

GLOBAL QUOTE LETTER TERMS AND CONDITIONS OF SALE

The attached Budgetary, Directional, or Firm Quotation (“**Quote**”) incorporates these Terms and Conditions of Sale (“**Terms**”). The Quote, including the Terms, is an agreement between the Kimball Electronics Group entity or entities (“**Kimball**”) and the Customer that are identified on the face of the Quote.

1. **Applicability.**

- a) Kimball relies on the information presented in the Quote, including these Terms, and Customer’s acceptance of this Quote as a material inducement to offer the products and services listed on the Quote. Accordingly, this Quote comprises the entire agreement between the parties on the subject matter of the Quote, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. In the event of a conflict or inconsistency between the Quote and these Terms, these Terms shall prevail. These Terms prevail over any other terms and conditions of purchase or sale regardless of whether, when, or how such terms and conditions are presented. Kimball’s acknowledgment and/or fulfillment of an order does not constitute acceptance of any of Customer’s terms and conditions or serve to modify or amend the Quote.
- b) Notwithstanding anything herein to the contrary, if a separate, negotiated, written supply agreement signed by both parties is in existence covering the sale of the products and services covered by the Quote (an “**Applicable Supply Agreement**”), such terms in the Applicable Supply Agreement shall prevail to the extent such terms are inconsistent with this Quote.
- c) All acceptances of and orders related to or arising from this Quote are expressly limited to the exact terms of this Quote, and, if any exists, an Applicable Supply Agreement. EXCEPT FOR AN APPLICABLE SUPPLY AGREEMENT, ALL ADDITIONAL, DIFFERENT, PRE-PRINTED, INCORPORATED, ATTACHED, AND/OR IMPLIED TERMS OR CONDITIONS OF SALE, INCLUDING WITHOUT LIMITATION REFERENCES TO THE SAME IN ANY ACCEPTANCE OF THIS QUOTE, ORDERS, ACKNOWLEDGMENTS, OR CONFIRMATIONS (AS APPLICABLE), ARE HEREBY REJECTED BY THE PARTIES, SHALL NOT BE BINDING ON EITHER PARTY, SHALL NOT FORM PART OF ANY ORDER, AND ARE NULL AND VOID FOR ALL PURPOSES. This Quote may not be modified unless an authorized Kimball representative agrees to any changes in a signed writing that specifically states that it amends both the Quote and these Terms and expressly identifies the portion(s) being amended. Each party acknowledges that it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance, or warranty (whether made innocently or negligently) that is not set out in the Quote. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in the Quote.

2. **Limited Warranties.**

- a) Beginning on the date of Kimball’s shipment of products and/or delivery of services identified on the Quote for the period specified on the Quote, or twelve (12) months for products (the “**Product Warranty Period**”) or ninety (90) days for services (the “**Services Warranty Period**”) if the Quote is silent, Kimball warrants to Customer that (i) covered products will be free from material defects in workmanship; (ii) covered products will conform to the agreed assembly specifications and test requirements in effect as of that date; (iii) Kimball will perform covered services in workmanlike manner; and (ii) covered services will conform to the agreed specifications or statement of work in effect as of that date. All warranties specified in this Section are collectively referred to as the “**Warranty**” and/or “**Warranties.**”
- b) Kimball provides no representations or warranties related to or arising from (i) design issues, including without limitation tolerance stack issues where an assembly fails to perform to specifications outside the agreed assembly specifications, or (ii) materials manufactured by third parties. To the extent it has the right to do so, Kimball will assign (without recourse, representation, or warranty) to Customer any warranty provided by any third-party material supplier. If a material supplier’s warranty cannot be assigned, Kimball will pursue any valid claims under such warranty at Customer’s request and sole expense for Customer’s benefit.
- c) ALL OTHER WARRANTIES OR CONDITIONS (WHETHER EXPRESS OR IMPLIED) AS TO QUALITY, CONDITION, DESCRIPTION, COMPLIANCE WITH SAMPLE, FITNESS FOR PURPOSE, MERCHANTABILITY, STATUTORY, OR OTHERWISE, ARE DISCLAIMED AND EXCLUDED FROM THE QUOTE TO THE FULLEST EXTENT PERMITTED BY LAW. IN THE EVENT OF BREACH OF ANY WARRANTY, KIMBALL WILL NOT BE LIABLE FOR INDIRECT, PUNITIVE, SPECIAL, OR CONSEQUENTIAL (INCLUDING LOSS OF PROFITS, LOSS OF OR USE OF DATA, AND/OR INTERRUPTION OF BUSINESS) DAMAGES CAUSED BY THE FURNISHING OF ANY PRODUCT OR SERVICE OR THE SUBSEQUENT USE OR PERFORMANCE THEREOF UNDER THIS AGREEMENT, AND KIMBALL’S MAXIMUM LIABILITY SHALL NOT IN ANY CASE EXCEED THE PRICE OF THE PRODUCT OR SERVICE BEING FURNISHED BY KIMBALL UNDER A GIVEN PURCHASE ORDER. THE LIMITATION OF LIABILITY PROVISIONS SET FORTH IN THIS SECTION SHALL APPLY EVEN IF THE REMEDIES UNDER THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE.
- d) Both Kimball and Customer rely on the limitations of liability set forth in this Section. These limitations reflect an allocation of risk between the parties (including the risk that a contract remedy may fail of its essential purpose and cause consequential loss), and the limitations form an essential basis of the bargain between the parties.

