

THRUWAY FASTENERS, INC. - TERMS AND CONDITIONS OF PURCHASE

- 1. Agreement and Acceptance.** These terms and conditions of purchase (“Terms”) govern the purchase of the goods (“Goods”) specified on any purchase order (each a “Purchase Order”) by Thruway Fasteners, Inc. (“Thruway”) from the supplier specified thereon (“Supplier”). Thruway’s purchase of the Goods from Supplier is expressly limited to, and expressly made conditional on, Supplier’s acceptance of these Terms. **Thruway shall not be bound by, and hereby objects to, any additional or conflicting terms or conditions of sale provided by Supplier. These Terms and the Purchase Order, together with any documents incorporated herein by reference (the “Agreement”) constitute the entire agreement between the parties with respect to the subject matter contained in the Agreement and supersede any and all prior or contemporaneous written or oral communications, understandings, and agreements of the parties.**
- 2. Request for Proposal Procedure.** Upon Thruway’s submission of a request for Supplier to provide a quotation for the supply of the Goods (“Quotation”) detailed in Thruway’s Request for Quotation (“RFQ”), Supplier shall transmit an electronic acknowledgement of its receipt of the RFQ and whether it intends to submit a Quotation. In submitting its Quotation, Supplier acknowledges the requirements set forth in the RFQ, Supplier’s ability to satisfy such requirements and to supply the Goods in accordance with such requirements set forth in the RFQ, unless otherwise expressly agreed to in writing by the parties. Such Quotation shall remain valid for a minimum of thirty (30) days from the date of Thruway’s receipt of the Quotation. Thruway may in its absolute discretion: (a) require additional information or clarification from the Supplier; (b) negotiate with any one (1) or more suppliers; (c) accept any Quotation including non-conforming Quotations; (d) accept part of the Quotation; (e) accept no part of the Quotation; (f) change, suspend or cease to proceed with, the RFQ process, whether before or after the Quotation submission date specified in the RFQ (“Quotation Submission Date”); and/or (g) change the Quotation Submission Date. Thruway shall accept a Quotation by issuing a Purchase Order to the Supplier. No Quotation shall be deemed accepted by Thruway unless a Purchase Order has been issued to the Supplier. Any Purchase Order issued to the Supplier shall be pursuant to and subject to these Terms.
- 3. Aerospace and Defense Goods Requirements.** All aerospace and defense Goods shipped to Thruway pursuant to the Purchase Order shall comply with the following specifications and specific requirements: (a) neither Supplier nor any participant in its supply chain shall source Goods from China, India, or Africa; (b) Goods must meet AS9100 or AS9120 quality criteria; (c) Supplier must provide airworthiness certificate(s) for Goods prior to delivery of Goods; (d) any other specific requirements listed on the Purchase Order; and (e) Goods must be sourced and manufactured by an approved source of supply and all such approved sources must meet flow down requirements of prints and specifications provided by Thruway.
- 4. General Goods Requirements.** All Goods shipped to Thruway pursuant to the Purchase Order shall comply with the following specifications and specific requirements: (a) Goods shall be compliant to AS9100, AS9120, ISO 9001, or AC7004 Quality System unless Thruway waives such compliance in writing; (b) Supplier shall use calibration labs for Goods that are certified to the latest edition of ISO 17025, ANSI/NCCL Z540.1, or ISO 10012 as of the Purchase Order date; (c) Supplier shall notify Thruway in writing of any proposed change(s) in the specifications of Goods and/or process definition, change of suppliers or change of manufacturing facility location, and must obtain Thruway’s written approval for any such change(s) before any such change(s) are implemented; (d) Supplier shall provide certificates of conformity and/or test reports for Goods as required by Thruway and such certificates must be provided in English; (e) Supplier shall provide Material Safety Data Sheets and/or certificates of compliances for restricted, toxic or hazardous Goods as required by Thruway; (f) Supplier shall provide Goods that are conflict mineral free; (g) Supplier shall provide Goods that are RoHS2 and REACH compliant as required by Thruway unless expressly stated in writing by Thruway that Goods may be non-RoHS2 and non-REACH compliant; (g) Supplier shall include an acknowledgment that the Goods are RoHS2 and REACH compliant, the country of origin and lot numbers for each Good on the packing slip; and (h) Supplier shall have a component inspection system in place that shall be used in filling the Purchase Order to prevent the shipment of counterfeit/suspect Goods to Thruway. In addition, Thruway shall inform Supplier if the Goods must be RoHS compliant and Supplier shall confirm in writing to Thruway, prior to shipment, that the Goods provided are RoHS compliant.
