

**GARMIN SWITZERLAND GMBH
GENERAL TERMS AND CONDITIONS OF PURCHASE**

1. INTEGRATION

The purchase order, the Supplier Code of Conduct (available at <http://www8.garmin.com/suppliers/>) and these General Terms and Conditions (collectively the "Purchase Order") constitute the entire agreement between the vendor or seller named on the face thereof ("Supplier"), and Garmin Switzerland GmbH. ("Buyer" or "Garmin") covering the goods and/or services described therein. Any terms or conditions contained in Supplier's quotations, acknowledgments, invoices or any other documents that are different from, or in addition to, the terms and conditions hereof are hereby rejected. Neither receipt nor use of, nor payment for, any goods or Services under the Purchase Order shall be deemed agreement by Garmin to any term in any prior quotation or offer of Supplier that is additional or different from the terms contained herein. Garmin shall have no obligation to place Purchase Orders with Supplier beyond the specific goods or Services described herein, which decision shall be in Garmin's sole discretion.

2. ACCEPTANCE OF TERMS BY SUPPLIER

Supplier's acceptance must be limited to the terms and conditions stated herein, without any modification, addition or alteration. Supplier's commencement of work on such goods or services, or shipment of any of the goods, constitutes Supplier's acceptance of all of the terms and conditions hereof, whether or not Supplier has acknowledged the Purchase Order.

3. CHANGES

Garmin may by a written change order, make changes in any one or more of the following: (1) method of shipment or packaging; (2) place or time of inspection or delivery; (3) the quantity and /or type of goods or services ordered; and (4) the work or service/product delivery schedules. If Supplier considers that the conduct, statement, or direction of any of Garmin's employees constitutes a change hereunder, Supplier shall notify Garmin in writing within five (5) days and take no action on the perceived change pending written decision by Garmin. If any such change causes an increase or decrease in the cost of or time required for performance of any Order, an equitable adjustment shall be made in the price or delivery schedule or both, and the Order shall be modified accordingly. No claim by Supplier for adjustment hereunder shall be allowed unless made in writing for a specified amount within twenty (20) days from the date notice of any such change is received by Supplier.

4. TERMINATION

(a) Garmin may, for its sole convenience and without necessity of proof of default by Supplier, upon written notice to Supplier, terminate this Purchase Order in full or any or all outstanding Orders hereunder. Upon receipt of such notice, Supplier shall immediately stop all work on any Orders already placed and shall immediately terminate orders and sub-contracts arising thereunder.

(1) In such event Garmin shall pay Supplier the price stated in the Purchase Order for services or goods already completed as of the date of cancellation according to the terms of the Purchase Order, and the goods or services shall be the property of Garmin, and Supplier shall safely hold the same subject to receipt of Garmin's shipping instructions.

(2) In the event that work on any goods or services was commenced but not completed as of the receipt of notice of termination by Supplier, Garmin shall pay Supplier its actual direct cost to date for such work, plus 10% to cover all overhead or profit associated therewith, and reimburse Supplier for any unreturnable materials or restocking charges. Supplier will provide to Garmin an itemized bill of all costs. The cost of work in process will be calculated by totaling the raw material, labor, and other itemized and reasonable costs associated with the order termination. Supplier shall in good faith assure that any unused items included are a result of Garmin's induced parts obsolescence or overage. Such costs may include documented, reasonable claims from third party suppliers. In addition, Supplier will also take reasonable steps to divert the raw material inventory to other work orders to minimize a claim against Garmin. Garmin shall remit payment to Supplier within thirty (30) days of receipt of Supplier's complete and documented accounting.

(b) In addition to any other remedies provided by these Terms and Conditions or by law, Garmin may also, but is not required to, terminate any Order or this entire Purchase Order upon:

(1) Supplier's default in any material term or condition hereof; or

- (2) The appointment of a receiver for Supplier or an assignment of the bulk of Supplier's assets for the benefit of creditors; or
- (3) The filing of a petition in bankruptcy by Supplier, or by creditors of Supplier, unless Supplier
 - (i) notifies Garmin within 48 hours of filing of its intent to affirm the Purchase Order; and
 - (ii) provides Garmin with reasonable evidence of its ability to fulfill all its remaining obligations under the Purchase Order.

Otherwise, Garmin shall be entitled to petition the Bankruptcy Court for an Order lifting the Automatic Stay and permitting Garmin to terminate the Purchase Order. If the country or state in which Supplier is located considers the appointment of a receiver or an assignment for the benefit of creditors to require Bankruptcy Court oversight, then the provisions of Section 4.(b)(3) shall apply to such actions.

In such case, Supplier shall complete all Orders in process if so requested by Garmin. Garmin shall make no further payment to Supplier for the work terminated until such time as Garmin has purchased substitute goods or services or otherwise taken required steps and has calculated its damages in full, including any attorney's fees or costs resulting from such default. If any additional funds are due to Supplier after all Garmin's damages and costs are deducted from sums earned by Supplier, Garmin shall remit them to Supplier. If Garmin's damages exceed any sums earned by Supplier but as yet unpaid, Supplier shall promptly remit payment to Garmin upon Garmin's written demand.

