

## DISTRIBUTION AGREEMENT

This DISTRIBUTION AGREEMENT (this "Agreement") is dated as of April 1<sup>st</sup>, 2018 between Omron Electronics LLC ("Supplier"), and \_\_\_\_\_ ("Distributor"), with a principal place of business at \_\_\_\_\_.

See Section 10(l) for the definition of certain capitalized terms used herein.

### WITNESSETH:

WHEREAS, Distributor desires to act as a distributor of the products described below, and Supplier is willing to appoint Distributor to act as such a distributor, subject to the following terms and conditions;

NOW, THEREFORE, IT IS AGREED:

1. Appointment.

(a) Appointment. Subject to the terms hereof, Supplier appoints Distributor as a non-exclusive distributor of the Products for resale to customers in the Territory identified on Addendum C hereto, as may be modified from time to time. Distributor hereby accepts this appointment, and agrees to use its best efforts to market and sell the Products to customers in the Territory. Distributor agrees not to sell Products outside the Territory by any means, including via the Internet, without Supplier's prior written consent.

(b) Other Distributors. Supplier reserves the right to appoint one or more other distributors of Products in the Territory and to make (i) calls on or to, and (ii) direct sales of Products to, any customers in the Territory, without compensation of any kind to Distributor. When feasible, 30 days' prior notice will be given to Distributor of the foregoing activities.

(c) Sales Volume. Distributor shall maintain such minimum Product sales volume as set forth in the Business Plan.

(d) Distributor Pricing. Subject to the terms and conditions hereof, Distributor is authorized to sell Products purchased from Supplier in the manner, at the prices and upon terms Distributor determines.

(e) Trade Names; Intangible Property; Etc. Subject in any event to direction and approval from Supplier, Distributor may use trademarks, service marks, copyrighted materials (including pdf and graphics files), trade names, logos and other words or marks of Omron in connection with the sale or servicing of the Products ("Intangible Property"). Distributor agrees that (i) it will not at any time hold itself out as Supplier or as part of Supplier; (ii) it will only use the Intangible Property for the purpose of promoting the sale of the Products in accordance with guidelines supplied by Supplier; (iii) none of the Intangible Properties may be used as part of the name under which Distributor's business is conducted; (iv) upon expiration or termination of this Agreement, Distributor's rights hereunder shall terminate and Distributor immediately shall (A) discontinue all use of the Intangible Properties, (B) stop holding itself out as a distributor for Supplier or the Products and (C) at Distributor's expense, remove or reface all signs displaying any of the Intangible Properties; (v) Supplier and its affiliated companies own full right, title and interest in and to the Intangible Properties, (vi) Distributor will never challenge the rights claimed by Supplier or its affiliated companies to the Intangible Properties and will not register any web domain names or URLs that include the Omron name or any other Intangible Property; (vii) all use of the Intangible Properties will inure to the benefit of Supplier; (viii) Distributor will not in any way associate the Intangible Properties with the marketing of products or services other than the Products; and (ix) Distributor promptly shall notify Supplier in writing of any actual or alleged infringement of any of the Intangible Properties. This section shall survive termination hereof.

(f) Product Changes. Supplier reserves the right to change the types or specifications of any Product shown in literature to conform to current Products or current industry-accepted environments; or to add, eliminate or discontinue any Product, by written notice to Distributor, whether by way of revised literature or otherwise. Changes in Product specifications or discontinuation or elimination of Products will not be effective with respect to orders accepted by Supplier prior to the date of such notice or during the 30 day period following Distributor's receipt of such notice.

## 2. Sales Procedure, Billings and Payments.

(a) Prices. Prices to Distributor for the Products shall initially be as set forth in Addendum A, as may be modified from time to time, minus the discount for which Distributor qualifies as set forth in Addendum A, as may be modified from time to time. Distributor agrees that certain discounts and “special pricing” may from time to time be granted by Supplier pursuant to Supplier’s Special Pricing Registration Program, as set forth in Exhibit A. Supplier reserves the right in its sole discretion to change Product prices from time to time and at any time; provided, however, that price changes shall not be effective with respect to orders accepted by Supplier prior to the date of such notice or during the 30 day period following Distributor’s receipt of such notice.

(b) Payment Terms. Payment terms shall be net thirty days. Distributor shall pay Supplier late interest on all amounts due in accordance with this Agreement or any order or invoice which are not paid on the corresponding due date at a rate of 1.5% per month, until the date in which payment is fully received and accepted by Supplier. All payments from Distributor to Supplier under this Agreement shall be made in US Dollars.

(c) Terms and Conditions. All Distributor orders shall be subject to the Standard Terms and Conditions, as set forth on Exhibit B, as may be modified from time to time. No additional or different terms set forth in Distributor’s purchase order, acknowledgement or other forms or correspondence shall govern any sales of Products by Supplier to Distributor.

(d) Order Placement. Distributor shall use Supplier’s order processing software (JD Edwards) or other mutually agreed electronic systems (e.g., EDI) for all order transactions, including order placement, order status, inventory status and lead-time inquiries. If order forms are required, Distributor shall place orders on, and shall be subject to the terms of, Supplier’s standard distribution order forms, which shall be signed by Distributor.

(e) Refuse to Accept. Supplier may refuse to accept any order which Supplier determines in good faith to be detrimental to its best interests.

(f) Security. At the request of Supplier (based on the creditworthiness of Distributor in Supplier’s judgment), Distributor shall grant to Supplier a security interest in all Products now owned or hereafter acquired by Distributor and in proceeds thereto. Distributor shall take any action reasonably deemed advisable by Supplier to establish, perfect or continue perfected such security interest; provided, however, that Supplier shall not request such a grant so long as Distributor remains current with respect to its payments to Supplier hereunder.

