

GARMIN AUTOMOTIVE ORIGINAL EQUIPMENT MANUFACTURER (GARMIN AOEM)

GENERAL TERMS AND CONDITIONS OF PURCHASE

Capitalized terms not otherwise defined shall have the meaning assigned to them in Section 31 (Definitions).

1. INTEGRATION

The applicable purchase order issued by Garmin, the then-current Garmin Supplier Code of Conduct ([FRM-0560](#), which is available at <https://www.garmin.com/en-US/suppliers/>), the then-current Garmin Supplier Expectations ([FRM-0307](#), which is available at <https://www.garmin.com/en-US/suppliers/>), these Garmin General Automotive Original Equipment Manufacturer (AOEM) Terms and Conditions of Purchase, and Supplemental Terms for Jurisdictions Other than North America ("Supplemental Terms") (collectively, the "Purchase Order"), which may be amended, modified and/or supplemented by Garmin from time to time, constitute the entire agreement between the vendor or seller named on the face thereof ("Supplier"), and the applicable Garmin entity issuing the Purchase Order ("Garmin") covering the goods described in the Purchase Order. Except where context otherwise dictates, all references to "Garmin" herein shall be deemed to refer to Garmin or any of its Affiliates. Any terms or conditions contained in Supplier's quotations, acknowledgments, shipping documentation, 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 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 in the Purchase Order. Garmin shall have no obligation to place Purchase Orders with Supplier beyond the specific goods described in the Purchase Order, 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 in the Purchase Order, 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. Supplier acknowledges that the terms and conditions hereof apply to each Purchase Order placed by Garmin, even though these Terms and Conditions are not separately transmitted with each Purchase Order. A third party who is not a party to these Terms and Conditions has no right to enforce any term of these Terms and Conditions against Garmin.

3. CHANGES

- (a) If Garmin requests Supplier in writing to make any changes to the goods, which may include changes in the design, drawings, specifications, processing, inspection, testing, quality control, methods of packing and shipping or the date or place of delivery, Supplier shall use commercially reasonable efforts to promptly implement such changes. For example, Garmin may make changes in writing to any one or more of the following: (i) method of shipment or packaging; (ii) place or time of inspection or delivery; (iii) the quantity and/or type of goods ordered; and/or (iv) the delivery schedules. Supplier agrees to notify Garmin within ten (10) calendar days whether any changes may affect the price or time for delivery of goods and provide Garmin written notice of a claim for adjustment with all sufficient information and documentation regarding Supplier's direct costs and production timing resulting from such changes to allow audit and verify such claim and take no action on the perceived change pending written decision by Garmin. No claim by Supplier for adjustment hereunder shall be allowed unless made in writing for a specified amount within 20 days from the date notice of any such change is received by Supplier.
- (b) Supplier agrees to provide Garmin written notice at least twelve (12) months before changing the country of manufacture for the goods or making any changes that impact the form, fit, function or manufacturing location of the goods.

4. TERMINATION

- (a) Garmin may, for its sole convenience and without necessity of proof of default by Supplier, upon written notice to Supplier, terminate the 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.
 - (i) In such event, Garmin shall pay Supplier the price stated in the Purchase Order for goods already completed as of the date of cancellation according to the terms of the Purchase Order, and the goods shall be the property of Garmin, and Supplier shall safely hold the same subject to receipt of Garmin's shipping instructions.

- (ii) In the event that manufacture of any goods 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 shall 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 shall 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 30 days of receipt of Supplier's complete and documented accounting.
- (b) In addition to any other remedies provided herein, at law or in equity, Garmin may also, but is not required to, immediately terminate any individual order or the entire Purchase Order upon:
- (i) Supplier's default in any material term or condition hereof; or
 - (ii) The appointment of a receiver for Supplier or an assignment of the bulk of Supplier's assets for the benefit of creditors; or
 - (iii) The filing or initiation by Supplier, or by creditors of Supplier, of a petition for voluntary or involuntary bankruptcy or similar proceeding under any bankruptcy or insolvency law, unless Supplier:
 1. notifies Garmin within 48 hours of filing of its intent to affirm the Purchase Order; and
 2. 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 any applicable court for an order lifting any automatic stay or similar restriction on debt collection and permitting Garmin to terminate the Purchase Order. If the jurisdiction 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 clause(b)(3) above 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 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 the Purchase Order, and such failure persists after written notice from Supplier and Garmin has not cured its failure to pay within an additional 30 days, Supplier may terminate the Purchase Order after giving Garmin written notice of its election 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 the buyer of the goods ordered under the Purchase Order. Supplier shall separately state on all invoices the applicable sales taxes and applicable value added taxes (VAT) imposed by federal, state, provincial, territorial or local governments, unless an exemption is available. If Garmin is required by a Governmental Authority to withhold or deduct taxes in connection with or originating from a Purchase Order, Garmin will make payments due thereunder after applying the applicable deductions and withholdings.

6. PAYMENT TERMS AND PRICE

- (a) A commercial invoice must accompany all international shipments. This invoice must match the billing invoice submitted to Garmin. If the shipment includes free items (no-charge) such as extra parts, promotional items or other articles not included in the cost of the goods, 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 place "Value for Customs Purposes only - Free of Charge" on the invoice for identification purposes, but the normal sales price must be listed.
- (b) Unless otherwise mutually agreed upon in writing or shorter payment terms are imposed by law, the payment terms are net 60 days from the date of delivery of goods, unless other payment terms, including cash discounts, are agreed upon and stated in the Purchase Order.

- (c) Supplier shall provide Garmin an itemized, detailed invoice within twenty (20) calendar days after completion of any shipment of the goods. Supplier invoices must include the following information for the shipment of goods:
- (1) Purchase Order or blanket Purchase Order number
 - (2) Release numbers on blanket Purchase Orders
 - (3) Garmin's part number, when applicable
 - (4) Supplier's part number
 - (5) Quantity shipped and unit 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 (i) the date invoices are received by Garmin, or (ii) the date the goods covered by a Purchase Order are received by Garmin. Garmin shall not be responsible for delay in receipt of Supplier's invoices.
- (e) Supplier undertakes to do its best efforts to provide its best available price, for equal quantity, not exceeding the price quoted or charged to customers of Supplier comparable to Garmin. The prices offered to Garmin for the goods shall be 'best in class' terms, which are the lowest prices quoted or charged by Supplier to any other purchaser of the goods of Supplier for similar items and quantities. Prices applicable to the goods shall not exceed Supplier's current mass production pricing and Garmin's addition of quantities to its forecasted needs shall not result in an increase of the price applicable to the goods. Any goods 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 quantities. Supplier shall refund to Garmin any amounts in excess of such price. 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 purchaser of the goods of Supplier for similar items and quantity. Supplier shall refund to Garmin any amounts in excess of such price. Supplier agrees that any adjustment increasing the prices hereunder will be solely to the extent necessary to compensate Supplier for such commercially reasonable cost increases (but not to allow for any additional margin). Supplier agrees that nothing in this Section 6(e), including any disagreement with Garmin as to any adjustment in price or time for performance, will excuse Supplier from proceeding with the changes.
- (f) All amounts due from Garmin to Supplier are net of any indebtedness of Supplier or its Affiliates to Garmin for any amounts due or to become due from Supplier to Garmin, including for damages resulting from breaches by Supplier of its obligations under these Terms and Conditions or any other agreement. Garmin, at its sole discretion, may withhold all or part of any payment to Supplier to such extent as may be necessary to protect Garmin from loss due to, but not limited to, the following causes:
- (i) Defective work not corrected;
 - (ii) Injury to personnel or damage to property of Garmin or third parties caused by act, omission or negligence of Supplier or its agents or employees;
 - (iii) The breach of any provisions of the Purchase Order by Supplier; or
 - (iv) Failure of 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.
- (h) The prices applicable to the goods shall be reviewed on a quarterly basis for reduction thereof and shall be updated at least annually. Supplier agrees that the reduction in the price terms offered to Garmin for the goods shall be no less than five percent (5%) of the price offered to Garmin for the preceding year. Any changes to the pricing of the goods shall be acknowledged by Garmin in writing and any proposed pricing changes between reviews may only occur once per calendar year and must be communicated to the appropriate Garmin purchasing point of contact in writing at least thirty (30) calendar days before implementation of the price change.
- (i) Garmin shall be entitled to return goods in mass production for any reason.
- (j) Charges, costs and expenses relating to any fees applicable to import or export, such as tariffs, duties or customs broker fees, insurance, and any other similar financial contributions or obligations relating to the production, manufacture, sale and delivery of the goods to Garmin are included in the price unless otherwise specified in the Purchase Order.