- (c) If Garmin fails to make payment to Supplier in accordance with the terms of this Purchase Order, and such failure persists after written notice from Supplier and Garmin has not cured its failure to pay within an additional thirty (30) days, Supplier may terminate this Purchase Order after giving Garmin written notice of its election ten (10) days in advance of the termination's effective date.

5. TAXES

Unless otherwise provided in the Purchase Order, prices shown on the Purchase Order are deemed to include all taxes not expressly imposed by law on Garmin of the goods ordered hereunder. Supplier shall separately state on all invoices the applicable sales taxes imposed by federal, state, or local governments, unless an exemption is available.

6. PAYMENT TERMS and PRICE

- (a) Commercial Invoice Requirements. A Commercial Invoice must accompany all international shipments. This invoice must match the billing invoice submitted to Garmin Accounts Payable. If the shipment includes free items (no-charge) such as extra parts, promotional items, or other articles not included in the cost of the merchandise, the no charge item shall be listed as a separate line item on the Commercial Invoice. The commercial value (what the company would have paid or the reasonable value one would expect to pay for an identical item) must appear on the invoice. It is acceptable to put, "Value for Customs Purposes only - Free of Charge" on the invoice for identification purposes, but the normal sales price must be listed.
- (b) Payment terms are net 60 days from the date of delivery of goods and/or the performance of services, unless other payment terms including cash discounts are agreed upon and stated in the Purchase Order.
- (c) The Supplier invoices must include the following information:
 - (1) Purchase order or blanket purchase order number
 - (2) Release numbers on blanket purchase orders
 - (3) Garmin's part number, when applicable
 - (4) Quantity and price

Payment of invoices is subject to the information provided. The invoice must match the information on the Purchase Order. A packing list is also required to match the Purchase Order when invoicing Garmin. Discrepancies between the invoice, purchase order, and/or packing list will result in delayed payment.

- (d) Time allowed by Supplier for payment of invoices or for accepting a cash discount shall commence on the later of the date invoices are received by Garmin or the date the goods or services covered by the Purchase Order are received by Garmin. Garmin shall not be responsible for delay in receipt of Supplier's invoices.
- (e) Items not priced in the Purchase Order will be supplied to Garmin at the lowest price last charged by Supplier for equal quantity, and shall not exceed current prices quoted or charged to any other customer of Supplier for similar items and quantity. Supplier will refund to Garmin any amounts in excess of such price.

- (f) Garmin, at its discretion, may withhold all or part of any payment to the Supplier to such extent as may be necessary to protect Garmin from loss due to, but not limited to, the following causes:
 - (1) Defective work not corrected;
 - (2) Damage to personnel or property of Garmin or third-parties caused by act, omission, or negligence of the Supplier or its agents or employees;
 - (3) The breach of any provisions of the Purchase Order by the Supplier; or
 - (4) Failure of the Supplier to execute the work in a timely fashion to meet the completion date.
- (g) Payment shall not constitute acceptance of any non-conforming goods or services.

7. SHIPPING, FREIGHT TERMS and RISK OF LOSS / TITLE

- (a) Notwithstanding any provision hereof to the contrary, title to and risk of loss of the goods shall remain with Supplier until the goods are delivered at the F.O.B. point specified in this Purchase Order, or if no such point is specified, after the goods have been inspected by Garmin's quality assurance staff.
- (b) Charges for packing, hauling, storage or transportation are included in the price unless otherwise specified in the Purchase Order.
- (c) Shipping documents must show the Purchase Order number. The terms and routing of shipment shall be as provided in the Purchase Order. Garmin may revise shipping instructions as to any goods not then shipped.
- (d) Unless excluded by law, 19 U.S.C. 1304 requires every article of foreign origin imported into the United States to be clearly marked with the name of the country of origin of the article at the time of importation. Merchandise must be marked as legibly and permanently, in a conspicuous place, as the nature of the product will permit. This marking should indicate to an ultimate purchaser the country of origin in English, and the purchaser should be able to find the marking easily and read it without strain.
- (e) In order to facilitate the import of purchased product into a country from a foreign Supplier, specific documents are required by all Customs authorities worldwide. The Supplier is therefore required to provide the following documents:
 - (1) Commercial Invoice
 - (2) Packing List
 - (3) Air Waybill or Ocean Bill of Lading
 - (4) Other documentation as deemed necessary