(g) Returns. Supplier only accepts returns of Products it can confirm to be defective, and Distributor is not permitted to return any product until it receives approval from the appropriate customer service representative at Supplier and the appropriate “return authorization” from Supplier.

## 3. Distributor Obligations.

(a) Business Plan. Within thirty days of entering into this Agreement, and thereafter no later than May 1st of each year hereunder Distributor shall submit, in writing, a business plan to Supplier which will include, subject to Supplier’s approval, the items identified in Addendum A as being required by the distribution tier in which you have been appointed, as may be modified from time to time, a template of which is attached hereto as Addendum B. As used herein, such plans or commitments made by Distributor or directed by Supplier are called “Business Plans”. Distributor and Supplier shall meet to discuss the Business Plan, including the designation of Target Customers and Key Accounts.

(b) POS. Distributor shall prepare and submit monthly complete business reports, including point of sale information and selling prices to Distributor’s customers, as requested by Supplier per the requirements in Exhibit C. Such reports are subject to the confidentiality provisions of Section 9 during the term of this Agreement.

(c) Other Reports. Distributor shall provide on a monthly basis reports on Product sales, bookings, marketing efforts, and inventory value, in a format agreed upon by the parties, and shall provide such other reports relating to marketing and product development as Supplier may reasonably request from time to time.

(d) Inventory. Distributor shall (i) maintain a stock of Products sufficient to enable it to service customers in the Territory, or (ii) participate in Supplier’s vendor-managed inventory program. Specific requirements may be contained in the Tier Requirements provisions of Addendum A.

(e) Support Activities. Distributor shall continuously provide support activities in the Territory in order to ensure service quality and sales volumes.

(f) Insurance. Distributor shall maintain in effect adequate insurance against all losses, claims and expenses for injuries or damage to any person or property arising out of or in connection with this Agreement, including, at a minimum, workers compensation insurance (statutory amounts) and commercial general liability insurance coverage (including products liability) in the amount of at least \$1,000,000. Upon Supplier's request, Distributor shall provide Supplier with a certificate evidencing such coverage.

(g) Distributor must notify Supplier in writing within 30 days of Distributor's decision to sell or distribute at wholesale any product for the vendors and in the categories identified on Exhibit D, as may be modified from time to time.

#### 4. Promotional Materials.

(a) Advertising Materials. Supplier shall make available to Distributor certain advertising materials such as literature, catalogs, folders, mailing pieces and signs designed to assist the Distributor in promoting the sale of the Products.

(b) Use of Materials. Distributor shall not give, loan, exhibit, sell, transfer or disclose to any other person or entity competing with Supplier any specifications, drawings, photographs, designs, price or customer lists, ideas or any other business or confidential information furnished by Supplier to Distributor by virtue of the relationship established by this Agreement. Such information shall be and remain the exclusive property of Supplier.

5. Warranties. All Products shall be covered by Supplier's standard warranties as set forth in the Standard Terms and Conditions. Distributor is not authorized to extend to its customers any warranty other than that set forth in the Standard Terms and Conditions. Distributor shall be responsible for any representations or statements which were not specifically authorized in writing by Supplier, and agrees to indemnify, defend and hold Supplier harmless from any costs (including attorneys' fees) damages and liability resulting therefrom.

#### 6. Stock Rotation.

(a) Procedure. Subject to Supplier's prior written consent, Distributor may be allowed stock rotation, for merchandise credit only, of Products; (i) designated by Supplier as standard inventory (normally stocked), (ii) not constituting "discontinued Product"; and (iii) purchased by Distributor within the prior year ("Standard Inventory"). Before any such rotation, Distributor must receive a return authorization from Supplier. Products identified at any time by the Supplier as not qualifying as Standard Inventory will not be rotated. Distributor must prepay transportation expenses for returned Products. Distributor must request any stock rotation in writing within one month after the end of the applicable "rotation period" designated by Supplier. Products returned to Supplier must be matched by a new order of at least equal dollar value of the Products being returned. The rotation period and value of Standard Inventory for which stock rotation will be permitted is as set forth on Addendum A.

(b) Condition of Inventory. Distributor must use utmost care in selecting inventory for return. Standard Inventory returnable for rotation must be in new and resalable condition in the original undamaged packaging. All returns are subject to final inspection and acceptance by Supplier. Any Products Supplier deems unacceptable for return will not be eligible for credit and Supplier may at its option make such Products available for pick up or return such Products to Distributor at Distributor's expense.

(c) Credit. Qualifying returns accepted by Supplier will be credited to Distributor at their original purchase price.

#### 7. Discontinued Products.

(a) Supplier has the right to discontinue sale of any of its Products. Supplier will endeavor, as commercially reasonable, to provide at least 60 days' notice to Distributor prior to discontinuance.

(b) Return of Discontinued Products. If Supplier does not replace a discontinued Product with a replacement Product which has a substantially equivalent function as the discontinued Product, Distributor shall have the right to return to Supplier its inventory of the discontinued Product within 30 days' of receiving notice from Supplier that the Product is being discontinued, provided, however, that such Products shall have been purchased from Supplier within the prior year, must constitute standard (normally stocked) inventory, and must be in new and resalable condition and in the original undamaged packaging.

(c) Final Order for Discontinued Products. Within 30 days of receipt of a notice of discontinuance with respect to a Product, Distributor may submit a final order for such Product to Supplier. Supplier will notify Distributor within 30 days of receipt of the order as to the extent to which it will be feasible for Supplier to fulfill the order.

#### 8. Term and Termination

(a) Term. Subject to the terms hereof, this Agreement shall have an initial term of two years and shall thereafter automatically renew for consecutive additional one-year terms unless either party notifies the other party in writing of its intent not to renew by 60 days before the end of any such term.