- 5. Suspect/Fraudulent/Counterfeit Product Mitigation Policy.** Thruway has established a purchasing policy following the International Aerospace Quality Group (IAQG) Counterfeit Parts Prevention Guidance (the “Policy”). Supplier and all participants in its supply chain must adhere to the Policy to prevent the purchase of suspect, fraudulent, or counterfeit Goods. Thruway reserves the right to seize and quarantine any/all suspect, fraudulent, or counterfeit Goods received from Buyer. At Thruway’s sole option, and without any liability to Thruway, all such Goods may be forwarded to the known intellectual property holder and/or the appropriate Federal or State authorities for final analysis, possible confiscation and/or destruction. Thruway may also file a Government Industry Data Exchange Program alert or file a complaint against the Supplier and/or Goods. If Goods furnished by Supplier are determined to be fraudulent or counterfeit, Supplier agrees to reimburse Thruway the full Price paid as well as any shipping, third party Goods’ testing charges and any other costs incurred by Thruway as a result of Buyer’s delivery of fraudulent or counterfeit Goods. For purposes of this Section 5, “suspect” shall mean a Good in which there is an indication that it may have been misrepresented by Supplier or the manufacturer of the Good and may meet the definition of fraudulent Good or counterfeit Good; “fraudulent” shall mean any suspect Good misrepresented to Thruway as meeting Thruway’s specifications; and “counterfeit” shall mean a fraudulent Good that has been confirmed to be a copy, imitation, or substitute that has been represented, identified, or marked as genuine, and/or altered by a source without legal right with the intent to mislead, deceive or defraud.
- 6. Record Retention Requirements.** Supplier shall maintain adequate records of all inspections and tests of applicable Goods. Unless otherwise specified in the Purchase Order, such records shall be retained by Supplier for a minimum period of seven (7) years after final payment related to the Purchase Order or such longer period as required by law.
- 7. Changes.** Prior to shipment of the applicable Goods, Thruway has the right to change the Purchase Order at any time by providing written notice to Supplier. If changes to the Purchase Order result in an increase or decrease in cost or the time required for performance, then an equitable adjustment shall be made to the price or delivery schedule, or both. If changes result in an increase in price or delivery time which is unacceptable to Thruway, then Thruway may cancel such changes.
- 8. Cancellation.** Prior to shipment of the applicable Goods, Thruway has the right to cancel any Purchase Order. If the Goods under a cancelled Purchase Order are stock Goods, then Thruway shall have no obligation to pay for such Goods. If the Goods under a cancelled Purchase Order are Goods customized to Thruway’s specifications, then, if Supplier is not in default, Thruway shall reimburse Supplier for the actual, direct cost to Supplier for such Goods that were manufactured at the time of cancellation. Thruway shall have the option to take delivery of any such Goods. Supplier shall not manufacture Goods in reserve in an amount greater than that which is expressly requested in writing on the Purchase Order by Thruway.
- 9. Delivery Date.** Supplier shall deliver the Goods in the quantities and on the date(s) specified in the Purchase Order or as otherwise agreed in writing by the parties (the “Delivery Date”). Supplier shall provide advance notice to Thruway promptly if Goods shall be delivered late. If Supplier fails to deliver the Goods in full on the Delivery Date, Thruway may terminate the Purchase Order immediately by providing written notice to Supplier and Supplier shall indemnify Thruway against any losses, claims, damages, and reasonable costs and expenses attributable to Supplier’s failure to deliver the Goods on the Delivery Date. Supplier shall not deliver the Goods earlier than three (3) days prior to the Delivery Date.
- 10. Delivery Location.** All Goods shall be delivered to the address specified in the Purchase Order (the “Delivery Location”) during Thruway’s normal business hours or as otherwise instructed by Thruway.
- 11. Shipping Terms.** Unless otherwise set forth in writing on the Purchase Order by Thruway, delivery shall be made DDP Delivery Location, Incoterms 2010. Supplier shall give written notice of shipment to Thruway when the Goods are delivered to a carrier for transportation. Supplier shall provide Thruway with all applicable shipping documents, including, without limitation, the commercial invoice, packing list, air waybill/bill of lading and any other documents necessary to release the Goods to Thruway within two (2) business days after Supplier delivers the Goods to the transportation carrier. The Purchase Order number, country of

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origin, and lot number must appear on all packing slips and boxes. The Purchase Order number must appear on all applicable shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence and any other documents pertaining to the Purchase Order.