8. TIME / SCHEDULE / DELAYS

- (a) TIME IS OF THE ESSENCE IN DELIVERING GOODS OR SERVICES UNDER AN ORDER. Supplier shall use its best efforts to make deliveries as expeditiously as possible, but in no event later than the delivery date(s) set forth in the Purchase Order. All shipments of goods and performance of services must be provided to Garmin in accordance with the time specified in the Order. In the event of any delayed shipments or performance, all additional expenses to which Garmin may be subjected shall be borne by the Supplier. If Garmin believes that a delay or anticipated delay in Supplier's deliveries or performance may impair Garmin's ability to meet its production schedules or may otherwise interfere with its operations, Garmin may, at its option, cancel any outstanding deliveries hereunder wholly or in part. Such remedy shall not be deemed to be the exclusive remedy for Supplier's delay or non-performance, but shall be in addition to all other remedies available to Garmin as provided for herein, at law, or in equity.
- (b) If Supplier believes that its ability to fulfill the requirements of a Purchase Order are being or will be impaired by any cause, including an event beyond its control and without its fault or negligence, such as a strike, fire, flood or other act of God, act of government, (hereinafter a "Force Majeure"), Supplier shall give written notice thereof to Garmin as soon as possible, but in no event later than ten (10) days of Supplier's first knowledge of the event or potential event, along with an estimate of the effect it believes the event will have on its ability to perform. Supplier shall exercise due diligence to eliminate or remedy the effects caused and shall give Garmin prompt notice when that has been accomplished.
- (c) If Garmin is satisfied that a Force Majeure event has occurred which prevents its full and/or timely delivery of the goods hereunder, and provided that Supplier establishes that it could not have overcome the effects of the event with commercially reasonable steps, Garmin may, at its option:
 - (1) require Supplier to apportion among its customers the goods available for delivery during the Force Majeure period;

- (2) cancel any or all delayed or reduced deliveries; or
- (3) cancel any outstanding deliveries hereunder and terminate the Purchase Order.

If Garmin accepts reduced deliveries or cancels the same, Garmin may procure substitute goods from other sources, in which event this Purchase Order shall be deemed modified to eliminate Garmin's obligation to purchase Supplier's goods which were not delivered. After cessation of the Force Majeure event, Garmin may, but is not obligated to, require Supplier to deliver goods not delivered during the Force Majeure period.

- (d) If the event which delayed or prevented performance by Supplier was not in fact a bona fide Force Majeure event, Garmin may treat Supplier's non-performance as a default. Notwithstanding any provision hereof to the contrary, the reduction, depletion, shortage, curtailment, or cessation of Supplier's supplies or reserves or any other supplies or materials of Supplier or its suppliers shall not be regarded as a Force Majeure event.

9. QUALITY ASSURANCE

Supplier agrees to establish and maintain a formal quality program and comply with the requirements stated below. If Supplier is not the manufacturer of goods covered by a Purchase Order, Supplier shall require the manufacturer of the goods to establish and maintain the program described below. Supplier's obligations hereunder shall extend and be applicable to Supplier's suppliers, contractors and sub-contractors:

- (a) Maintain quality records for a period of ten (10) years. Records include but are not limited to inspection, testing, rework, and repair documentation that show compliance with the item specifications.
- (b) For serialized items, all documents shall be traceable to the item serial number. The drawings, specifications, test procedures, standards, and other requirements of the Purchase Order shall be fully complied with.
- (c) All welding, soldering, finishing, plating, or other special processes shall be controlled in accordance with the requirements and specifications referenced by or included in the Purchase Order.
- (d) It is the responsibility of Supplier to ensure that only a product conforming to the Garmin-approved applicable design data is delivered to Garmin. If Supplier identifies or becomes aware of the existence of an item which is not in conformance with Garmin's specifications and applicable design data for such item, Supplier shall contact Garmin to request engineering review/disposition of the discrepancy. Supplier shall maintain a system for
 - (1) identification of defects in goods already manufactured;
 - (2) tracing of such goods to customers,
 - (3) prompt advice to customers of discovered defects, and
 - (4) a plan for recall and repair/replacement of such goods.

Garmin shall not be bound by Supplier's determinations under its Positive Recall System, and the final determination of conformance shall be in the sole discretion of Garmin. Supplier shall immediately upon Supplier's discovery report to Garmin any item found to be non-conforming subsequent to delivery to Garmin.

- (e) A copy of Supplier's current Quality Control Manual will be provided to Garmin if it has been included in the requirements of the Purchase Order.
- (f) Garmin and Garmin's customer shall have the right to inspect any and all of the goods at Supplier's plant or upon Garmin's receipt at Garmin's election, which right shall be exercisable notwithstanding Garmin's having paid for the goods prior to inspection. In the event any surveillance inspection or test is made by Garmin, Garmin's customer, or any governmental entity, such as the Federal Aviation Administration (in the case of items which will be used in an aviation product) on the premises of the Supplier, the Supplier shall, without additional charge, provide all reasonable facilities and assistance for the safety and convenience of the inspector(s) in the performance of their duties. Garmin, by reason of its inspection of, or its failure to inspect, the goods shall not be deemed to have accepted any defective goods or goods which do not conform to the specifications therefore, or to have waived any of Garmin's rights or remedies arising by virtue of such defects or non-conformance.
- (g) Supplier and its suppliers shall be required to use any of Garmin's customer required special processes, controlled sources or key characteristics specified by Garmin in the Purchase Order.