(b) Termination by Notice. Notwithstanding any other provision, either party may terminate this Agreement at any time, with or without cause, upon sixty (60) days' prior written notice to the other.

(c) Termination for Cause. Notwithstanding any other provision, Supplier may terminate this Agreement immediately upon notice to Distributor if (i) Distributor is in material breach of any representation, warranty or covenant herein; (ii) Distributor fails to provide Supplier within a commercially reasonable time after Supplier's request (but in no event exceeding 10 days after such request) with adequate and reasonable assurance of Distributor's financial and operational capacity to timely perform Distributor's obligations hereunder; (iii) Distributor sells, leases, exchanges, transfers or disposes of a material portion of Distributor's assets, merges or consolidates with or into any other person, or undergoes a change in control or majority ownership; (iv) Distributor fails to comply with the applicable Business Plan; or (v) Distributor repudiates any of its obligations under this Agreement.

(d) Automatic Termination. This Agreement shall automatically terminate, without notice to Distributor of any kind, if Distributor becomes insolvent or files, or has filed against it, a petition for voluntary or involuntary bankruptcy or under any other insolvency Law, makes or seeks to make a general assignment for the benefit of its creditors or applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property, or is generally unable to pay its debts as they become due.

(e) Final Order. Provided that Distributor is otherwise in compliance with all of the terms of this Agreement, within 30 days of receipt of notice of termination by Supplier pursuant to Sections 8(b) or (c) above, Distributor may submit to Supplier a final order for Products as needed to fulfill all orders which Distributor has pending and which are scheduled to be shipped within 30 days of the effective date of Distributor's termination. Supplier reserves the right, in its sole discretion, to require Distributor to make payment on its final order for Products on a COD basis.

(f) Return of Inventory. In the event of termination of this Agreement by Supplier under Sections 8(b), 8(c) or 8(d) above, Distributor promptly (within 15 days) shall deliver to Supplier a complete and accurate schedule (as of the termination date) of any of Distributor's Standard Inventory of Products, components, packaging and other items on which Omron's trademark appears that Distributor wishes Supplier to repurchase, and Distributor's cost for each such item. Supplier then has the option, within 15 days from its receipt of such schedule, to notify Distributor of its intent to purchase any such inventory at Distributor's cost. If Supplier sends such notice, Distributor promptly (within 30 days) shall deliver to Supplier the applicable inventory (subject to the return conditions of section 6(b)), and a release of claims under this Agreement containing such terms as are satisfactory to Supplier. Upon delivery of any such "qualifying" inventory, Distributor may, subject to other amounts owed to Supplier, invoice Supplier for such returned inventory. To the extent Supplier elects not to repurchase any part of such inventory, Distributor may sell such Products in the ordinary course of its business until the earlier of (i) the date the inventory is exhausted and (ii) 12 months after the date of termination.

(g) Return of NFR Products. In the event of termination of this Agreement by Supplier under Sections 8(b), 8(c) or 8(d) above, Distributor may return to Supplier all samples of Products and Products that are not intended for resale ("NFR Products") purchased within the prior year which are in the same condition as originally supplied by Supplier (normal wear and tear excepted). All such returns are subject to final inspection and acceptance by Supplier. Upon delivery of any such NFR Products meeting the foregoing condition, Distributor may, subject to other amounts owed to Supplier, invoice Supplier for such returned NFR Products in the amount of the original purchase price therefore less 15%.

(h) Effects of Termination. Upon any termination or expiration hereof, (i) neither party shall be liable to the other party for any damage of any kind (whether direct or indirect) incurred by the other party, (ii) neither

party shall be entitled to any compensation or reimbursement for inability to recoup any investment made in connection with performance under this Agreement, loss of prospective profits or anticipated sales or other losses occasioned by termination of this Agreement, (iii) Distributor shall return all of Supplier's records, books, prospect or price lists, drawings, blueprints, instruction sheets, advertising; promotional materials and supplies and other information and materials that contain, reflect, incorporate or are based on Supplier's Confidential Information (as defined below), (iv) notwithstanding the provisions of Section 9 hereof, Supplier shall be permitted to utilize information supplied by Distributor under Sections 3(b) and 3(c) of this Agreement to the extent necessary, in Supplier's reasonable business judgment, to ensure that the needs of Product customers in the Territory are met, (v) provided that Distributor is current in its payments to Supplier hereunder, Supplier shall remit to Distributor the amount of any credit balance remaining in Distributor's account with Supplier after Supplier's reconciliation of Distributor's account, within 30 days of the effective date of termination, and (vi) for three years following termination, in no event shall Distributor purchase for resale, advertise, sell or otherwise deal in any Omron-branded products except (a) as expressly permitted by Section 8(f)), or (b) pursuant to the terms of a value added reseller agreement to be entered into by Distributor and Supplier.

9. Confidential Information.

(a) During the term hereof, each of Distributor and Supplier acknowledge that they will receive Confidential Information from or about the other party. As used herein, "Confidential Information" includes customer lists, price lists, supplier information, solicitation methods, "POS" information, business plans, inventions, copyrights, process information, technical information, product concepts and designs, and any other proprietary information relating to a party or any affiliate.

(b) Each party shall use reasonable care to protect the confidentiality of Confidential Information disclosed to it by the other party during the term of this Agreement.

(c) Except as otherwise provided herein, neither party shall, at any time (including after termination hereof) directly or indirectly (i) disclose any Confidential Information to a third party or (ii) make any use for its own benefit any Confidential Information which was acquired by it at any time during the Agreement; provided that Supplier may use POS and related information received from Distributor for sales compensation allocation, marketing planning and territory management.

(d) The foregoing shall not apply to information that (i) is already or independently in possession of a party; (ii) is received by a party from a third party; (iii) is or becomes publicly available through no act of a party; (iv) is disclosed with the party's consent; or (v) is required to be disclosed pursuant to an order issued by a court or regulatory agency.