12. Title and Risk of Loss. Title passes to Thruway upon delivery of the Goods to the Delivery Location. Supplier bears all risk of loss or damage to the Goods until delivery of the Goods to the Delivery Location.

13. Packaging. All goods shall be packed for shipment according to Thruway's instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in undamaged condition. Supplier must provide Thruway prior written notice if it requires Thruway to return any packaging material. Any return of such packaging material shall be made at Supplier's expense.

14. Amendment and Modification. No addition, modification, amendment, or change to these Terms, any Purchase Order, or any other part of the Agreement shall be binding upon Thruway unless it is in writing, specifically states that it amends these Terms, the Purchase Order, or other part of the Agreement, as applicable, and is signed by an authorized representative of Thruway.

15. Inspection and Rejection of Nonconforming Goods. Thruway has the right to inspect the Goods on or after the Delivery Date. Thruway, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective, including, without limitation, if the Goods are not enclosed in the original manufacturers' packaging, if the Goods are not new, unused, and in good condition, if the Goods are refurbished or damaged, including, without limitation, damage from shipping or transportation, or if the Goods do not conform to the quantities, description, or other terms set forth in these Terms, the Purchase Order, or any other part of the Agreement. If Thruway rejects any portion of the Goods, Thruway has the right, effective upon written notice to Supplier, to: (a) rescind the Purchase Order in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Thruway requires replacement of the Goods, Supplier shall, at its expense, retrieve and replace the nonconforming Goods within forty-eight (48) hours of Thruway's notice of its rejection of the nonconforming Goods, and pay for all related expenses, including, without limitation, transportation charges for the return of the defective goods and the delivery of replacement Goods. If Supplier fails to timely deliver replacement Goods, Thruway may replace the Goods with goods from a third party and Supplier shall promptly pay to Thruway the cost thereof and Thruway may terminate the Purchase Order for cause pursuant to Section 24. Any inspection or other action by Thruway under this Section 15 shall not reduce or otherwise affect Thruway's obligations under the Agreement, and Thruway shall have the right to conduct further inspections after Thruway has carried out its remedial actions.

16. Price. The price of the Goods is the price stated in the Purchase Order (the "Price"). If no price is included in the Purchase Order, the Supplier shall promptly contact Thruway and receive written documentation of the Price. Unless otherwise specified in the Purchase Order, the Price includes all packaging, transportation costs to the Delivery Location, insurance, customs duties, fees and tariffs and applicable taxes, including, without limitation, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Thruway. Supplier shall not sell goods that are substantially similar to the Goods and in substantially similar quantities to third parties at a price lower than that which is offered to Thruway, without offering such price to Thruway. Thruway has the right to require Supplier to certify in writing that it is in compliance with this Section 16.

17. Payment Terms. Supplier shall invoice Thruway upon delivery of Goods to the Delivery Location. Unless Thruway otherwise informs Supplier, Supplier shall issue a separate invoice for each shipment of Goods delivered by Supplier. Supplier shall invoice Thruway in accordance with the Purchase Order and include on all invoices (electronic or written): (a) the Purchase Order Number; (b) a description of the Goods provided; (c) shipment dates and details; (d) the corresponding Price(s) for the Goods provided; and (e) any expenses and pass-through costs approved by Thruway in writing, including details related to such costs. Thruway shall not be obligated to pay any amounts not properly invoiced within ninety (90) days after Goods are delivered, including any pass-through expenses that otherwise would have been reimbursable in accordance with the Purchase Order. Invoices shall be paid by Thruway within sixty (60) days after the date of Thruway's receipt of the invoice, except for any amounts disputed by Thruway in good faith.

18. Warranties. Supplier warrants to Thruway that for a period of five (5) years from the Delivery Date, all Goods shall: (a) be free from any defects in workmanship, material and design; (b) conform to applicable specifications, drawings, designs, samples and other requirements specified by Thruway; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Goods by Thruway. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Thruway's discovery of the noncompliance of the Goods with the foregoing warranties. If Thruway gives Supplier notice of noncompliance with this Section 18, Supplier shall, at its own cost and expense, promptly replace or repair the defective or nonconforming Goods and pay for all related expenses, including, without limitation, transportation charges for the return of the defective or nonconforming goods to Thruway and the delivery of repaired or replacement Goods to Thruway.