3. **Remedies.** Provided Customer gives notice in writing to Kimball during the relevant Product or Services Warranty Period promptly after discovery that some or all of the products and/or services do not comply with the warranties set out in Section 2, Kimball is given a reasonable opportunity to examine the products and/or services, and Customer returns products and/or services to Kimball's place of business as directed by Kimball pursuant to its Return Material Authorization (RMA) process, then Kimball shall, at its option and expense, repair or replace any products and/or services that it finds to be defective, or refund the price Customer paid for such products and/or services. In no event shall any products be returned, reworked, or scrapped without Kimball's express written authorization.
4. **Customer-Supplied Material.** Material furnished by the Customer, including tooling, must meet agreed specifications, arrival schedules, quality, and other agreed requirements. Customer shall indemnify, defend, and hold harmless Kimball for its reasonable costs arising from materials that fail to meet the above provisions. The obligation to reimburse Kimball for such costs survives termination of any order for products or services.
5. **Forecasts.**
 - a) To support effective planning and the continued and uninterrupted supply of products, by the first day of each month, Customer shall deliver in writing to Kimball a twelve (12) month rolling forecast ("**Forecast**"). The Forecast shall describe the anticipated quantities of products to be ordered and delivered per calendar month as well as the anticipated quantities of products to be delivered per week for the first sixteen (16) weeks of the Forecast. Together with each Forecast, Customer shall issue purchase orders in strict accordance with the first sixteen (16) weeks of the Forecast.
 - b) Customer shall conspicuously mark or note on each Forecast any variance or changes from the prior month's Forecast (for example, by highlighting the Forecast's spreadsheet cells having changes or variances). Kimball's ability to accommodate any positive or negative variance in a Forecast is contingent on availability of requisite materials and manufacturing capacity. No variance or changes in a monthly Forecast shall alter or diminish the Inventory Authorization.
6. **Inventory Authorization.**
 - a) Customer shall at all times be liable to Kimball for (i) fifty-two (52) weeks of forecasted finished goods and/or work in process and forecasted raw materials; and (ii) any Long Lead Time/NCNR Materials (subparts (i) and (ii) collectively referred to as the "**Inventory Authorization**"). "**Long Lead Time/NCNR Materials**" means material ordered by or in stock with Kimball that (i) has lead times that exceed the period of the Inventory Authorization to the extent Kimball deems necessary for the manufacture of deliverables pursuant to the Forecasts and/or (ii) is custom, non-cancelable, non-reschedulable, and/or subject to minimum-buy requirements.
 - b) In the event Customer does not actually purchase from Kimball the material covered by the Inventory Authorization within 60 days of Kimball's receipt of such material ("**Excess Inventory**"), then Customer will pay an inventory deposit in the amount equal to the Excess Inventory cost plus a monthly 0.5% warehousing fee. If after 365 days Customer has not purchased the Excess Inventory, then upon ten (10) days written notice from Kimball, Customer will immediately purchase from Kimball, at Kimball's cost plus a five percent (5%) carrying charge, all such Excess Inventory.
 - c) Kimball will use reasonable efforts, in its sole discretion, to mitigate Customer's liability under this Section by accepting the return of, returning to its suppliers, or selling to others any Excess Inventory.
7. **Customer-Directed Changes.** Should Customer change the requested delivery date, the volumes in a Forecast, the ordered products or services, or the agreed specifications or statement of work that pertain to them; delay or cancel any quantities in Customer's Forecast or material schedule; or fail to timely furnish information or material reasonably requested by Kimball, then Kimball may adjust the price of products or services accordingly and Customer shall pay upon Kimball's invoice all charges reasonably necessary to implement such Customer-directed changes, including without limitation for expediting or cancellation charges, for volume pricing adjustments, and for work performed, on-hand and on-order raw materials, work in progress, and finished goods.
8. **Customer Indemnity.** Customer shall indemnify, defend, and hold harmless Kimball against all liabilities, costs, expenses, damages, and losses Kimball suffers or incurs in connection with any claim made against Kimball for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with Kimball's use of Customer's specifications or materials. Customer's obligation to reimburse Kimball for such costs survive termination of any order for products or services.
9. **Order Fulfillment Contingencies.** A delivery date represents Kimball's best estimate and is not a guarantee. Material lead times, availability, or allocations; market or commodity price volatility; third party supplier terms; manufacturing capacity or availability; and other contingencies beyond Kimball's sole control may result in delivery delays, non-delivery, or additional costs at the time of order fulfillment. The parties will negotiate resolutions of the occurrence of such contingencies in good faith, but Kimball shall not be liable for any delays or non-delivery caused by such occurrences and Customer may not cancel an order because of such occurrences. If any contingency occurs, Kimball may allocate production and deliveries among its customers, adjust the price of the products and/or services prior to order fulfillment, or both. If an occurrence is due to any Customer-directed changes in Section 7 or Customer failure to timely furnish information or material, Kimball may adjust the price accordingly and Customer shall be responsible for all costs arising from the same.