- (h) Supplier must provide written notification prior to any change in manufacturing location or sub-contracted third party suppliers in order to allow sufficient time for Garmin to prepare and conduct evaluations as necessary.
- (i) Garmin requires Supplier to obtain authorization prior to shipping any solderable components in excess of two (2) years old. Depending on the type of product and storage conditions, Garmin may require Supplier to pre-test solderability of the component to IPC/EIA/JEDEC J-STD-002B, Procedure 4.2, Test A and Test B. Material with shelf life requirements must have greater than fifty percent (50%) of shelf life remaining when shipped to Garmin.
- (j) Supplier represents and warrants it has policies and procedures in place to ensure none of the supplies or materials furnished to Garmin are "suspect/counterfeit parts" and certifies to the best of its knowledge and belief that no such parts have been or are being furnished to Garmin. "Suspect/counterfeit parts" are parts that may be of new manufacture but are misleadingly labeled to provide the impression they are of a different class or quality, or from a different source than is actually the case. They also include refurbished parts, complete with false labeling, that are represented as new parts or any parts that are designated as suspect by the U.S. Government. If Garmin reasonably determines that Supplier has supplied suspect/counterfeit parts to Garmin, Garmin shall promptly notify Supplier and Supplier shall immediately replace the suspect/counterfeit parts with parts acceptable to Garmin. Notwithstanding any other provisions contained herein, Supplier shall be liable for all costs incurred by Garmin to remove and replace the suspect/counterfeit parts, including without limitation Garmin's external and internal costs of removing such suspect/counterfeit parts, reinserting replacement parts, and of any testing necessitated by the reinstallation of Supplier's goods after suspect/counterfeit parts have been exchanged.
- (k) If Supplier receives a change in status to an active certificate(s) that was provided to Garmin as part of the Supplier Assessment Survey (FRM-0006). Supplier is required to provide written notice to Garmin within five (5) business days of the change. If Supplier fails to inform Garmin that they have a change of status to active certificates, it may result in Garmin charging back the Supplier for any material and cost incurred due to the change in status.

10. SUBSTITUTIONS

- (a) Substitution of material shall only be made with prior written permission from Garmin.
- (b) Supplier shall submit a "Supplier Change Notice" (SCN) or "Process Change Notice" (PCN) when any change is made to the item that could impact fit, form, or function.
- (c) If any substitution is permitted by Garmin, Supplier shall warrant that such substituted item shall be of as good or superior quality to the material or process originally required; and shall last as long, or longer, than the material or process originally required.

11. DESIGNS, TOOLS, ETC.

- (a) Unless otherwise agreed herein, Supplier at its cost shall supply all materials, equipment, tools, and facilities required to perform this Purchase Order. Any designs, drawings, blueprints, materials, equipment, tools, or other properties furnished to Supplier or specifically paid for by Garmin ("Garmin Property") shall remain Garmin's Property unless otherwise agreed by Garmin in writing. Any such Garmin Property shall be used only in filling orders from Garmin unless given written consent otherwise by Garmin.
- (b) If Garmin furnishes such Garmin Property to Supplier, Supplier shall return the same to Garmin at Garmin's request upon Garmin's demand, but no later than upon completion or termination of all or any applicable part of this Purchase Order or subsequent future Purchase Orders.
- (c) Supplier shall use such Garmin Property at its own risk, and shall be responsible for all loss of or damage to the same while in Supplier's custody. Supplier shall, at its cost, store and maintain all such property in good condition and repair. Garmin makes no warranties of any nature with respect to any property it may furnish to Supplier hereunder.
- (d) Supplier shall establish, implement, and maintain a system for identification, control, verification, storage, and maintenance of Garmin Property. This may include tools, dies, test fixtures, totes, material to be processed, or intellectual property, such as software or engineering drawings. When physically possible, tooling shall be marked as "Property of Garmin" and shall be stored separately from Supplier-owned property. If such product is lost, damaged, or is otherwise compromised or unusable, Supplier shall immediately notify Garmin and maintain records.

12. HAZARDOUS MATERIALS

- (a) If Supplier brings in any hazardous materials for use while at Garmin, the Safety & Security Supervisor must be aware of the materials and hazards associated with them.
- (b) If the goods purchased pursuant to the Purchase Order contain any substance defined or described by 29 CFR 1910.1000-1056 or 29 CFR 1910.1200, Supplier shall provide a current Material Safety Data Sheet to Garmin prior to or at the time of initial shipment, and all containers shall be labeled with the manufacturer's name and address, the identity of the hazardous material, and appropriate hazard warnings.
- (c) Supplier further agrees that the content of all goods supplied to Garmin comply with all applicable federal, state, local, and foreign laws, rules and regulations including, without limitation, laws enacted pursuant to European Union Directives.