19. General Indemnification. Supplier shall defend, indemnify and hold harmless Thruway and Thruway's affiliates, successors, and assigns and their respective directors, officers, shareholders and employees and Thruway's customers (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the Goods purchased from Thruway or Supplier's negligence, willful misconduct or breach of the Agreement. Supplier shall not enter into any settlement without Thruway's or Indemnitee's prior written consent.

20. Intellectual Property Indemnification. Supplier shall, at its expense, defend, indemnify and hold harmless the Indemnitees against any and all Losses arising out of or in connection with any claim that Thruway's or Indemnitee's use or possession of the Goods infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall Supplier enter into any settlement without Thruway's or Indemnitee's prior written consent.

21. Insurance. Supplier shall, at its own expense, maintain and carry insurance in full force and effect which includes, without limitation, commercial general liability (including product liability) in a sum no less than \$1,000,000 per occurrence and \$2,000,000 aggregate limit. Supplier shall also maintain a commercial umbrella liability in an amount not less than \$5,000,000 per occurrence limit. Said insurance coverage shall be provided by financially sound and reputable insurers acceptable to Thruway. In addition, Supplier shall maintain, at its own expense, insurance coverages including, without limitation, (a) worker's compensation statutory coverage as required by the laws of the applicable jurisdiction, and (b) commercial general liability coverage for liability in the minimum amount of \$5,000,000 per occurrence in respect of claims for any losses, costs, and expenses arising out of or relating to Supplier furnishing the Goods under the Purchase Order. The commercial general liability insurance shall include worldwide coverage and include Thruway and its affiliates, and their directors, officers, and employees as additional named insureds. The certificate(s) of insurance shall include the agreement for the insurer to give Thruway written notice at least thirty (30) days prior to the effective date of any cancellation, lapse or material change in the policy, and except where prohibited by law, shall contain a waiver of subrogation in favor of Thruway and its affiliates, directors, officers, and employees. Upon Thruway's request, Supplier shall provide Thruway with a certificate(s) of insurance from Supplier's insurer evidencing the insurance coverage specified in these Terms.

22. Compliance with Law. Supplier is in compliance with and shall comply with all applicable laws, regulations and ordinances. Supplier has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the Purchase Order. Supplier shall comply with all export and import laws of all countries involved in the sale of Goods under the Purchase Order. Supplier assumes all responsibility for shipments of Goods requiring any government import clearance. Thruway may terminate the Purchase Order if any government authority imposes antidumping duties, countervailing duties or any retaliatory duties on the Goods.