- (k) If there is a dispute with respect to an invoice, Supplier and Garmin agree to use good faith efforts to reconcile any issue within forty-five (45) calendar days of receipt of the invoice.

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

- (a) Unless stated otherwise in a Purchase Order, the delivery of Goods shall be FCA (Free Carrier), named place (Incoterms 2020). Garmin will identify a named place, such as an airport, carrier's warehouse, or freight forwarder, before shipment of the Goods. Title to and risk of loss of the Goods shall remain with Supplier until the Goods are loaded on the means of transport provided by the carrier nominated by Garmin. If a delivery point is not specified, title to and risk of loss of the goods shall remain with Supplier until after the goods have been inspected by Garmin's quality assurance staff.
- (b) Charges, costs and expenses relating to packing, crating, boxing, loading, unloading, 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 and Supplier agrees to use commercially reasonable efforts to accommodate any shipping instructions requested by Garmin for any goods not then shipped.
- (d) Unless excluded by law, the goods shall be clearly marked with the name of the country of origin of the article. For any goods destined for importation into the United States of America, Supplier agrees to comply with Title 19 of the United States Code (U.S.C.) Section 1304, which 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. Goods must be marked as legibly and permanently, in a conspicuous place, as the nature of the goods 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 importation of the goods, specific documents are required by all customs authorities worldwide. Supplier is therefore required to provide the following documents:
 - (i) Commercial invoice
 - (ii) Packing list
 - (iii) Air waybill or ocean bill of lading
 - (iv) Other documentation as deemed necessary

8. TIME / SCHEDULE / DELAYS

- (a) **TIME IS OF THE ESSENCE IN DELIVERING GOODS UNDER AN ORDER.** Supplier shall deliver all goods by the delivery date(s) set forth in the Purchase Order. All shipments of goods must be provided to Garmin in accordance with the time specified in the Purchase Order. In the event a delivery is not on-time, or if Supplier anticipates a delivery may not be on-time, Supplier shall promptly notify Garmin of the actual or anticipated delay. Garmin reserves the right to cancel any Purchase Orders with Supplier for goods that have not been delivered on-time or that Supplier has notified Garmin may not be delivered on-time. Unless the delay is caused by Garmin, Supplier agrees to employ accelerated measures, such as material expediting fees, premium transportation costs, or labor diversion or overtime required to meet the specified delivery date or minimize the lateness of deliveries, at no additional cost to Garmin. If premium freight is required to expedite delinquent deliveries as a result of Supplier's delay, any cost difference between premium and standard freight shall be borne by Supplier. In the event of any delayed shipments or performance, all additional expenses to which Garmin may be subjected shall be borne by Supplier.
- (b) 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 sole option, cancel any outstanding deliveries hereunder wholly or in part and terminate the Purchase Order. 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.
- (c) No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached its obligations under the Purchase Order, for any failure or delay in fulfilling or performing any obligation under the Purchase Order (including any obligations to make payments), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's control, including, without limitation, the following force majeure events ("Force Majeure Event(s)": (i) acts of God; (ii) flood, fire, earthquake, epidemic, pandemic, or

explosion; (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (iv) government order, mandate, law, or actions; (v) embargoes or blockades in effect on or after the date of the Purchase Order; (vi) national or regional emergency (including public health emergency); and (vii) strikes, labor stoppages or slowdowns or other industrial disturbances. 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.

- (d) In the event Supplier fails to deliver the goods to Garmin on-time, Supplier agrees to issue Garmin a rebate for an amount equal to two percent (2%) of the current purchase price of the goods per calendar day a delivery is late. This rebate shall be in addition to any other rights and remedies provided in these Terms and Conditions, at law, or in equity.
- (e) If a party believes that its ability to fulfill or perform its obligations under the Purchase Order is being or will be impacted by a Force Majeure Event, such impacted party shall give written notice thereof to the other party as soon as commercially reasonable after the impacted party's first knowledge of the Force Majeure Event, along with an estimate of the effect it believes such Force Majeure Event will have on its ability to fulfill or perform its obligations. The impacted party shall use all commercially reasonable efforts to eliminate or remedy the failure or delay and to minimize the effects of such Force Majeure Event.
- (f) Where Supplier experiences a Force Majeure Event, if Garmin is satisfied that such Force Majeure Event has occurred which prevents Supplier's full and/or timely delivery of the goods hereunder, and provided that Supplier establishes that it could not have overcome the effects of the Force Majeure Event with commercially reasonable steps, Garmin may, at its option:
 - (i) require Supplier to apportion among its purchasers of the goods available for delivery during the Force Majeure Event;
 - (ii) cancel any or all delayed or reduced deliveries; or
 - (iii) 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 the 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 Event.

- (g) If the event which delayed or prevented performance by a party was not in fact a bona fide Force Majeure Event, the other party may treat the first party's non-performance as a default.

9. QUALITY ASSURANCE

Supplier shall 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) Supplier shall ensure that all goods comply with the latest automotive standards, specifications and qualifications in compliance with ISO9001 and IATF16949 automotive industry standards applicable to the goods and provide Garmin with valid certification to the applicable industry standards.
- (b) For goods that include software, Supplier shall implement and maintain an adequate written software quality assurance ("SQA") process to ensure that the necessary processes are followed and the resulting software is free from any anomalies or defects. The SQA process shall encompass the entire software development process and include software requirements, design, coding, code reviews, source code control, software configuration management, testing, release management and software integration. As a part of the SQA process, Supplier represents and warrants that Supplier has assessed the development of its software and goods on a regular basis, which shall be no less often than every twelve (12) months, by qualified personnel using appropriate methods (e.g., based on the Automotive SPICE® PRM/PAM). Supplier shall store these assessments, including the resulting information, results and findings, for at least ten (10) years after delivery of the goods (or software) and provide the assessments to Garmin upon request. Supplier agrees to promptly resolve any deficiencies identified or uncovered by these assessments to avoid any impact of those deficiencies on Garmin or its automotive customers at all times.
- (c) Maintain quality and traceability records down to raw materials for a period of twenty-five (25) years from the date of last supply. Lot based traceability data must be attached to the shipping enclosures of all raw materials and

finished goods in a machine-readable format. Upon request, Supplier shall provide test equipment and qualification plans.