13. PRODUCT ENVIRONMENTAL COMPLIANCE

- (a) All materials, components, and/or finished goods for use in Garmin products are required to comply with the most current version of the Garmin Banned/Restricted (Declarable) Substances List (GPN [001-00211-00](#) or [001-00211-01](#) (For Wearable Products and Components)).
- (b) Materials, components, and/or finished goods are prohibited from containing a banned substance in excess of specified thresholds listed in GPN [001-00211-00/001-00211-01](#) unless exempted by Garmin.
- (c) Supplier is required to provide information and/or declarations of restricted (declarable) substances listed in GPN [001-00211-00](#) or [001-00211-01](#) (For Wearable Products and Components) and contained in the materials, components, and/or finished goods supplied for use in Garmin products.
- (d) Suppliers providing materials, components, and/or finished goods for Garmin Automotive OEM products may, upon request by Garmin, be required to provide material content information based on the Global Automotive Declarable Substance List (GADSL) and will submit information via the International Material Data System (IMDS) to Garmin's IMDS Account #51641 (<http://www.mdssystem.com>).

14. CONFLICT MINERALS COMPLIANCE

Supplier shall provide to Garmin all information (in sufficient detail), with written certifications thereof, to enable Garmin to timely comply with all of Garmin's and Garmin's customers' due diligence, disclosure and audit requirements under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and Rule 13p-1 and Form SD under the Securities Exchange Act of 1934 and all similar, applicable statutes and regulations, including due inquiry of Supplier's supply chain identifying conflict minerals (as defined in Section 1502(e)(4) of the Dodd-Frank Act) contained in products sold to Garmin.

15. WARRANTIES

- (a) Supplier's Product Warranty. Supplier represents and warrants to Garmin as follows:
 - (1) Supplier will deliver to Garmin title to all goods free and clear of all security interests, liens, charges, restrictions, or encumbrances of any kind, nature, or description;
 - (2) All goods and services shall be free from defects in material and/or workmanship;
 - (3) All goods shall be new and not used or reconditioned unless otherwise specified by Garmin;
 - (4) All goods (and their packaging) and services shall conform to the description thereof and/or specifications, instructions and drawings therefore contained in the Purchase Order; and
 - (5) All the goods shall in all respects be suitable for the particular purpose for which they are purchased and the goods shall be merchantable.

Supplier shall obtain the written concurrence of any subcontractor or supplier providing any of the goods or services covered by this Purchase Order to the above warranties.

- (b) Compliance with the Law Warranty. In addition to any other warranties required by the Purchase Order or provided by Supplier, Supplier hereby covenants, represents and warrants that:
 - (1) Supplier is not subject to any law, order, decree, restriction or agreement that prohibits or would be violated by this Purchase Order or the consummation of the transactions contemplated hereby; and
 - (2) None of the funds which will be paid to the Supplier under this Purchase Order nor other assets of the Supplier constitute property of, or are beneficially owned, directly or indirectly, by any person, entity or government subject to trade restrictions under U.S. law, including but not limited to: (i) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq.; (ii) The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq.; and (iii) any Executive Orders or regulations promulgated thereunder, with the

result that sale by Supplier, its managing member or any non-managing member (whether directly or indirectly), is prohibited by law (an "Embargoed Person"). No Embargoed Person has any interest of any nature whatsoever in Supplier (whether directly or indirectly).

- (c) Supplier's Warranty Regarding Anti-Dumping and Countervailing Duties. Supplier represents, warrants, certifies and covenants that all sales made hereunder are made in circumstances that will not give rise to the imposition of anti-dumping or countervailing duties under United States law (19 U.S.C. Sec. 1671 et seq.), European Union (Council Regulation (EC) No. 384/96 of December 22, 1995, Commission Decision No. 2277/96/ECSC of November 28, 1996), similar laws in such jurisdictions or the law of any other country to which the goods may be exported. To the full extent permitted by law, Supplier will indemnify, defend and hold Garmin and its affiliated companies harmless from and against any costs or expense (including any countervailing or dumping duties) arising out of or in connection with any breach of this warranty. In the event that a countervailing and/or anti-dumping duty order is imposed, Garmin may terminate this Purchase Order with no further liability of any nature whatsoever to Supplier hereunder. In the event that any jurisdiction imposes, punitive or other additional tariffs on goods subject to this agreement in connection with a trade dispute or as a remedy in an "escape clause" action or for any other reason, Garmin may, at its option, treat such increase in duties as a condition of force majeure.

16. REMEDIES

- (a) If any of the goods or services are defective or otherwise not in exact accordance with the requirements of this Order including any blueprints, specifications, samples, or instructions issued in connection therewith, Garmin, in addition to its other rights, may
- (1) require prompt repair or correction thereof by Supplier or Garmin's designee at Supplier's expense;
 - (2) require Supplier to replace such goods and upon Supplier's failure or refusal to do so, replace the same at Supplier's expense; or
 - (3) reject any shipment or delivery containing defective or non-conforming goods and return for credit or replacement at Garmin's option, said return to be made at Supplier's cost and risk.
- If deemed necessary, Garmin will issue a Corrective Action Request ("CAR") to Supplier. Supplier shall determine the root cause of the problem, provide a short term corrective action, a root cause corrective action plan, and target dates for completion of each corrective action implementation, in writing by completing a CAR form within fourteen (14) calendar days of date issued.
- (b) Should Supplier's goods require rework for use in accordance with the terms of this Purchase Order, Garmin reserves the right to require, and Supplier agrees to pay to Garmin, compensation for Garmin's reasonable charges to perform or inspect the rework.
- (c) In the event of Garmin's breach hereunder, Supplier's exclusive remedy shall be Supplier's recovery of the goods or the purchase price payable for goods shipped prior to such breach.