10. Miscellaneous.

(a) Entire Agreement. This Agreement (with exhibits) and the Standard Terms and Conditions, as supplemented by prices established pursuant to section 2(a) above and by delivery dates and Product quantities agreed upon in each case, shall constitute the entire agreement between the parties with respect to sales of Products, superseding all prior oral or written agreements, policies, understandings, representations, warranties and negotiations between Distributor and Supplier.

(b) Amendment. Except as otherwise provided herein, this Agreement may be amended only by a writing signed by both parties hereto.

(c) Force Majeure. Supplier shall not be liable for any delay or failure in delivery resulting from causes beyond its control, including earthquakes, fires, floods, strikes or other labor disputes, shortage of labor or materials, accidents to machinery, acts of sabotage, riots, delay in or lack of transportation or the requirements of any government authority.

(d) Governing Law; Venue, Waiver of Jury Trial. The parties agree that the application of the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from this Agreement and shall not be applied to any order hereunder. Any dispute arising out of or in connection with this Agreement and orders hereunder shall be resolved in accordance with the following:

(i) For services performed, or to be performed, by Distributor in the United States, this Agreement is governed by and construed under the laws of the State of Illinois (without regard to conflict of law principles that would require the application of any other law). Each of the parties hereto hereby consent to

the exclusive jurisdiction of the courts of the State of Illinois, or the United States District Court for the Northern District of Illinois, as well as to the jurisdiction to which an appeal may be taken from such courts, for the purpose of any suit, action or other proceeding arising out of, or in connection with, this Agreement or any of the transactions contemplated hereby. Each party hereby expressly waives any and all objections it may have to venue, including, without limitation, the inconvenience of such forum. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR TRANSACTIONS CONTEMPLATED HEREBY.

(ii) For services performed, or to be performed, by Distributor in Canada, this Agreement is governed by Ontario law (without regard to conflict of law principles). Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario with respect to any matters arising hereunder or related hereto.

(iii) For services performed, or to be performed, by Distributor in Central or South America, this Agreement is governed by and construed under the laws of the State of Illinois (without regard to conflict of law principles that would require the application of any other law). Any controversy in any way related hereto (including regarding an alleged tort) shall be submitted to binding arbitration conducted in Chicago, Illinois, by a three-person arbitration panel at the Judicial Arbitration Mediation Services ("JAMS"). Any controversy concerning whether an issue is arbitrable shall be determined solely by the arbitrators. Judgment upon the arbitration award may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief by Supplier or pursuit of a provisional or ancillary remedy by Supplier shall not constitute a waiver of the right of Supplier to submit the controversy or claim to arbitration. In any event, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR TRANSACTIONS CONTEMPLATED HEREBY.

(e) Notices. All notices, requests, demands, acceptances, rejections and other communications required or permitted hereunder shall be in writing and shall be deemed duly given (i) when delivered personally, (ii) on the following Business Day when sent by overnight courier, (iii) on dispatch when sent by telecopy and (iv) on the third following Business Day when mailed by registered or certified mail, postage prepaid, return receipt requested, as specified on the signature page hereto or to such other address as may be specified in a notice given by one party to another; provided that the foregoing shall not limit the ability of the parties to mutually agree to the terms of an electronic data interchange agreement.

(f) Assignment. This Agreement may not be assigned by Distributor, whether voluntarily or by operation of law, without the written consent of Supplier.

(g) Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability does not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

(h) Indemnity; Limitation of Liability. Supplier will indemnify, defend and hold Distributor harmless from and against losses, damages, suits and related costs and expenses ("Losses") arising out of claims of third parties for bodily injuries (including death) or damage to real or tangible personal property to the extent such Losses are legally determined to result solely from a breach by Supplier of its standard product warranty as set forth in the Standard Terms and Conditions or from the sole negligence of Supplier; provided that Supplier's liability hereunder shall in no event exceed the price of individual Products as to which such liability is claimed. Notwithstanding any other provision, Distributor shall indemnify, defend and hold harmless Omron Companies and their officers, directors, shareholders, affiliates, agents and employees harmless from and against all claims, liabilities, costs and expenses, including legal fees and costs (except those resulting from the willful misconduct or gross negligence of Supplier), arising in any way in connection with acts or omission of Distributor or its employees or agents. NOTWITHSTANDING ANY OTHER PROVISION, OMRON COMPANIES SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS OR PRODUCTION OR COMMERCIAL LOSS IN ANY WAY CONNECTED WITH THE PRODUCTS, WHETHER SUCH CLAIM IS BASED IN CONTRACT, WARRANTY, NEGLIGENCE OR STRICT LIABILITY.

(i) Financial Information. Distributor shall furnish to Supplier, upon request, a statement showing the financial condition of Distributor and any other information regarding the Distributor's business which may reasonably be required by Supplier (such information shall be subject to section 9).

(j) Relationship Parties. The parties to this Agreement are independent contractors and nothing in this Agreement shall be deemed or constructed as creating a joint venture, partnership, agency relationship, franchise or business opportunity between Supplier and Distributor. Neither party, by virtue of this Agreement, will have any right, power nor authority to act or create an obligation, express or implied, on behalf of the other party. Each party assumes responsibility for the actions of their personnel under this Agreement and will be solely responsible for their supervision, daily direction and control, wage rates, withholding income taxes, disability benefits, or the manner and means through which the work under this Agreement will be accomplished. Except as provided otherwise in this Agreement, Distributor has the sole discretion to determine Distributor's methods of operation, Distributor's accounting practices, the types and amounts of insurance Distributor carries, Distributor's personnel practices, Distributor's advertising and promotion, Distributor's customers, and Distributor's service areas and methods. The relationship created hereby between the parties is solely that of Seller and Distributor. If any provision of this Agreement is deemed to create a franchise relationship between the parties, then Supplier may immediately terminate this Agreement.