- (d) For serialized items, all documents shall be traceable to the item serial number.
- (e) Supplier shall control all welding, soldering, finishing, plating or other special processes in accordance with the requirements and specifications referenced by or included in the Purchase Order.
- (f) Supplier shall fully comply with the drawings, specifications, test procedures, standards and other requirements of the Purchase Order, if applicable. It is the responsibility of Supplier to ensure that only goods conforming to the Garmin-approved applicable design data are delivered to Garmin.
- (g) If Supplier identifies or becomes aware of the existence of a good which is not in conformance with Garmin's specifications and applicable design data for such good, Supplier shall contact Garmin to request engineering review/disposition of the discrepancy. Supplier shall maintain a system for:
 - (i) Identification of defects in goods already manufactured;
 - (ii) Tracing of such goods to purchasers;
 - (iii) Promptly repairing or replacing any goods subject to a recall (as required by Supplier, as mandated by a Government Authority, or as part of a voluntarily recall by Garmin of Garmin products in connection with any goods) such that any supply delays incurred by the recall are minimized;
 - (iv) Prompt advice to purchasers of discovered and/or repeat defects, along with a 4D Report and 8D Report according to the following timing schedule:
 - 1. For safety-related defects:
 - From complaint report to delivery of 4D report: one (1) business day.
 - From complaint report to delivery of 8D report: seven (7) business days.
 - 2. For function-related defects:
 - From complaint report to delivery of 4D report: one (1) business day.
 - From complaint report to delivery of 8D report: fifteen (15) business days.
- (h) Supplier shall at all times maintain safety stock to comply with the requirements of Section 29 (Logistics Terms) and to maintain sufficient safety stock as defined by Garmin to meet any order of goods forecasted by Garmin (as provided to Supplier via schedule share or otherwise) for the period corresponding to such order.
- (i) Supplier shall follow Advanced Product Quality Planning (APQP) guidelines and shall provide to Garmin full Production Part Approval Process (PPAP) documentation for all goods sold by Supplier to Garmin; provided, however, that Supplier may provide only the cover page of the applicable PPAP packet to Garmin if approved in writing by Garmin.
- (j) If the goods are semiconductor products, the following requirements shall apply:
 - (i) Supplier shall ensure that all goods comply with the latest automotive standards, specifications and qualifications published by the Automotive Electronics Council (AEC), including a zero-defect strategy based on AECQ-004, as well as ISO9001 and IATF16949 automotive industry standards applicable to the goods (and provide Garmin with valid certification to the applicable industry standards);
 - (ii) Supplier will provide information relating to milestones (such as one or more AEC-Q qualifications) and completion dates for sample phases, sometimes referred to as Engineering Samples (ES), Customer Samples (CS) and Mass Production (MP), including TapeOut, WaferOut and Assembly Out dates.
 - (iii) Supplier shall perform testing and fulfill test coverage based on AECQ-007 and system level tests must be performed for system-on-a-chip (SoC) products to increase the test coverage.
 - (iv) Supplier shall send detailed information about the fabrication or sub-supplier fabrication strategy, frontend and backend locations, and lead time information based on a Garmin Request for Information (RFI). Also, complete PPAP compliance and information includes, but is not limited to, data sheets that will provide electrical specifications, package drawings with dimensions, Engineering Change Documents, Customer Engineering

Approval, Design Failure Mode Effects Analysis (DFMEA), process flow diagrams, Process Failure Mode Effects Analysis (PFMEA), Control Plan, and Part Submission Warrant;

- (v) Supplier must have performed appropriate automotive qualification based on (but not limited to) AECQ-10x and AECQ-200 respectively (and can provide Garmin qualification reports upon request); and
- (vi) Supplier must establish a safe launch procedure to minimize risks at the Mass Production ramp-up phase for all newly developed products.
- (k) Garmin shall not be bound by Supplier's determinations under any 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 goods found to be non-conforming subsequent to delivery to Garmin.
- (l) All goods, including any components of goods, that are rejected by either Garmin or Supplier shall be immediately destroyed and in no instances shall such rejected goods, or any components of such goods, be sold or otherwise distributed to third parties. The parties agree that Supplier's failure to comply with this Section 9(k) shall be deemed Supplier's default in a material term or condition of these Terms and Conditions.
- (m) Supplier shall, upon request, promptly provide a copy of Supplier's current quality control manual to Garmin.
- (n) Supplier agrees that, upon reasonable notice to Supplier and during regular business hours, Garmin, Garmin's customers and governmental entities shall have the right to inspect any and all of the goods (at a manufacturing or shipping facility of Supplier), SQA process assessments, and other quality records maintained pursuant to this Section 9 at Supplier's plant, at Supplier's suppliers' plants, or upon Garmin's receipt of such goods, at Garmin's election, which right shall be exercisable notwithstanding Garmin having paid for the goods prior to inspection. In the event any surveillance inspection or test is made by Garmin, Garmin's customer or Governmental Authority, 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 goods or failure to inspect 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.
- (o) 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.
- (p) Supplier shall 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.
- (q) Supplier shall obtain authorization from Garmin prior to shipping any solderable components in excess of two (2) years old. Depending on the type of goods and storage conditions, Garmin may, in its sole discretion, require Supplier to pre-test solderability of the goods 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.
- (r) Supplier represents and warrants that it has policies and procedures in place to ensure none of the goods, supplies or materials furnished to Garmin are Suspect/Counterfeit Parts and Supplier 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. Suspect/Counterfeit Parts also include refurbished parts, complete with false labeling, that are represented as new parts or any parts that are designated as suspect by a Governmental Authority. 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.
- (s) If Supplier receives a change in status to an active certificate(s) that was provided to Garmin as part of the Garmin Supplier Risk Assessment (FRM-0006, which is available at <https://www.garmin.com/en-US/suppliers/>), Supplier is required to provide written notice to Garmin within five (5) 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 Supplier for any material and costs incurred due to the change in status.

- (t) With respect to any calibrated equipment or calibration services sold and/or provided to Garmin, Supplier shall provide Garmin a calibration certificate that includes, at a minimum, the following: (i) equipment description including manufacturer, model number, and serial number; (ii) calibration date; (iii) description of technical procedure(s) used; and (iv) traceability to the U.S. National Institute of Standards and Technology (NIST) or other internationally recognized standards organization. Supplier shall ensure that any calibration services provided to Garmin are performed using adequate technical procedures by adequately trained personnel and in adequate environmental conditions.
- (u) Supplier shall inform its employees, agents, suppliers and representatives of:
 - (i) their contribution to product conformity;
 - (ii) their contribution to product safety; and
 - (iii) the importance of ethical behavior, including, without limitation, compliance with the Garmin Supplier Code of Conduct ([FRM-0560](#)) and Garmin Supplier Expectations ([FRM-0307](#)) (both available at <https://www.garmin.com/en-US/suppliers/>).
- (v) Supplier shall supply outbound quality inspection reports for all shipments.
- (w) Supplier is responsible for the execution and shall execute the requalification of its suppliers and sub-suppliers according to the most recent IATF16949 requirements.