17. INDEMNIFICATION

- (a) To the fullest extent permitted by law, Supplier shall indemnify and hold harmless Garmin, Garmin's customers and agents and employees of either of them (individually an "Indemnified Party" and collectively the "Indemnified Parties") from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the use of the goods or the services provided by Supplier, and caused in whole or in part by tortious or negligent acts or omissions of the Supplier or any subcontractor to Supplier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable (an "Indemnifying Party"), regardless of whether or not such claim, damage, loss or expense is caused in part by the tortious or negligent acts or omissions of a party indemnified hereunder. Nothing in this Section shall require the Indemnifying Party to indemnify an Indemnified Party for such party's own negligence beyond that proportion of the claim, damage, loss or expense attributable to the contributory or comparative fault of the Indemnifying Party.
- (b) If an Order covers the performance of labor on Garmin's premises, Supplier agrees to indemnify and protect the Indemnified Parties against all claims, damages, losses and expenses, including but not limited to attorneys' fees, for injury or damage to any person or property arising out of the performance of this Order. In claims against any person or entity indemnified under this Section by an employee of the Supplier, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section (a) above shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Supplier or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

- (c) It is anticipated that the goods will be possessed, used and/or sold by Garmin and/or its customers. If by reason of any of these acts a suit is brought or threatened for infringement of any patent, trademark, trade secret, trade name or copyright with regard to the goods, their manufacture or use, Supplier shall, at its own expense, defend such suit and shall indemnify and save and hold Garmin and its customers harmless from and against all claims, damages, losses, demands, costs and expenses (including attorneys' fees) in connection with such suit or threatened suit. In the event Garmin and/or its successors in interest is or are enjoined from the operation, use and/or sale of the goods or any services, or any part thereof, covered by this Order, Supplier shall (at its sole expense) take all reasonable steps possible to procure for Garmin and its successors in interest the right to operate, use, and sell said goods or any services, or any part thereof, covered by this order. If Supplier cannot so procure the aforesaid right within a reasonable time, Supplier shall then promptly (at Supplier's sole expense):
- (1) modify said goods or services or any part thereof so as to avoid infringement of any patent or other proprietary interest, or
 - (2) replace said goods or services or any part thereof with goods or services which do not infringe or violate any said patent or other proprietary interest;
 - (3) remove said goods or services or any part thereof and refund any compensation paid to Supplier, and pay to Garmin any transportation costs and expenses that may have been paid or incurred by Garmin in connection with the goods or services or any part thereof so removed.

18. INSURANCE

Supplier shall, at its own expense, maintain and carry insurance in full force and effect comprehensive general liability, including products liability, insurance in an amount appropriate for its business, but in no event less than \$1,000,000.00 (US) with an insurance company having a Best rating of A. Upon Garmin's request, Supplier will provide a certificate of such insurance (including any new or amended certificates of insurance) and/or name Garmin as an additional insured.

19. LABOR /SERVICES

- (a) If the Purchase Order covers services or labor to be performed on Garmin's premises, Supplier shall work to observe the highest safety standards and to adhere to all Garmin's work instructions and security requirements. Supplier shall obtain and pay for Worker's Compensation and Employer's Liability Insurance, public liability and property damage insurance in amounts as set forth on Exhibit "A" to these General Terms and Conditions, and shall furnish Garmin with additional insured endorsements and insurers certificates evidencing such insurance, which certificates shall provide that the coverage evidenced thereby shall not be canceled except upon 30 days prior notice to Garmin.
- (b) Supplier will comply with Garmin's safety procedures and company policies, including anti-harassment policies, when performing service on Garmin's property, and will be required to execute a Safety & Security Acknowledgement form before any work may be performed
- (c) In the event that production delays or other causes not within the Supplier's control force postponement of their installation as scheduled, the goods will be stored at Garmin's facility until installation can be resumed, and unless objected to by Garmin, Supplier will be permitted to invoice for such goods. In such event Garmin may reserve the right to withhold 20% of the invoice amount of such shipments against the completion of start-up, testing, inspection and any other items of work not yet completed. All transfer and storage charges incurred shall be negotiated on an individual basis.