23. **Audits.** Upon notice from Thruway, Supplier shall grant Thruway, its customers and regulatory authorities access to Supplier's and other participants in its supply chains' facilities, warehouses, offices, grounds and applicable records for the purpose of performing audits and inspections to ensure compliance with these Terms.
24. **Termination.** Thruway may terminate the Purchase Order, in whole or in part, at any time with or without cause for undelivered Goods on prior written notice to Supplier. In addition to any remedies that may be provided under these Terms, Thruway may terminate the Purchase Order with immediate effect upon written notice to Supplier, either before or after the acceptance of the Goods, if Supplier has not performed or complied with any of the Terms, in whole or in part.
25. **Limitation of Liability.** IN NO EVENT SHALL THRUWAY BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, LOSS OF OPPORTUNITY, LOSS OF GOODWILL, OR DIMINUTION OF VALUE, ARISING OUT OF, RELATING TO, RESULTING FROM, OR IN CONNECTION WITH ANY BREACH OF THE AGREEMENT, REGARDLESS OF: (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THRUWAY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND (D) THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL THRUWAY'S AGGREGATE LIABILITY ARISING OUT OF, RELATING TO, RESULTING FROM, OR IN CONNECTION WITH THE AGREEMENT, WHETHER FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID FOR THE GOODS SOLD UNDER THE PURCHASE ORDER.
26. **Waiver.** No waiver by any party of any of the provisions of the Purchase Order shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Purchase Order, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Purchase Order shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
27. **Confidential Information.** All non-public, confidential or proprietary information of Thruway, including, without limitation, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Thruway to Supplier, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with the Purchase Order is confidential, solely for the use of performing the Purchase Order and may not be disclosed or copied unless authorized by Thruway in writing. Upon Thruway's request, Supplier shall promptly return all documents and other materials received from Thruway. Thruway shall be entitled to injunctive relief for any violation of this Section 27.
28. **Non-Circumvention.** Thruway may disclose to Supplier the identity of Thruway's customers and prospective customers. Supplier agrees that it shall not (a) directly or indirectly, initiate, solicit, negotiate, contract, or otherwise enter into any business transaction, agreement, or undertaking with any third party that was otherwise introduced to it by Thruway; or (b) circumvent Thruway from any business opportunity that was initiated by Thruway.
29. **Force Majeure.** Neither party shall be liable to the other for any delay or failure in performing its obligations under the Purchase Order to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable ("Force Majeure Event"). Supplier's economic hardship, changes in market conditions and imposition of tariffs are not considered Force Majeure Events. Supplier shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under the Purchase Order. If a Force Majeure Event prevents Supplier from carrying out its obligations under the Purchase Order for a continuous period of more than five (5) business days, Thruway may terminate the Purchase Order immediately by giving written notice to Supplier.
30. **Assignment.** Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under the Purchase Order without the prior written consent of Thruway. Any purported assignment or delegation in violation of this Section 30 shall be null and void. Thruway may, at any time, assign, transfer or subcontract any or all of its rights or obligations under the Purchase Order without Supplier's prior written consent.
31. **Relationship of the Parties.** The relationship between the parties is that of independent contractors. Nothing contained in the Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from the Agreement.
32. **No Third-Party Beneficiaries.** The Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.
33. **Cumulative Remedies.** The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.
34. **Notices.** All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses or email addresses set forth on the face of the Purchase Order or to such other address or email address that may be designated by the receiving party in writing. All Notices shall be delivered by electronic mail, personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in the Purchase Order, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section 34.
35. **Severability.** If any term or provision of the Purchase Order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
36. **Equal Opportunity.** The Equal Employment Opportunity Clause required under Executive Order 11246, and the employee notice clause pertaining to employee rights under the National Labor Relations Act, set forth in 29 CFR Part 471 Appendix A to Subpart A, are incorporated by reference in the Agreement. By accepting the Purchase Order, Supplier additionally certifies that, to the extent applicable, **the Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a), 60-300.10 and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that Supplier take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability, that it complies with the authorities cited above, and that it does not maintain segregated facilities or permit its employees to perform services at locations where segregated facilities are maintained, as required by 41 CFR 60-1.8.**
37. **General.** The Agreement shall be interpreted and enforced exclusively under the laws of the State of New York, without regard to any conflict of laws principles. Except as set forth in Section 37 regarding claims or controversies involving foreign Suppliers, the parties irrevocably and unconditionally agree that each shall exercise any right or remedy under the Agreement exclusively in, and hereby consent to the exclusive jurisdiction of, the courts in Erie County, New York. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, if and to the extent applicable. The provisions in these Terms which by their nature should survive termination or expiration of the Agreement shall survive and remain in force and effect.
38. **International Arbitration Applicable to Foreign Suppliers.** Any controversy or claim with a foreign Supplier arising out of or relating to this Agreement, or the breach of this Agreement, shall be settled by arbitration administered by the American Arbitration Association in accordance with its International Arbitration

Rules. The forum for arbitration shall be Erie County, New York. The number of arbitrators shall be three (3), unless the parties agree on a single (1) arbitrator. In the absence of agreement on a single (1) arbitrator, within ten (10) days after the initiation of an arbitration proceeding, each party shall select one (1) arbitrator and those two (2) arbitrators shall then select, within ten (10) days, a third (3rd) arbitrator. If those two (2) arbitrators are unable to select a third (3rd) arbitrator within the ten (10) day period, a third (3rd) arbitrator shall be appointed by the commercial panel of the American Arbitration Association. The decision in writing of at least two (2) of the three (3) arbitrators shall be final and binding upon the parties. Except when seeking injunctive relief, submission to arbitration pursuant to the provisions of this Section 38 shall be a condition precedent to the bringing of any action or any other form of proceeding by a foreign Supplier or against a foreign Supplier with respect to this Agreement. The language of the arbitration shall be English. Except as may be required by law, neither party nor its representatives may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

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