10. SUBSTITUTIONS

- (a) Substitution of material or process shall only be made with prior written permission from Garmin. Additionally, Supplier shall proactively notify Garmin of any change in materials, such as silicon changes for integrated circuits, or any change relating to the goods that may impact fit, form, function or manufacturing location within sufficient time (if a Garmin product that will incorporate the goods to be changed, Supplier shall notify Garmin during the early design stage) to enable Garmin to make an informed decision regarding use or substitution of the goods.
- (b) Supplier shall submit a "Supplier Change Notice" (SCN) or "Process Change Notice" (PCN) when any change of material or process is made that could impact fit, form, or function of the goods.
- (c) If any substitution is permitted by Garmin, Supplier shall warrant that such substituted material or process (i) is of as good or superior quality to the material or process originally required; and (ii) shall last as long, or longer, than the material or process originally required.

11. DESIGNS, TOOLS, ETC.

- (a) Unless otherwise stated in the Purchase Order, Supplier at its cost shall supply all materials, equipment, tools and facilities required to perform the Purchase Order. Any designs, drawings, blueprints, materials, equipment, tools, or other property furnished to Supplier or specifically paid for by Garmin (collectively, "Garmin Property") shall remain Garmin's property unless otherwise agreed by Garmin in writing. Garmin Property shall be used only in the supply of goods to Garmin unless Supplier receives prior written consent otherwise from Garmin.
- (b) If Garmin furnishes such Garmin Property to Supplier, Supplier shall return the same to Garmin at Garmin's request, but no later than 30 days following the completion or termination of all or any applicable part of the Purchase Order or subsequent future Purchase Orders.
- (c) Supplier shall use 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 the Garmin Property or any other 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 Garmin Property is lost, damaged, or otherwise compromised or unusable, Supplier shall immediately notify Garmin and maintain records.
- (e) Any samples requested by Garmin for use during its development of products that will incorporate the goods shall be provided to Garmin free of charge. Any unused samples will be returned to Supplier, if required as mutually agreed upon.

- (f) Supplier's development and deliveries in connection with Garmin's requirements need to be in accordance with an applicable project schedule. At Garmin's request, Supplier shall provide development milestones, detailed daily schedules and resource allocation plans for any goods in development. Specifically, Supplier will provide milestones and completion dates for sample phases, sometimes referred to as Engineering Samples (ES), Customer Samples (CS) and Mass Production (MP). Supplier shall develop and provide data sheets related to the goods, as required and requested by Garmin. Any delay in Supplier's development milestones shall result in immediate notification to a designated contact in Garmin Engineering, Sourcing, and Supplier Quality. Supplier agrees to provide adequate updates (e.g., on a daily basis, if necessary), allocate resources to address and immediately rectify the delay, and provide recovery and mitigation plans that are subject to approval by Garmin. Supplier shall at all times hold an adequate quantity of all materials required to conclude its development efforts to mitigate any impact of development delays on the supply of finished goods for Garmin.

12. HAZARDOUS MATERIALS

- (a) If Supplier brings any hazardous materials for Supplier's use while on Garmin premises, Supplier shall notify Garmin of the materials and hazards associated with them.
- (b) If the goods purchased pursuant to these Terms and Conditions contain any substance defined or described by 29 Code of Federal Regulations (CFR) part 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 Supplier shall label all containers with the manufacturer's name and address, the identity of the hazardous material and appropriate hazard warnings. If the Purchase Order is issued from a Garmin entity located in Canada or if Supplier is located in Canada, then Supplier shall also comply with the requirements of the Workplace Hazardous Materials Information System.
- (c) Without limiting the generality of Section 15(b) below, Supplier represents, warrants and agrees that the content of all goods supplied to Garmin shall comply with all applicable laws, rules and regulations regarding hazardous substances, including, without limitation, laws enacted pursuant to European Union Directives. Any clause required by any law, ordinance, rule or regulation to be included in a contract of the type evidenced by this document shall be deemed to be incorporated herein. Supplier warrants that all transfers of goods and information will be conducted in compliance with applicable laws, regulations and/or requirements of the United States of America, European Union, and other governments with jurisdiction over any goods or technical data supplied to Garmin hereunder.

13. ENVIRONMENTAL COMPLIANCE

- (a) All materials, components and/or finished goods for use in and/or with Garmin products shall comply with the most current version of the Garmin Banned/Restricted (Declarable) Substances List for Products, Accessories, Packaging, Insert Materials and Components ([001-00211-00](#) or Garmin Banned/ Restricted Declarations Substance List for Wearable Products and Components ([001-00211-01](#)), which is available at <https://www.garmin.com/en-US/suppliers/>) (the "Banned/Restricted Substances List").
- (b) Materials, components and/or finished goods are prohibited from containing a banned substance in excess of specified thresholds listed in [001-00211-00](#) or [001-00211-01](#) unless exempted by Garmin in writing.
- (c) Supplier is required to provide information and/or declarations of restricted (declarable) substances listed in [001-00211-00](#) or [001-00211-01](#) and contained in the materials, components and/or finished goods supplied for use in and/or with Garmin products.
- (d) Supplier shall register with the International Materials Data System (IMDS) at www.mdssystem.com and provide a point of contact for requesting IMDS information. Specifically, Supplier is responsible for submission of full material composition IMDS reports for goods sold by Supplier to Garmin (IMDS Account #51641) through the IMDS website. Supplier will ensure all prohibited and declared substances within the Global Automotive Declarable Substance List (GADSL) above the applicable threshold are included in its IMDS report. Supplier IMDS submissions must conform to IMDS General Rules and Guidelines. Any changes to materials and reportable substances will require a new IMDS submission. Supplier shall notify Garmin immediately if it becomes aware of a REACH SVHC (Substance of Very High Concern) not listed on a current Supplier IMDS part report and comply with the requirements of EU Regulation (EC) No. 1907/2006 (REACH). Information about IMDS can be found at: <https://public.mdssystem.com/en/web/imds-public-pages/new2imds>.
- (e) Supplier shall be ISO14001 (Environmental Management Systems) certified.

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"), Rule 13p-1 and Form SD under the U.S. 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 goods sold to Garmin.

15. WARRANTIES

(a) Supplier's Warranty. With respect to all goods, Supplier represents and warrants as follows:

- (i) Supplier shall 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;
- (ii) the goods shall be free from defects in material and/or workmanship for a period no less than seven (7) years from the date of delivery;
- (iii) for goods incorporated within Garmin products used in new vehicle production, the goods shall be free from defects in material and/or workmanship for a period that is no less than a period corresponding to a new vehicle warranty provided in the country within which the vehicle is sold, provided that Supplier shall ensure in perpetuity and without limitation that appropriate measures are taken by or on behalf of Garmin with respect to any significant failures of the goods affecting a significant portion of goods or constituting a threat or damage to property or the health and safety of any person;
- (iv) the goods and any applicable packaging shall conform to applicable specifications, instructions and drawings contained in any Purchase Order;
- (v) for goods that include software, such software shall be free from defects (including, without limitation, bugs, glitches, security vulnerabilities and similar errors), in all respects for a period of seven (7) years from the date of delivery, and such software will materially function in conformity with applicable specifications and documentation;
- (vi) the goods shall be new and genuine (not used, reconditioned or counterfeit), unless otherwise authorized by Garmin;
- (vii) All the goods shall in all respects be suitable for the particular purpose for which they are purchased and the goods shall be merchantable;
- (viii) Supplier shall provide support services relating to the goods, such as the repair of the goods at a commercially reasonable rate, for at least twenty-five (25) years, beginning on the date of a Purchase Order from Garmin for purchase of the goods;
- (ix) neither the goods nor Garmin's use of the goods will violate any third party's Intellectual Property Rights;
- (x) the goods do not contain ingredients (1) that present an unreasonable risk of injury or illness, (2) for which no premarket safety notification has been filed or (3) that are regulated by the U.S. Drug Enforcement Administration as a controlled substance or listed chemical;
- (xi) the goods are not, and do not contain, hazardous materials; and
- (xii) no goods were produced, manufactured, assembled or packaged by forced, prison or child labor.