20. COPYRIGHT /INTELLECTUAL PROPERTY

Supplier acknowledges that any trade secret information, copyrightable work product, and any and all other intellectual property rights developed, derived from, or otherwise generated by the Supplier in performing services hereunder shall be owned by, and belong exclusively to, Garmin and shall be deemed "works for hire" (as that term is commonly understood and as specifically defined under 17 U.S.C. s. 101). If such work product is not deemed to be a "work for hire", Supplier hereby assigns and agrees to assign to Garmin the ownership of all rights, titles, and interests in such material.

21. COMPLIANCE WITH LAW

- (a) Supplier represents and warrants to Garmin that Supplier will comply with all federal, state, and local laws, ordinances, rules, and regulations applicable to its performance under the Purchase Order including, without limitation, the Fair Labor Standards Act of 1938, as amended, the Equal Employment Opportunity

clause prescribed by Executive Order 11246 dated September 24, 1965 as amended, and any rules, regulations, or orders issued or promulgated under such Act and Order.

- (b) Suppliers must comply with all Occupational Safety and Health Administration (OSHA) regulations covered under CFR29.1910 general safety and CFR29.1926 construction safety.
- (c) Without limiting the foregoing, Supplier represents, warrants and covenants to Garmin that no materials provided to Garmin will originate from or be processed in any country that is subject to any embargoes or sanctions administered by the U.S. Department of Treasury.
- (d) Supplier shall indemnify, and save and hold, Garmin and its affiliated companies harmless from and against any and all claims, damages, demands, costs and losses arising out of or in connection with any failure to comply with said Acts, Order, rules, regulations, or orders; or any breach of the representations, warranties or covenants contained herein. Any clause required by any law, ordinance, rule or regulation to be included in an agreement of the type evidenced by this document shall be deemed to be incorporated herein.

22. STATEMENT OF CONDUCT

- (a) Supplier understands and acknowledges that Garmin does not allow gifts or other consideration to be provided to Garmin's associates from suppliers or potential suppliers except for very low cost promotional items.
- (b) Garmin's policy is that Garmin associates shall refrain from entering into any activity that is in conflict with the interest of Garmin, or which would prejudice their ability to exercise independent judgment in carrying out their duties and responsibilities, or devote undivided loyalty to Garmin. This includes any private or business activity which might create a conflict of interest.
- (c) Supplier agrees to make its representatives aware of Garmin's policy and Supplier agrees that violation of this policy by Supplier or any representative of Supplier shall entitle Garmin to cancel this Purchase Order. Supplier is referred to Garmin's [FRM-0307](#) (Supplier Expectations).

23. CONFIDENTIALITY /PUBLICITY /ADVERTISEMENT

- (a) All information obtained by Supplier or furnished by Garmin, or Garmin Property, relating to Garmin or associated with the purchase of the goods and/or services covered by this Purchase Order is proprietary and confidential, and Supplier shall not disclose any such information to any other person or use such information itself for any purpose other than performing this Purchase Order, unless Supplier first obtains written permission from Garmin to do so.
- (b) The obligation of confidentiality contained herein shall survive cancellation, termination, and expiration of this Purchase Order and shall bind all employees, agents, and consultants retained by Supplier.
- (c) Supplier shall not, except as required by law, make any public release regarding the Purchase Order nor shall Supplier use in any advertising, letterhead, publicity or other public or media communications, any trade name, trademark, service mark, symbol or any other identification or abbreviation, contraction or simulation thereof owned by Garmin or any of its parent, affiliated and/or subsidiary companies without the prior written consent of Garmin.
- (d) All contractors who work in the Garmin facility must sign a Non-Disclosure Agreement (NDA) before any work is performed.

24. IMPORTED GOODS (If Applicable)

- (a) Supplier Requirements - Supplier will provide to Garmin's Customs Compliance Department a "pre-alert" notice containing all information and documentation needed to affect Customs entry into each country into which the goods are to be imported, except information within the exclusive possession of Garmin. Where Garmin has provided Supplier with information on the tariff classification, rate of duty, value of the imported articles, commodity description or any other related statements, such information shall appear accurately on the Customs/Commercial Invoice. Supplier will provide such documentation and other assistance as Garmin may request to allow Garmin to claim drawback of duties and taxes on purchased goods or articles manufactured from purchased goods. Supplier shall accurately indicate the country of origin of the goods purchased hereunder on the Customs/Commercial Invoice and other applicable documentation. When requested by Garmin, Supplier shall execute such documents as may be necessary to allow Garmin to claim duty preference under any and all applicable programs. Supplier warrants that all sales hereunder are made in circumstances that will not give rise to the imposition of anti-dumping duties, countervailing duties, or similar levies under United States law or the law of any other country into which the goods may be exported. Supplier warrants that all transfers of goods and data received from Garmin will be conducted

in compliance with applicable requirements of the United States and other governments with jurisdiction over any goods or technical data supplied by Garmin in connection with this order.