10. Intellectual Property.

- a) Subject to subsection (b), Customer will not acquire any title, right or interest in or to any intellectual property rights, trade secrets, or non-public know-how belonging to, licensed to, or developed by Kimball that relates to or constitutes (a) experimental, testing, analytical, or packaging methods; (b) manufacturing processes developed at Kimball's expense; or (c) developments, additions, improvements, modifications, adaptations, enhancements, derivatives, or variants to the same ("**Kimball Property**").
 - b) Kimball grants Customer a non-exclusive, irrevocable, perpetual, worldwide, royalty-free, sublicensable license to use any Kimball Property in products and services, and any related documents, technical manuals, and other materials containing Kimball Property that are delivered to Customer, solely to the extent necessary to enable to Customer to make reasonable use of the products and services provided pursuant to this Quote.
 - c) Kimball acknowledges that all materials, equipment, tools, drawings, specifications, and data supplied by Customer ("**Customer Property**") to Kimball and all rights in such Customer Property are and shall remain the exclusive property of Customer.
 - d) Each party shall keep the Property owned by the other in its custody at its own risk, maintain such Property using to commercially reasonable practices until returned to the other party, and not dispose of or use such Property other than in accordance with a confidentiality agreement between the parties or pursuant to the other party's written instructions or authorization.
11. **Delivery, Title, and Risk of Loss.** The Incoterms 2020 Rules, or its subsequent modifications published by the International Chamber of Commerce, and any specific product delivery conditions stated in the Quote shall apply to all product deliveries made related to or arising from the Quote. Title to products shall pass to Customer at the time the risk of loss passes to customer pursuant to the applicable Incoterms Rule recited in the Quote. In case of any conflict between the Incoterms 2020 Rules and any terms of the Quote, the Quote shall prevail. If the Quote does not recite an applicable Incoterm, Incoterms 2020 EXW Kimball's facility loading dock shall apply. Customer agrees to accept either overage or shortage of delivered products from any order not to exceed ten percent (10%). Customer shall pay or receive a credit for this overage or shortage. Taxes, tariffs, duties, and any other added fees or cost of transportation, importation, or exportation not expressly included in the Quote shall be at the Customer's sole risk and expense. Customer shall make any claim for loss or damage in transit against the applicable carrier only.
12. **Extensions of Credit.** If at any time Kimball determines that Customer's financial condition does not justify the extension of credit or the terms specified in the Quote, or Customer is in default on any indebtedness or obligation to Kimball, then Kimball may require full, partial, or progress advance payments; change the terms extended to Customer; suspend performance of any order; and/or require a security or other adequate assurance satisfactory to Kimball. All sales are subject to the approval of Kimball's credit department. Late payments may be subject to interest at the maximum allowed by law.
13. **Waiver and Severability.** A waiver of any right or remedy by either party is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy by a party shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy by that party. Furthermore, if any term or provision of this Quote is or becomes invalid, illegal, or unenforceable in any jurisdiction, it shall be deemed deleted in that jurisdiction, and shall not affect any other term or provision of this Quote or invalidate or render unenforceable such term or provision in any other jurisdiction.
14. **Force Majeure.** Neither party shall be in breach of this agreement nor liable for delay in performing, or failure to perform, any of its obligations under this agreement (except for any obligations of Customer to make payments to Kimball hereunder) if such delay or failure results from an event outside Kimball's or Customer's reasonable control. The time for performance of such obligations shall be extended accordingly.
15. **Governing Law and Jurisdiction.** The Quote will be governed by the laws of the country (and/or the state, as applicable) as specified in the Applicable Supply Agreement, and any disputes arising from or related to the Quote shall be brought in the venue specified in the Applicable Supply Agreement. If no Applicable Supply Agreement exists, or the Applicable Supply Agreement is silent on either or both the governing law or venue, the Quote will be governed by the laws of the State of Indiana and, without prejudice to either party's right to seek emergency, injunctive, or conservatory measures of protection at any time, any disputes arising from or related to the Quote, including any question regarding its existence, validity or termination, shall be heard exclusively by the state or federal courts located within the State of Indiana, to whose personal jurisdiction both parties consent.