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

(b) Supplier's Software Warranty. With respect to all goods including software, Supplier represents and warrants as follows:

- (i) such software shall be free from defects (including, without limitation, bugs, glitches, security vulnerabilities and similar errors), in all respects for a period of seven (7) years from the date of delivery of the software; and
- (ii) such software will materially function in conformity with applicable specifications and documentation; and
- (iii) such software is maintained pursuant to a written SQA process ensuring that the software remains free from any anomalies or defects.

(c) Warranty Claims. Supplier shall have the option of requiring Garmin to return the goods claimed to be defective to Supplier's warehouse location to establish the claim. Supplier shall be responsible for the costs and expenses for Garmin to return the goods to Supplier and Supplier shipping the replacement goods to Garmin. In the event Garmin makes a warranty claim under either Section above, Supplier's obligations are as follows:

- (i) For a warranty claim under Section 15(a), Supplier may, at its option, replace or repair the defective goods or provide replacement goods to Garmin. Upon the repair or replacement of defective goods, Supplier's warranty will extend for an additional seven (7) year period from the date of delivery of the repaired or replacement goods.
 - (ii) For a warranty claim under Section 15(b), or if Supplier itself determines that any software does not comply with the warranties set forth in Section 15(b), Supplier shall: (i) remedy such non-compliance by providing to Garmin all necessary bug fixes, patches or updates, including, but not limited to cyber security vulnerability updates and testing results, and provide Garmin with all necessary assistance to incorporate such remedy in products already manufactured and/or sold by Garmin; and (ii) ensure that future shipments of Goods to Garmin incorporate such remedy.
- (d) 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:
- (i) Supplier shall comply with all laws, ordinances, rules and regulations applicable to the goods under a Purchase Order. 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.
 - (ii) Supplier shall be ISO45001 (Occupational Health and Safety Management Systems) certified.
 - (iii) Supplier shall comply with all safety, labor and employment laws, including but not limited to: (i) all Occupational Safety and Health Administration (OSHA) regulations covered under 29 CFR 1910 (general safety) and 29 CFR 1926 (construction safety); (ii) the Fair Labor Standards Act of 1938, as amended; (iii) the Equal Employment Opportunity clause prescribed by Executive Order 11246 dated September 24, 1965, as amended; and (iv) any rules, regulations or orders issued or promulgated thereunder.
 - (iv) 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 or by the European Union.
 - (v) Supplier is not subject to any law, order, decree, restriction or agreement that prohibits or would be violated by the Purchase Order or the consummation of the transactions contemplated hereby; and
 - (vi) None of the funds which will be paid to Supplier under the Purchase Order nor other assets of Supplier constitute property of, or are beneficially owned, directly or indirectly, by any person, entity or government subject to trade restrictions under applicable law, such as that of the United States of America and the European Union, including but not limited to: (i) the International Emergency Economic Powers Act, 50 U.S.C. Section 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).
- (e) Supplier's Warranty Regarding Anti-Dumping and Countervailing Duties. Supplier represents, warrants 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 the laws of the United States (19 U.S.C. Section 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), Canada (R.S.C., 1985, c. S-15) and 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 shall indemnify, defend and hold Garmin and its Affiliates 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 antidumping duty order is imposed, Garmin may terminate the 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 these Terms and Conditions or to any Purchase Order made pursuant to these Terms and Conditions 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 a Force Majeure Event.

16. REMEDIES

- (a) If any of the goods are defective or otherwise not in exact accordance with the requirements of the Purchase Order, including any blueprints, specifications, samples or instructions issued in connection therewith, Garmin, in addition to its other rights, may in its sole discretion:
 - (i) require prompt repair or correction thereof by Supplier or Garmin's designee at Supplier's expense;

- (ii) require Supplier to replace such goods and upon Supplier's failure or refusal to do so, replace the same at Supplier's expense; or
- (iii) 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 14 days of date issued.

- (b) Should Supplier's goods require rework for use in accordance with the terms of the Purchase Order, Garmin reserves the right to require, and Supplier agrees to pay to Garmin, compensation for Garmin's reasonable expenses and costs 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, its Affiliates, its customers and their respective agents, directors and employees (the "Indemnified Parties") from and against claims, damages, losses and expenses, including but not limited to reasonable attorneys' fees, arising out of or in connection with (i) any failure by Supplier or any goods provided by Supplier hereunder to comply with any laws; (ii) any breach by Supplier of any representation, warranty or covenant contained in the Purchase Order; (iii) recall of any goods (as required by Supplier or as mandated by a Government Authority); (iv) a voluntary recall of Garmin products in connection with any goods; (v) infringement or misappropriation of any Intellectual Property Rights relating to any goods; or (vi) any acts or omissions of 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"), provided that Supplier shall not be responsible for losses, damages, or expenses caused by the negligence or intentional acts or omissions of Garmin or any of its directors, officers, employees or agents. 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 any employee of Supplier, its subcontractors or anyone directly or indirectly employed by them or anyone for whose acts they may be liable (a "Supplier Employee") brings any claim against any Indemnified Party, the indemnification obligation under clause (a) above shall not be limited by any limitation on amount or type of damages, compensation or benefits payable by or for Supplier or a subcontractor to such Supplier Employee 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 hold harmless the Indemnified Parties 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 the Indemnified Parties and/or their successors in interest are or are enjoined from the operation, use and/or sale of the goods, or any part thereof, covered by this order, Supplier shall (at its sole expense) take all reasonable steps possible to procure for the Indemnified Parties and their successors in interest the right to operate, use and sell said goods, 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):
 - (i) modify said goods or any part thereof so as to avoid infringement of any patent or other intellectual property or proprietary interest;
 - (ii) replace said goods or any part thereof with goods which do not infringe or violate any said patent or other intellectual property or proprietary interest; or
 - (iii) remove said goods 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 any part thereof so removed.

18. INSURANCE

Supplier shall, at its own expense, maintain and carry all necessary insurance coverage, including comprehensive general liability, products liability, product recall insurance, public liability, and workers' compensation coverages, in an

amount appropriate for its business and necessary to fulfill its obligations hereunder with an insurance company having an A.M. Best rating of "A" or higher. Upon Garmin's request, Supplier shall provide a certificate of such insurance (including any new or amended certificates of insurance) and/or name Garmin and its Affiliates as additional insureds.

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 insurance and property damage insurance in amounts appropriate for its business and in accordance with statutory minimums, 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 shall 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 Supplier's control force postponement of the installation as scheduled, the goods will be stored at Garmin's facility until installation can be resumed, and unless objected to by Garmin, Supplier shall be permitted to invoice for such goods. In such event, Garmin may reserve the right to withhold twenty percent (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.
- (d) Supplier agrees to take, at Supplier's sole cost and expense, such actions as necessary or appropriate to ensure the uninterrupted supply of Goods to Garmin during any foreseeable or anticipated event or circumstance that could interrupt or delay Supplier's performance under these Terms and Conditions, including any labor disruption, whether or not resulting from the expiration of Supplier's labor contracts (and whether or not such occurrence constitutes a Force Majeure Event).