- (b) Importer Security Filing – 10+2 - Supplier will coordinate with the Garmin Customs Compliance Department to ensure the accurate and timely filing of the ISF required data elements, a minimum of 24-hours prior to loading ocean freight destined for the United States.
- (c) Supply Chain Security - Supplier warrants that it has reviewed its supply chain security procedures and that these procedures and their implementation are in accordance with the criteria set forth by the Customs-Trade Partnership Against Terrorism (“C-TPAT”) program of the U.S. Bureau of Customs and Border Protection. Specifically, Supplier warrants that it is: applying C-TPAT-prescribed inspection methods prior to loading of the transport conveyance; is maintaining secure control over its loaded and empty transport conveyances; is controlling and applying certified high security seals for securing transport conveyance doors; and, is ensuring that its suppliers and/or business partners are observing the criteria set forth by C-TPAT. Supplier further warrants and represents that it has developed and implemented, or will develop and implement, procedures for periodically reviewing and if necessary, improving its supply chain security procedures. Specifically, Supplier agrees to conduct an annual security audit at each of its facilities and to take all necessary corrective actions to ensure conformity with C-TPAT standards. Supplier agrees to share with Garmin the results of such annual audits and agrees to prepare and submit to Garmin a report on the corrective actions taken in response thereto. In the event Supplier fails to take an appropriate corrective action, Garmin may, but is not required to, terminate this Purchase Order. If Supplier is enrolled in any supply chain security accredited programs, such as C-TPAT or other similar programs that may exist in the country of Supplier, then Supplier shall provide Garmin with documentary evidence of such enrollment.

25. GOVERNING LAW

This Purchase Order and the agreement between the parties evidenced hereby shall be governed by and construed in accordance with the laws of Switzerland, without regard to principles of conflicts of laws and excluding any application of the United Nations Convention on Contracts for the International Sale of Goods. The Commercial Court of the Canton of Zurich, Switzerland shall have jurisdiction over any and all disputes arising in connection with this Purchase Order.

26. ELECTRONIC DATA INTERCHANGE ("EDI")

- (a) The parties may conduct the exchange of business forms using electronic commerce enabling technologies hereinafter referred to as “EDI”. The parties may facilitate purchases by electronically transmitting data. The parties intend that contracts formed by electronically transmitting data will be as enforceable as contracts formed by exchanging paper forms. If a party receives unintelligible data by EDI, that party will promptly notify the sending party. Each party agrees to provide appropriate security measures to ensure that all transmissions of data by EDI are authorized, and to protect data from unauthorized access, alteration or loss. Each party will use reasonable care to maintain the confidentiality of transactions and the data therein in the same secured manner as it would maintain paper documents of like kind.
- (b) Garmin accepts electronic purchase orders (that include the description, quantities and other relevant information relating to the purchase of products) and participates in electronic commerce via EDI (electronic data interchange). However, no terms and conditions contained on any purchase order will be binding upon Garmin unless expressly agreed to by Garmin in writing. Garmin supports the following EDI documents:

- 810 – Invoice
- 812 – Credit/Debit adjustment
- 816 – Organizational relationships
- 820 – Remittance advice
- 824 – Application advice
- 830 – Forecast/Planning
- 850 – Purchase order
- 852 – Point of sale
- 855 – Purchase order acknowledgement
- 856 – Advance ship notice
- 860 – Purchase order change
- 862 – Ship schedule
- 864 – Text document
- 997 – Functional acknowledgement

- (c) If Supplier is on Garmin's system, Supplier acknowledges that the terms and conditions stated herein apply to each order placed pursuant to EDI, even though these terms and conditions are not separately transmitted electronically with each Purchase Order.

27. MISCELLANEOUS

- (a) The waiver of any term, condition, or provision hereof shall not be construed to be a waiver of any other such term, condition, or provision, nor shall such waiver be deemed a waiver of a subsequent breach of the same term, condition, or provision.
- (b) Supplier shall not assign its rights or obligations under this Purchase Order without the prior written consent of Garmin, which may not be unreasonably withheld
- (c) All claims for money due, or to become due, from Garmin shall be subject to deduction or set off by Garmin by reason of any claim arising out of this or any other transaction with Supplier.
- (d) If any term of this Purchase Order is not enforceable under governing law, the remaining terms shall be enforceable, unless the invalidated term goes to the heart of the transaction, in which case Garmin reserves the right to cancel or terminate an individual Order or this Purchase Order.
- (e) In the event of any conflict among the requirements of this Purchase Order, the provision requiring the highest standard for the work of Supplier shall govern.
- (f) Stenographic and clerical errors, whether in mathematical computations or otherwise made by Garmin on this Purchase Order or any other forms delivered to Supplier, shall be subject to correction.
- (g) Any modification hereof, to be valid, must be in writing and executed by both parties.
- (h) The headings in this Purchase Order are inserted solely for convenience and are not intended to serve as the basis for interpretation or construction of the Terms and Conditions contained herein.
- (i) Supplier shall not use subcontractors or independent contractors in the performance of an order without the express prior written consent of Garmin. In the event that Garmin does permit subcontracting, Supplier shall pass on all Garmin's requirements to its subcontractors and suppliers including all of the requirements of these Terms and Conditions.