(k) Confidential Nature of Agreement. The parties agree that the terms and conditions of this Agreement represent confidential and proprietary business information and trade secrets which shall not be divulged by either Distributor or Supplier in the absence of the other party's written authorization or an order of a regulatory agency or court requiring such disclosure.

(l) Definitions. The following words have the prescribed meanings: "Business Plan" has the meaning set forth in Section 3(a); "Confidential Information" has the meaning set forth in Section 9(a); "including" means "including without limitation"; "Intangible Property" has the meaning set forth in Section 1(e); "Omron Companies" (or similar words) means Omron Corporation and any direct or indirect subsidiary or affiliate thereof; "Products" means goods manufactured or marketed by Supplier and listed in Addendum A, as revised from time to time by Supplier upon notice to Distributor, and accessories to and spare and replacement parts for such goods; "Standard Inventory" has the meaning set forth in section 6(a); "Standard Terms and Conditions" shall mean Supplier's standard Terms and Conditions of Sale set forth in Supplier's invoice forms (see Exhibit B); "Target Customers" and "Key Accounts" means those customers identified as such in the applicable Business Plan approved by Supplier; and "Territory" means that geographic territory described in Addendum C, as revised by Supplier from time to time upon notice to Distributor.

(m) Waiver. No failure or delay by any party in exercising any right or remedy under the Agreement shall operate as a waiver of or impair any such right or remedy. No waiver of any such right or remedy shall be effective unless explicitly set forth as such in a written agreement signed by the party issuing such waiver. No waiver of any right or remedy shall be deemed the waiver of any other right or remedy.

(n) Anticorruption/Trade Compliance.

(i) Distributor agrees, on behalf of itself and its affiliates and agents, to comply with the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and/or any other applicable laws related to anticorruption, anti-kickbacks, and anti-money laundering. Distributor shall not make any facilitating payments, or grease payments, with regard to the services performed under this Agreement.

(ii) Distributor shall not under any circumstances represent Supplier in any way or purport to act on its behalf. In particular, Distributor shall not represent Supplier before any (A) officer or employee of a government or any department, agency, or instrumentality of a government; (B) officer or employee of a public international organization such as the United Nations or the World Bank; (C) individual acting in an official capacity for or on behalf of a government agency, department, instrumentality or of a public international organization; (D) officer or employee of a company owned or controlled by a government; or (E) member of a royal family who may lack formal authority but who may otherwise be influential, including by owning or managing state-owned or controlled companies.

(iii) Distributor agrees to comply with all applicable laws (including import, export, export control, antiboycott, and sanctions laws) and shall not, directly or indirectly, sell, provide access to, export, re-export, transfer, divert, loan, lease, consign, transship (including a stop in port), transport, or otherwise dispose of any Supplier product, material, software (including source code), or technology to, via, or for (A) any entity

known to be headquartered in, or owned or controlled by a national of, any country subject to comprehensive sanctions applicable to Supplier, whether as of the date hereof or at any time in the future, including currently Cuba, Iran, North Korea, Sudan, and Syria, and the Crimea Region of the Ukraine, (B) any other individual or entity identified on a denied or restricted party list applicable to Supplier, or (C) any activity or end-use restricted by applicable laws without first obtaining all required government authorizations and written permission of Supplier.

(iv) **Notwithstanding anything to the contrary in this Agreement, neither party shall be required to take any action prohibited or penalized by, or to refrain from taking any action required under, the laws of any applicable domestic or foreign jurisdiction relating to international boycotts.**

(v) Either party shall have the right, in its sole discretion, to immediately suspend performance or to terminate this Agreement or any order if (A) applicable comprehensive sanctions are imposed, or (B) the other party is designated as or determined to be a denied or restricted party under applicable law.

(o) Counterparts; Facsimile Signatures. This Agreement may be executed in counterparts, each of which taken together shall constitute one and the same agreement. Each party agrees that a signature transmitted to the other party by facsimile transmission or in PDF format shall be effective to bind the party whose signature was so transmitted.

(p) Successors and Assigns. This Agreement is binding on and inures to the benefit of the parties and their respective permitted successors and permitted assigns.

(q) No Third-Party Beneficiaries. This Agreement benefits solely the parties to this Agreement and their respective permitted successors and permitted assigns and nothing in this Agreement, express or implied, confers on any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

(r) Signed Copy. Each party acknowledges receipt of a signed copy of this Agreement.

(s) Survival. The terms of Sections 1(e), 2(g), 4(b), 5, 8(f), 8 (g) , 9, 10(d), 10(h), 10(k) and 10(m) shall survive the termination of this Agreement. The terms of Section 3(f) shall survive the termination of this Agreement for a period of five years if the insurance coverage maintained by Distributor is underwritten on a “claims made” basis.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DISTRIBUTOR:

SUPPLIER:

OMRON ELECTRONICS LLC  
2895 Greenspoint Pkwy, Ste 100  
Hoffman Estates, IL 60169

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:  
Title:

Name: Mark Binder  
Title: Director of Channel Relations

DATE:

DATE: April 1<sup>st</sup>, 2018

#### EXHIBIT A



## **Special Pricing Program**

This Exhibit sets forth the terms and conditions under which a Distributor may be eligible to participate in Omron's Special Pricing Program.

**PURPOSE:** The program has been established to encourage Distributors to extend the effort required to secure New Business for Omron Products from customers in the Distributor's Territory. "New Business" includes (i) a new customer for one or more Omron Products, (ii) a new application specified by an existing customer for one or more Omron Products, or (iii) a new Project with a new or existing customer who requires one or more Omron Products.