20. INTELLECTUAL PROPERTY RIGHTS

- (a) Supplier acknowledges that any Intellectual Property Rights developed, derived from, or otherwise generated by Supplier hereunder shall be owned by and belong exclusively to, Garmin. If the goods are a copyrightable work product produced for Garmin, the goods shall be deemed "works for hire" (as that term is commonly understood and as specifically defined under 17 U.S.C. Section 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.
- (b) Supplier grants to Garmin an irrevocable, non-exclusive, worldwide, perpetual, fully paid-up, royalty-free license, which is to be freely assignable and sublicensable, to use Supplier's Background Intellectual Property Rights, any software incorporated in the goods and the Supplier's documentation, including the right to use, test, evaluate, reproduce, modify, create derivative works of, and distribute the foregoing for the purpose of incorporating the goods purchased from Supplier into finished products (manufactured by or for Garmin) and to offer for sale and sell such finished products to its customers and end users. For the avoidance of doubt, Supplier acknowledges and agrees that Garmin may obtain products similar to the goods (including related systems and components) from alternate sources at any time.
- (c) Supplier and Garmin hereby acknowledge that these terms and condition place no restriction on Supplier or Garmin from using its respective Background Intellectual Property Rights or Foreground Intellectual Property Rights for any purpose. Supplier hereby acknowledges that Garmin may engage in independent development efforts and activities in areas that are similar or identical to features or functionality of the goods and/or supplied hereunder. Similarly, Garmin hereby acknowledges that Supplier may engage in independent development efforts and activities in areas that are similar or identical to features or functionality of goods sold by Garmin. For the avoidance of doubt, Supplier and Garmin agree that nothing contained in these Terms and Conditions is intended to prohibit such independent development activities nor prohibit either Supplier or Garmin, or their respective Affiliates, from independently developing and commercializing any goods (or having goods developed for them) that compete with the goods of the other.

21. STATEMENT OF CONDUCT

- (a) Supplier understands and acknowledges that:

- (i) Garmin does not allow gifts or other consideration to be provided to Garmin's employees from suppliers or potential suppliers except for very low cost promotional items.
 - (ii) Garmin's policy is that Garmin employees 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.
- (b) Supplier shall inform its employees, agents, suppliers and representatives of the policies set forth in clause (a) above and in the Supplier Code of Conduct ([FRM-0560](#), which is available at <https://www.garmin.com/en-US/suppliers/>).

22. CONFIDENTIALITY/PUBLICITY

- (a) Supplier acknowledges that the Confidential Information (as defined below) comprises valuable trade secrets and is proprietary to Garmin. Supplier shall not disclose any Confidential Information to any other person, firm or corporation or use such Confidential Information itself for any purpose other than to perform its obligations under the Purchase Order and Supplier agrees to promptly return or destroy all Confidential Information to Garmin promptly upon request by Garmin (and provide written confirmation thereof). The foregoing obligation shall not apply to any information that becomes public through no fault of Supplier. As used herein, the term "Confidential Information" means all know-how, designs, drawings, pricing information, specifications, and other information, whether or not reduced to writing, relating to the design, manufacture, use and service of any products of Garmin as well as any other information relating to the business of Garmin that may be divulged to Supplier that is not generally known to the public, including without limitation all Garmin Property.
- (b) The obligation of confidentiality contained herein shall survive cancellation, termination and expiration of the 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 Affiliates without the prior written consent of Garmin.

23. INFORMATION AND DATA SECURITY

- (a) Supplier shall employ all appropriate legal, organizational and technical measures to protect all data and Confidential Information provided by Garmin to Supplier ("Garmin Confidential Data"). Supplier shall implement and maintain a written information security program, including appropriate policies, procedures and risk assessments, and shall provide a copy of Supplier's current data security policies upon Garmin's request. Supplier shall implement administrative, physical and technical safeguards to protect Garmin Confidential Data from unauthorized access, acquisition or disclosure; destruction, alteration, accidental loss, misuse or damage, and any other security procedures that may be issued by Garmin to Supplier from time to time.
- (b) Supplier shall notify Garmin within 48 hours after Supplier discovers or has reason to believe that any person or entity has breached or attempted to breach Supplier's security measures, or has gained unauthorized access to Garmin Confidential Data. Following any such breach, Supplier shall (i) investigate, remediate and mitigate the effects of the breach, and (ii) provide Garmin with assurances reasonably satisfactory to Garmin that the same or similar breach will not recur. Supplier shall, at Garmin's request and at Supplier's cost and expense, undertake all necessary remedial actions.
- (c) If Supplier supplies to Garmin any goods (including, without limitation, software) that include (i) executable files, whether delivered separately as software or within the provided goods and/or (ii) pre-compiled binary files (such as libraries or similar resources used to create executable files), which are intended for use within or in conjunction with Garmin products, Supplier shall, at the Supplier's sole expense no additional expense to Garmin, (i) conduct, or shall engage a third party to conduct, periodic assessments of the cyber security vulnerabilities of such Supplier software and report to Garmin the results of any such assessments, and (ii) provide all necessary bug fixes, patches or updates for any deficiencies or defects relating to cyber security vulnerabilities known to Supplier or discovered through penetration testing conducted by Supplier, Garmin or any third party by or on behalf of Supplier or Garmin. Garmin reserves the right to reverse engineer goods supplied by Supplier solely for the purpose of and limited specifically to testing goods for deficiencies or defects related to cyber security vulnerabilities, and Supplier hereby consents to such reverse engineering.

24. IMPORTED GOODS

- (a) Supplier Requirements. Supplier shall provide to Garmin 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. When 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 shall 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 transfers of goods and data received from Garmin will be conducted in compliance with applicable requirements of the United States, Canada and/or 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 shall coordinate with Garmin to ensure the accurate and timely filing of the Importer Security Filing (ISF) required data elements, a minimum of 24 hours prior to loading ocean freight destined for the United States.
- (c) Supply Chain Security. Supplier represents, warrants and covenants that it has reviewed, or will review, its supply chain security procedures and that these procedures and their implementation are, or will be at the time of any shipment, 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 or an Authorized Economic Operator ("AEO"). Specifically, Supplier warrants that it is: (i) applying C-TPAT-prescribed (or AEO-prescribed, if applicable) inspection methods prior to loading of the transport conveyance; (ii) maintaining secure control over its loaded and empty transport conveyances; (iii) controlling and applying certified high security seals for securing transport conveyance doors; and, (iv) ensuring that its suppliers and/or business partners are observing the criteria set forth by C-TPAT. Supplier further represents, warrants and covenants 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 and AEO 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 the Purchase Order. If Supplier is enrolled in any supply chain security accredited programs, such as C-TPAT, AEO or other similar programs that may exist in the country of Supplier, then Supplier shall provide Garmin with documentary evidence of such enrollment(s).

25. EXPORT AUTHORIZATION REGULATION (EAR) / INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR)

Supplier hereby represents, warrants and covenants that it will NOT provide Garmin any goods, services, software, technology or information, in any format, subject to the following export controls (collectively, "Controlled Items") without first obtaining the prior written approval from Garmin:

- a) Commerce Control List (CCL) (controlled for any reason beyond AT),
- b) United States Munitions List (USML), or
- c) Wassenaar Arrangement Dual-Use Goods and Technologies and Munitions Lists.

