXXX in 90 days of receipt of XXXX’s invoice or previously agreed upon payment terms between XXXXX and ABT will apply, at ABT’s election. XXXX may invoice for products which are shown to be pulled or consumed per ABT’s Daily Receipt and Consumption Report .

- D. ABT's standard terms and conditions, attached, will apply to all purchases to the exclusion of XXXX's terms.

PURCHASE COMMITMENT

- A. ABT will provide a forecast to XXXXX every Monday via an emailed tab delimited text file. The forecast will identify all Product to be provided by XXXXX to ABT. XXXXX will maintain the appropriate level of Product in order to meet ABT's forecasted demand requirements for a MINIMUM of 30 days and a MAXIMUM of 45 days. ABT's forecast, however, does not obligate it to purchase product.
- B. Any Product located at ABT when entering into this agreement will be transferred to the "Consignment Store" immediately.
- C. ABT will review MIN and MAX quantities quarterly at a minimum and communicate those to XXXXX. Any Product in excess of the MAX quantity, may be returned to XXXXX, at XXXX's expense.
- D. ABT's obligation to purchase is limited to the product that ABT pulls out of consignment. Those amounts will be reflected in ABT's Daily Receipt and Consumption Report.
- E. XXXXX must ensure that no less than the MIN quantity is on hand at ABT at all times. ABT will only make reimbursement for material that: a) is unique to ABT and has been obsoleted by an engineering change in specifications; or, b) has not been requested or consumed by ABT for a period in excess of one year.
- F. If both parties agree in writing that product will be designated as NCNR (Non-Cancelable Non-Returnable) XXXX will insure that the quantity delivered into consignment shall not exceed blanket PO balance. ABT assumes no liability for excess amounts. In addition, XXXXX will provide ABT with a NCNR approval form to sign prior to ABT placing the PO. NCNR Product will be considered on a part by part basis.
- G. XXXXX shall alert the appropriate ABT Buyer when XXXXX foresees a disruption in XXXXX supply chain that may affect the MIN stocking level within 24 hours of gaining knowledge of the possible disruption. If XXXXX fails to properly plan according to ABT's forecast or fails to notify ABT of any supply chain disruption, XXXXX will be accountable for the added costs of re-procurement, any payments ABT must make to its customers and any other extra costs or premiums ABT incurs for expediting the supplies in question.
- H. Upon entering into this consignment agreement, pricing will remain in place for one year (or a mutually agreed upon time period). Upon the anniversary date of

the consignment agreement, a face to face meeting at ABT will be required to re-evaluate the terms and conditions of the consignment agreement and pricing between XXXXX and ABT.

- I. XXXXX will pay and arrange for shipping and handling to the Consignment store.
- J. XXXXX will supply ABT with their standard lead time, pack quantity, and minimum ship quantity for all Product listed in Exhibit A. The minimum pull quantity will be assumed to be one piece unless otherwise stated by XXXXX.
- K. Any EOL (End of Life) procurement will be managed via a separate agreement on a part by part basis. A separate agreement will be prepared in support of any EOL Product purchased from XXXXX. If a Product becomes EOL, XXXXX shall notify ABT with documentation from the manufacturer no later than 90 days from EOL. Again, ABT's standard terms and conditions, attached, will apply to all purchases to the exclusion of XXXX's terms.

TERM AND TERMINATION

A. Unless earlier terminated pursuant to the other provisions of this section, this Agreement will be deemed effective as of the date written above and will continue in full force and effect.

B. Except as expressly provided herein, the expiration or termination of this Agreement will not affect or impair the rights, liabilities, and obligations of either party to the other as provided pursuant to this Agreement or under any purchase order for Product existing prior to such expiration or termination, nor will such expiration or termination relieve either party of any obligation or liability accrued under this Agreement or pursuant to any purchase order prior to such expiration or termination, nor effect or impair the rights of either party arising under this Agreement prior to such expiration or termination.

C. In the event that there is a material breach by either party of any of the terms or conditions of this Agreement and if such party fails to cure such breach within 30 days after written notice from the other party describing the breach and requesting its cure, then the non-breaching party may terminate this Agreement effective at the end of said 30 days.

D. This agreement may be terminated at any time by ABT, at its convenience, upon providing XXXX with 90 days prior written notice. The parties agree to work together to bring about an orderly conclusion of the consignment relationship.

TITLE

The title of the stock in the Consignment Store rests with XXXXX until it is issued and identified as usage on the Consumption Report.

INSPECTION

A Representative from XXXXX has the right to inspect the Consignment Store during normal business hours upon providing 24 hours of notice to ABT.

INSURANCE

XXXXX shall be responsible for insuring the consignment stock in the Consignment Store.

SEVERABILITY

In case any one or more of the provisions contained in this Agreement will for any reason be held to be invalid, illegal, or unenforceable in any respect, except in those instances where removal or elimination of such invalid, illegal, or unenforceable provision or provisions would result in a failure of consideration under this Agreement, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

FORCE MAJEURE

Neither party shall be responsible for delays in performance due to causes beyond its control, including but not limited to acts of nature, war (whether declared or undeclared), fire or strikes. Economic or financial circumstances or unavailability of supplies shall not constitute force majeure for purposes of this Agreement. XXXXX shall hold Product at the direction of ABT and shall deliver Product when the cause affecting the delay has been removed.

TERMS AND CONDITIONS

In addition to the terms and conditions contained in this Agreement, the XXXXX shall be bound to ABT's standard terms and conditions. In the event of any conflict between ABT's standard terms and conditions and this Agreement, this Agreement shall prevail.

Applicable Law and Forum

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. All disputes which relate to this agreement shall be heard in English in the courts of Michigan. The Provisions of the United Nations convention on contracts for the international sale of Product shall not apply to this agreement.

EXHIBITS

- Exhibit A Product, Revision and Price
- Exhibit B ABT's Terms and Conditions, PRF-002

XXXXXX Name

By: _____
(date)
(Name & Title)

By: _____
(date)
(Name & Title)

ABT

By: _____
(date)
Jacob Vriesman
Purchasing Manager

By: _____
(date)
XXXXXXXX
(Purchasing Title)