**TERM OF REQUEST; LIMITATIONS:** Distributor shall only be eligible to apply for Special Pricing for Omron Product(s) to be sold to customers within its Territory. Each Special Pricing Request is specific to a customer application or Project utilizing particular Omron Products. Only one Special Pricing Request will be issued for a particular customer application or Project utilizing a particular quantity of Omron Products at any given time. Each Special Pricing Request shall terminate upon the earlier of (i) one year from the date of registration, (ii) the consumption of the quantity of Omron Products covered by the Special Pricing Registration, or (iii) the completion of the Project. Only Distributors who have signed Omron's standard Distribution Agreement and are in full compliance with the terms and conditions thereof may be eligible for this Program.

**Special Price Request PROCEDURE:** To obtain a price different from the standard into cost price from Addendum A., Distributor must use the Omron Portal (or current active system interface). An example is provided below and all mandatory fields need to be completed or the request will be rejected.

**REVOCATION OF REGISTRATION; ETC.:** Once issued, any Special Pricing may be revoked by Omron prior to the expiration of its term if Omron (i) has received a certificate from the customer that Distributor's performance is unsatisfactory, or (ii) has determined that Distributor has purchased Omron Products pursuant to a Special Pricing Program and resold them to any customer other than the customer covered by the Distributor's Special Pricing Request Number. When feasible, Omron will make every effort to notify the incumbent distributor before taking any action. In addition, Omron may modify or terminate this Program, in its sole discretion, upon 30 days' written notice to a Distributor; and this Program shall not, except as specifically set forth herein, modify any rights or obligations of Distributor or Omron under the Distribution Agreement.

**RIGHT TO AUDIT INVOICES:** Omron reserves the right to review Distributor invoices to verify Distributor's compliance with the terms of the Special Pricing Program.

## Special Price Request Example:

Special Price Quotation Request - Special Price Quotation Request

Request / Agreement No. [ ] OEM, USER, CMFG\* [O] OEM

Existing Quote Number [ ] Project/Application Data\* [Conveyor line in package sorting area]

Omron Salesperson [ ] Reason for Quote\* [C] Competition

Bill To\* [31798] New or Existing\* [N] New

Ship To\* [32395] Industrial Vertical\* [ ] Blank

Order Entered As [ ] Contract Manufacturer Name [ ]

Distributor\* [Smith Distribution] Effective Date [02/06/18]

Distributor Sales Person\* [John Smith] Expiration Date [02/06/19]

Email Address\* [johnsmith@anywhere.com] Company [00010 Omron Electronics, LLC]

Phone Number\* [847 222-1234] Currency Code [USD]

Customer\* [Joe's Machine Shop] DUNS [ ] - [ ] - [ ]

Customer Location (City)\* [Chicago] State\* [IL] Zip\* [60606]

Line Number	Omron Part Number*	Disc Code	QTY*	Request Price*	Competitor Price*	Resale Price*	Competition*	Competition Part #*	List Price	Standard Disty Cost	Distributor GP%
1.000	E3ZFTN112M	BSA	50.0000	60.0000	65.0000	75.0000	Banner	Q518VN6R	92.0000	92.0000	20.00%
2.000	E3ZFDN27	BSA	25.0000	52.0000	55.0000	60.0000	Banner	Q518VN6DQ5	68.0000	68.0000	13.33%

### SPR Header Fields

Field Name	Status	Data Required
Existing Quote Number	Optional	If you want to add an item to an existing quote enter the quote number in this field, otherwise leave blank
Bill to Number	Auto populated	Auto populates with Distributor "Bill to Number"
Ship to Number	Required	Omron "Ship to" Account Number
Order Entered As	Required	"B" = bill of material, Blank, or "R" = release
Distributor	Required	Name of distributor
Distributor Sales Person	Required	Name of submitter
Email Address	Required	Email address of submitter. Confirmation of quote will be emailed to this address.
Phone Number	Required	Distributor's phone number
Customer	Required	Distributors Customers: Name
Customer Location (City & State)	Required	Distributors Customers: City & State
Customer Zip Code	Required	Distributors Customers: Zip Code
OEM or USER	Required	"O" =OEM or "U" = USER
Project/Application Data	Required	Description of project or specific application. <b>Example:</b> Conveyor line in package sorting area.
Reason for Quote	Required	"C" = Competition or "CC" = Commercial Consideration
New or Existing	Required	"N"= New business or "E" = Existing business
Industry Vertical	Required	Choose from dropdown options

SPR Line Fields		
Field Name	Status	Data Required
Omron Part Number/Group	Required	Omron Part Number
Est Annual Usage	Required	Quantity needed per year
Price	Required	Requested Price
Competitor Price	Required	Competitor Price
Resale Price	Required	Price Distributor will sell the product to their customer for
Competition	Required	Name of Competitor
Competition Part No	Required	Competitors part number or Competitors family name
List Price	Auto populated	Auto populates with Omron List Price
Standard Distributor Cost	Auto populated	Auto populates with current distributor cost
Comments	Required	Any additional comments