Supplier further represents, warrants and covenants that it has applied the provisions of each of the above export controls to the best of its capabilities for each item it supplies to Garmin; which includes whether each item is (i) specifically designed, modified, adapted, or configured for military application, and/or (ii) subject to subsections a, b or c above. For each such item that Supplier does not manufacture, Supplier represents, warrants and covenants that it has made inquiry to the original manufacturer of each such item about the export controls, including design intent, for the item(s) as part of its analysis. Supplier acknowledges and understands the control requirements in subsections a, b and c above extend to designs (drafted and finalized), bills of material, parts, components, sub-systems, systems, integrated circuits, software code (object and source code), models, mockups, equipment, parts, services, proposals, and/or requests for product modifications. Based upon Supplier's analysis, it will NOT provide Garmin any Controlled Items, in any manner; including release or delivery to Garmin by means of: face-to-face discussions, telephone conversations, e-mails, granting of electronic access to information, sharing of servers, correspondence, memoranda, responses to solicitations, demonstrations, release of software and/or technology, and physical delivery of an item to Garmin without first obtaining the prior written approval from Garmin.

26. GOVERNING LAW

The Purchase Order, including these Terms and Conditions, shall be deemed to be made in the state, province or territory from which the Purchase Order originates and shall in all respects be construed and governed by the laws of that state without giving effect to any conflict of laws principles of such state, province or territory. The United Nations Convention on Contracts for the International Sale of Goods does not apply to these Terms and Conditions or to any Purchase Order made pursuant to these Terms and Conditions. Supplier hereby submits to the jurisdiction of the state and federal courts located in the State of Kansas for the purpose of all legal proceedings relating in any way to the Purchase Order, and if jurisdiction is in the courts of the State of Kansas, Supplier consents to venue exclusively in Johnson County.

27. ELECTRONIC DATA INTERCHANGE ("EDI")

- (a) The parties may conduct the exchange of business forms using electronic data interchange ("EDI"). 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) Supplier acknowledges that while Garmin accepts electronic purchase orders (that include the description, quantities and other relevant information relating to the purchase of goods) and participates in electronic commerce via EDI, no terms and conditions contained in any data transmitted by Supplier 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 EDI system, Supplier acknowledges that these Terms and Conditions, the Supplier Code of Conduct and the Supplier Expectations, apply to each order placed pursuant to EDI, even though these Terms and Conditions, the Supplier Code of Conduct and the Supplier Expectations are not separately transmitted electronically with each Purchase Order.

28. LONGEVITY REQUIREMENTS

- (a) Supplier Longevity Expectations
 - (i) Supplier represents and warrants that Supplier will supply the goods for the entirety of the Longevity Period.
 - (ii) SUPPLIER ACKNOWLEDGES THAT THE TERMS, CONDITIONS, OR PROVISIONS HEREOF DO NOT FORM AN EXCLUSIVITY AGREEMENT AND DO NOT CONSTITUTE A COMMITMENT BY GARMIN TO BUY OR TO PURCHASE GOODS FROM SUPPLIER.
- (b) Supplier Requirements
 - (i) Following the Longevity Period, Supplier shall provide Garmin with an EOL Notice prior to the EOL of any goods. Such EOL Notice must be received by Garmin in accordance with timeframe set forth in Table 1.
 - (ii) Supplier shall provide Garmin with a PCN prior to making any Product Change during the Longevity Period. Such PCN Notice must be received by Garmin in accordance with timeframe set forth in Table 1 below (the "Longevity Requirements"). Garmin reserves the right, in its sole discretion, to treat any PCN as an EOL Notice.
 - (iii) Simultaneously with any EOL notice, or immediately upon notification by Garmin that Garmin has deemed a PCN to be an EOL Notice, Supplier shall provide Garmin with a LTB date for the goods affected by such PCN or EOL Notice, which LTB date may be no earlier than the date calculated in accordance with the timeline set forth in Table 1. Garmin shall specify the Quantity of EOL Product needed to be made available for delivery under the LTB Purchase Order at the contracted price.

Table 1 – Longevity Requirements

NOTICE TYPE	NOTICE PERIOD
PCN	180 days prior to a LTB Date
EOL	360 days prior to a LTB Date

- (iv) All PCN, EOL Notices and other similar notices required under these Longevity Requirements shall be sent to Garmin.PCN@garmin.com as well as the applicable Garmin buyer.
- (v) Promptly, but in no case more than thirty (30) days following any EOL Notice or a PCN deemed by Garmin to be an EOL Notice, Supplier shall confirm it will provide the quantity specified by Garmin in this Section 28. If Supplier is unable to provide the Garmin specified quantity due to circumstances beyond its reasonable control, Garmin and Supplier will negotiate in good faith to resolve the discrepancy. If Supplier and Garmin are unable to mutually determine a Quantity of EOL Product, the Quantity of EOL Product shall be the greater of (1) Garmin’s forecasted quantity of goods for the next 12 months or (2) the quantity of goods purchased by Garmin over the 12-month period preceding the applicable PCN or EOL Notice.
- (vi) Supplier shall, at its reasonable discretion, either:
 1. at no additional cost to Garmin, produce EOL Product meeting or exceeding the Quantity of EOL Product for Garmin at one time, store the entire Quantity of EOL Product for the EOL Product as finished goods prior to shipping, and ship such Quantity of EOL Product to Garmin in accordance with Garmin’s Purchase Order or other written instructions issued by Garmin, or
 2. maintain raw material inventory needed to support the Quantity of EOL Product and produce these EOL Products over time to support Garmin’s needs (to be reflected in Purchase Orders). If Supplier chooses the option in this Section 28(b)(vi)(2), Garmin will endeavor to provide Supplier a fifty-two (52) week rolling forecast, updated weekly, for the applicable EOL Product.
- (vii) Upon determination of a Quantity of EOL Product, Supplier guarantees sufficient capacity will be available to produce such EOL Product to meet or exceed the Quantity of EOL Product and that Supplier’s capacity will be appropriately allocated to meet Garmin’s requirements of such Quantity of EOL Product. If Garmin has consented to the subcontracting of all or any portion of the supply or manufacture of an EOL Product, Supplier is solely responsible for ensuring each subcontractor has sufficient capacity and ability to enable Supplier’s compliance with its obligations under these Longevity Requirements. The failure of any subcontractor or supplier of Supplier to provide materials to Supplier shall not relieve Supplier of its obligations under these Longevity Requirements.
- (viii) For avoidance of doubt, Supplier’s failure to: (i) provide product(s) for the Longevity Period, (ii) provide Garmin a PCN or EOL Notice within the required timeframe, (iii) permit Garmin to make a LTB, or (iv) otherwise comply with the provisions of this Section 28, shall constitute a breach of these Longevity Requirements.

29. LOGISTICS TERMS

(a) Forecasts

- (i) Garmin will provide the Supplier with a Schedule Share for one or more goods purchased under these Terms and Conditions. Supplier agrees to maintain at all times adequate quantities of the goods such that Supplier can support adjustments to the Schedule Share that increase the forecast quantity for any week by at least twenty-five percent (25%) from a previous week and timely deliver to Garmin the increased quantity of the goods.
- (ii) Supplier agrees that the Schedule Share serves as Garmin’s official means of notification to the Supplier of intent to procure components for the goods. The Schedule Share will be sent via e-mail with a spreadsheet attachment directly to Supplier’s email address (e-mail address to be supplied later). Only forecasts sent to the Supplier’s email address will be used for planning and ordering purposes.
- (iii) Supplier shall supply goods in accordance with estimates of anticipated orders for goods during periods specified in the Schedule Share, which may specify a quantity for the following week (first in a chronological order) associated with a current week (a “MRP_DATE”), three (3) months of weekly quantities, nine (9) months of monthly quantities, and a quantity of one or more goods anticipated to be purchased (“REM_QTY”) by Garmin under these Terms and Conditions.