## EXHIBIT B

### Terms and Conditions of Sale

1. Offer; Acceptance. These terms and conditions (these "Terms") are deemed part of all quotes, agreements, purchase orders, acknowledgments, price lists, catalogs, manuals, brochures and other documents, whether electronic or in writing, relating to the sale of products or services (collectively, the "Products") by Omron Electronics LLC and its subsidiary companies ("Omron"). Omron objects to any terms or conditions proposed in Buyer's purchase order or other documents which are inconsistent with, or in addition to, these Terms.
2. Prices; Payment Terms. All prices stated are current, subject to change without notice by Omron. Omron reserves the right to increase or decrease prices on any unshipped portions of outstanding orders. Payments for Products are due net 30 days unless otherwise stated in the invoice.
3. Discounts. Cash discounts, if any, will apply only on the net amount of invoices sent to Buyer after deducting transportation charges, taxes and duties, and will be allowed only if (i) the invoice is paid according to Omron's payment terms and (ii) Buyer has no past due amounts.
4. Interest. Omron, at its option, may charge Buyer 1-1/2% interest per month or the maximum legal rate, whichever is less, on any balance not paid within the stated terms.
5. Orders. Omron will accept no order less than \$200 net billing.
6. Governmental Approvals. Buyer shall be responsible for, and shall bear all costs involved in, obtaining any government approvals required for the importation or sale of the Products.
7. Taxes. All taxes, duties and other governmental charges (other than general real property and income taxes), including any interest or penalties thereon, imposed directly or indirectly on Omron or required to be collected directly or indirectly by Omron for the manufacture, production, sale, delivery, importation, consumption or use of the Products sold hereunder (including customs duties and sales, excise, use, turnover and license taxes) shall be charged to and remitted by Buyer to Omron.
8. Financial. If the financial position of Buyer at any time becomes unsatisfactory to Omron, Omron reserves the right to stop shipments or require satisfactory security or payment in advance. If Buyer fails to make payment or otherwise comply with these Terms or any related agreement, Omron may (without liability and in addition to other remedies) cancel any unshipped portion of Products sold hereunder and stop any Products in transit until Buyer pays all amounts, including amounts payable hereunder, whether or not then due, which are owing to it by Buyer. Buyer shall in any event remain liable for all unpaid accounts.
9. Cancellation; Etc. Orders are not subject to rescheduling or cancellation unless Buyer indemnifies Omron against all related costs or expenses.
10. Force Majeure. Omron shall not be liable for any delay or failure in delivery resulting from causes beyond its control, including earthquakes, fires, floods, strikes or other labor disputes, shortage of labor or materials, accidents to machinery, acts of sabotage, riots, delay in or lack of transportation or the requirements of any government authority.
11. Shipping; Delivery. Unless otherwise expressly agreed in writing by Omron:
  - a. Shipments shall be by a carrier selected by Omron; Omron will not drop ship except in "break down" situations.
  - b. Such carrier shall act as the agent of Buyer and delivery to such carrier shall constitute delivery to Buyer;
  - c. All sales and shipments of Products shall be FOB shipping point (unless otherwise stated in writing by Omron), at which point title and risk of loss shall pass from Omron to Buyer; provided that Omron shall retain a security interest in the Products until the full purchase price is paid;
  - d. Delivery and shipping dates are estimates only; and
  - e. Omron will package Products as it deems proper for protection against normal handling and extra charges apply to special conditions.
12. Claims. Any claim by Buyer against Omron for shortage or damage to the Products occurring before delivery to the carrier must be presented in writing to Omron within 30 days of receipt of shipment and include the original transportation bill signed by the carrier noting that the carrier received the Products from Omron in the condition claimed.
13. Warranties. (a) Exclusive Warranty. Omron's exclusive warranty is that the Products will be free from defects in materials and workmanship for a period of twelve months from the date of sale by Omron (or such other period expressed in writing by Omron). Omron disclaims all other warranties, express or implied. (b) Limitations. OMRON MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, ABOUT NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE

OF THE PRODUCTS. BUYER ACKNOWLEDGES THAT IT ALONE HAS DETERMINED THAT THE PRODUCTS WILL SUITABLY MEET THE REQUIREMENTS OF THEIR INTENDED USE. Omron further disclaims all warranties and responsibility of any type for claims or expenses based on infringement by the Products or otherwise of any intellectual property right. (c) Buyer Remedy. Omron's sole obligation hereunder shall be to replace (in the form originally shipped with Buyer responsible for labor charges for removal or replacement thereof) the non-complying Product or, at Omron's election, to repay or credit Buyer an amount equal to the purchase price of the Product; provided that in no event shall Omron be responsible for warranty, repair, indemnity or any other claims or expenses regarding the Products unless Omron's analysis confirms that the Products were properly handled, stored, installed and maintained and not subject to contamination, abuse, misuse or inappropriate modification. Return of any Products by Buyer must be approved in writing by Omron before shipment. Omron Companies shall not be liable for the suitability or unsuitability or the results from the use of Products in combination with any electrical or electronic components, circuits, system assemblies or any other materials or substances or environments. Any advice, recommendations or information given orally or in writing, are not to be construed as an amendment or addition to the above warranty. See <http://www.omron247.com> or contact your Omron representative for published information.

14. Limitation on Liability; Etc. OMRON COMPANIES SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS OR PRODUCTION OR COMMERCIAL LOSS IN ANY WAY CONNECTED WITH THE PRODUCTS, WHETHER SUCH CLAIM IS BASED IN CONTRACT, WARRANTY, NEGLIGENCE OR STRICT LIABILITY. Further, in no event shall liability of Omron Companies exceed the individual price of the Product on which liability is asserted.
15. Indemnities. Buyer shall indemnify and hold harmless Omron Companies and their employees from and against all liabilities, losses, claims, costs and expenses (including attorney's fees and expenses) related to any claim, investigation, litigation or proceeding (whether or not Omron is a party) which arises or is alleged to arise from Buyer's acts or omissions under these Terms or in any way with respect to the Products. Without limiting the foregoing, Buyer (at its own expense) shall indemnify and hold harmless Omron and defend or settle any action brought against such Companies to the extent based on a claim that any Product made to Buyer specifications infringed intellectual property rights of another party.
16. Property; Confidentiality. Any intellectual property in the Products is the exclusive property of Omron Companies and Buyer shall not attempt to duplicate it in any way without the written permission of Omron. Notwithstanding any charges to Buyer for engineering or tooling, all engineering and tooling shall remain the exclusive property of Omron. All information and materials supplied by Omron to Buyer relating to the Products are confidential and proprietary, and Buyer shall limit distribution thereof to its trusted employees and strictly prevent disclosure to any third party.
17. Export Controls. Buyer shall comply with all applicable laws, regulations and licenses regarding (i) export of products or information; (ii) sale of products to "forbidden" or other proscribed persons; and (iii) disclosure to non-citizens of regulated technology or information.
18. Miscellaneous. (a) Waiver. No failure or delay by Omron in exercising any right and no course of dealing between Buyer and Omron shall operate as a waiver of rights by Omron. (b) Assignment. Buyer may not assign its rights hereunder without Omron's written consent. (c) Law. These Terms are governed by the law of the jurisdiction of the home office of the Omron company from which Buyer is purchasing the Products (without regard to conflict of law principles). (d) Amendment. These Terms constitute the entire agreement between Buyer and Omron relating to the Products, and no provision may be changed or waived unless in writing signed by the parties. (e) Severability. If any provision hereof is rendered ineffective or invalid, such provision shall not invalidate any other provision. (f) Setoff. Buyer shall have no right to set off any amounts against the amount owing in respect of this invoice. (g) Definitions. As used herein, "including" means "including without limitation"; and "Omron Companies" (or similar words) mean Omron Corporation and any direct or indirect subsidiary or affiliate thereof.

### Certain Precautions on Specifications and Use

1. Suitability of Use. Omron Companies shall not be responsible for conformity with any standards, codes or regulations which apply to the combination of the Product in the Buyer's application or use of the Product. At Buyer's request, Omron will provide applicable third party certification documents identifying ratings and limitations of use which apply to the Product. This information by itself is not sufficient for a complete determination of the suitability of the Product in combination with the end product, machine, system, or other application or use. Buyer shall be solely responsible for determining appropriateness of the particular Product with respect to Buyer's application, product or system. Buyer shall take application responsibility in all cases but the following is a non-exhaustive list of applications for which particular attention must be given:

(i) Outdoor use, uses involving potential chemical contamination or electrical interference, or conditions or uses not described in this document.

(ii) Use in consumer products or any use in significant quantities.

(iii) Energy control systems, combustion systems, railroad systems, aviation systems, medical equipment, amusement machines, vehicles, safety equipment, and installations subject to separate industry or government regulations.

(iv) Systems, machines and equipment that could present a risk to life or property. Please know and observe all prohibitions of use applicable to this Product.

NEVER USE THE PRODUCT FOR AN APPLICATION INVOLVING SERIOUS RISK TO LIFE OR PROPERTY OR IN LARGE QUANTITIES WITHOUT ENSURING THAT THE SYSTEM AS A WHOLE HAS BEEN DESIGNED TO ADDRESS THE RISKS, AND THAT THE OMRON'S PRODUCT IS PROPERLY RATED AND INSTALLED FOR THE INTENDED USE WITHIN THE OVERALL EQUIPMENT OR SYSTEM.

2. Programmable Products. Omron Companies shall not be responsible for the user's programming of a programmable Product, or any consequence thereof.
3. Performance Data. Data presented in Omron Company websites, catalogs and other materials is provided as a guide for the user in determining suitability and does not constitute a warranty. It may represent the result of Omron's test conditions, and the user must correlate it to actual application requirements. Actual performance is subject to the Omron's Warranty and Limitations of Liability.
4. Change in Specifications. Product specifications and accessories may be changed at any time based on improvements and other reasons. It is our practice to change part numbers when published ratings or features are changed, or when significant construction changes are made. However, some specifications of the Product may be changed without any notice. When in doubt, special part numbers may be assigned to fix or establish key specifications for your application. Please consult with your Omron's representative at any time to confirm actual specifications of purchased Product.
5. Errors and Omissions. Information presented by Omron Companies has been checked and is believed to be accurate; however, no responsibility is assumed for clerical, typographical or proofreading errors or omissions.

## EXHIBIT C

### Point of Sale (POS) Requirements

Supplying POS is mandatory for all Omron channel partners. Being on time and accurate is extremely important for Omron business analysis and development. Compliance to time submitted and accuracy will be monitored with discrepancies brought to the attention of management level when required.

By the 5<sup>th</sup> of each month, the POS file is to be sent electronically to Budde Marketing at [oeipos@buddemarketing.com](mailto:oeipos@buddemarketing.com). The preferred file format is a Microsoft Excel Spreadsheet or a comma-delimited ASCII text file. The National Electronic Distributors Association (NEDA) template format is preferred. The NEDA format fields are listed below with the required fields being underlined.

NOTE: If you are currently submitting POS, do not change your format. You may be contacted directly by Budde or Omron for modifications if large variations from what is required are experienced..

- Branch Id (if applicable)
- Customer Ship to Address
- Customer ShipTo City
- Customer ShipTo State
- Customer ShipTo Zip Code
- Country
- Part#
- Qty
- Invoice Number (Distributor to Customer)
- Invoice Date
- Unit Cost
- Unit Resale
- Resale Extended
- Customer # (Distributor's # for THEIR customer)
- Customer Name
- Customer PO#
- Ship Date
- Special Price / Contract#
- Entity Number (typically blank)
- Currency Code (USD is assumed)
- Ex Rate (1.00 as USD is assumed)
- Entity ID (optional per vendor)
- Ex Date
- Customer SIC Code (Ok if blank)
- Distributor Sales Rep (if available)

*Note. A header record should be included in the file to identify:*

- Distributor Name submitting the report
- Manufacturer Name (Omron Automation and Safety)
- Reporting period for the report in YYMMDD

Misrepresenting POS data is considered inaccurate reporting and could lead to punitive actions including removal of special pricing privileges