- (iv) Garmin will attempt to provide a forecast to the Supplier on a weekly basis. In the event no data is transmitted, the previous week's Schedule Share will become the current week's Schedule Share.
 - (v) Supplier shall make commercially reasonable efforts to respond within forty-eight (48) working hours to any Schedule Share quantities that have support issues.
- (b) Firm Release Window
- (i) The term "Firm Release Window" specifies a number of consecutive weeks listed in Table 2 at the end of this Section 29.
 - (ii) The Firm Release Window will commence with the week of the MRP_DATE for the Schedule Share.
 - (iii) Garmin will not to decrease the quantities which fall within the Firm Release Window without the consent of the Supplier.
- (c) Planned Release Window
- (i) The term "Planned Release Window" specifies a number of consecutive weeks listed in Table 2.
 - (ii) The Planned Release Window will commence with the week following the end of the Firm Release Window.
 - (iii) Quantities within the Planned Release Window are subject to change on a weekly basis.
- (d) Raw Material Lead Time Window
- (i) Supplier may deem it necessary to either hold or place orders for certain raw materials with its suppliers in order to build the quantities of the goods (as finished goods) forecasted by Garmin.
 - (ii) For the purposes of these Logistics Terms, Supplier and Garmin mutually agree that the term "Raw Material Lead-time Window" specifies a number of consecutive weeks listed in Table 2.
 - (iii) The Raw Material Lead-time Window will commence with the week following the end of the Planned Release Window.
 - (iv) Quantities within the Raw Material Lead-time Window are subject to change on a weekly basis.
- (e) Safety Stock
- (i) Supplier shall hold additional inventory of the goods, separate from and in addition to the quantities required to support the Firm Release Window and the Planned Released Window, that shall be no less than a quantity of goods specified in Table 2 for one or more classes of goods (hereinafter referred to as "Safety Stock") available for purchase by and timely delivery to Garmin at no additional cost to Garmin.
 - (ii) Table 2 may specify higher Safety Stock quantities for certain goods having a production lead time of four (4) or more months ("Category A Goods") than other goods that are not subject to such production constraints ("Category B Goods").
 - (iii) Supplier shall manage the Safety Stock on a first in first out (FIFO) basis to avoid inventory aging.
 - (iv) Calculations for Safety Stock quantities are as set forth in Table 2. Supplier shall recalculate Safety Stock quantities weekly to ensure appropriate quantities.
 - (v) In the event that Garmin consumes part, or all, of the Safety Stock in support of upside demands, Supplier shall use commercially reasonable efforts to support additional supply on behalf of Garmin.
 - (vi) In the event excess Safety Stock accumulates, Supplier shall have the right to reallocate excess as Supplier deems fit.
 - (vii) Upon request, Supplier shall provide Garmin record of Safety Stock levels.
 - (viii) Supplier shall have Safety Stock quantities in place within eight (8) weeks of a Purchase Order issued by Garmin to purchase goods from Supplier.
- (f) Purchase Order Release
- (i) Garmin will issue Purchase Orders to Supplier to cover all quantities appearing in the Firm Release Window.
 - (ii) Purchase orders shall be delivered by one of several methods currently available: mail, fax, email, or Electronic Data Interchange (EDI).

(g) Supplier Weekly Delivery Report

- (i) Within forty-eight (48) working hours after receipt of the weekly Schedule Share, Supplier will provide the appropriate Garmin buyer(s) with updated shipping projections (commit date and commit quantity) for planned shipments covering at a minimum the lead time of the particular goods. (If lead time of a part is eight (8) weeks, then Supplier needs to provide updated shipping information for a minimum of eight (8) weeks of projected shipments). Supplier will insert the commit dates and the commit quantities in the last two columns of the Schedule Share and return the Schedule Share to the appropriate Garmin buyer.
- (ii) If applicable, the Schedule Share will specify a date (“SUGG_DOCK_DATE”) on which goods must be delivered to Garmin’s dock in order to support its production activities.

(h) Garmin Financial Responsibility

- (i) Garmin shall be financially responsible for all quantities which appear within the Firm Release Window at the price specified in a Purchase Order. These quantities may be in the form of finished goods, work in progress, or raw materials necessary to support the forecast.
- (ii) Garmin shall be financially responsible for all quantities which appear within the Planned Release Window as defined in Table 1 at the last negotiated price. These quantities may be in the form of finished goods, work in progress, or raw materials necessary to support the forecast.
- (iii) In the event quantities within the Firm Release Window or Planned Release Window are reduced resulting in excess quantities Supplier will make commercially reasonable efforts to find other purchasers for these goods.
- (iv) If Supplier elects to change pricing of good(s) within the Firm Release Window or Planned Release Window periods, Supplier acknowledges and agrees that Garmin is permitted to cancel or adjust any or all quantities planned within the Firm Release Window or Planned Release Window periods which are directly affected by such price change without any penalty or fees.
- (v) Garmin shall be financially responsible for its portion of the value of the raw materials within the Raw Material Lead-time Window as set forth in Table 2. In the event of excess raw materials as a result of a reduction in the forecast, Supplier shall make commercially reasonable efforts to find other purchasers for these raw materials.
- (vi) Garmin will be offered the option of either taking delivery of the excess raw material or making arrangements with Supplier for disposition. Garmin will be responsible for any costs associated with the transportation or disposition of the raw material.

Table 2 – Logistics Terms**

	CLASS A GOODS	CLASS B GOODS	CLASS C GOODS
FIRM RELEASE WINDOW	4 WEEKS	4 WEEKS	4 WEEKS
PLANNED RELEASE WINDOW	8 WEEKS	8 WEEKS	8 WEEKS
RAW MATERIAL LEAD-TIME WINDOW	3 WEEKS	3 WEEKS	3 WEEKS
SAFETY STOCK*	14 WEEKS	10 WEEKS	4 WEEKS

GARMIN'S FIRM RELEASE WINDOW FINANCIAL RESPONSIBILITY	100% of QTY	100% of QTY	100% of QTY
GARMIN'S PLANNED RELEASE WINDOW FINANCIAL RESPONSIBILITY	0% of QTY	50% of QTY	75% of QTY
GARMIN'S RAW MATERIAL LEAD TIME WINDOW FINANCIAL RESPONSIBILITY	0% of QTY	50% of QTY	75% of QTY

* Safety Stock quantity shall be determined based on the current Schedule Share (weekly rolling forecast) and shall be rounded up to accommodate package sizes.

** IN THE EVENT A TERM OF A SCHEDULE SHARE CONFLICTS WITH TABLE 2, WHICH SPECIFIES MINIMUM REQUIREMENTS, SUPPLIER AGREES THAT THE APPLICABLE TERM OF THE SCHEDULE SHARE SHALL CONTROL SUPPLIER'S OBLIGATIONS HEREUNDER.

30. MISCELLANEOUS

- (a) All references to a "Purchase Order" include these Terms of Use. These Terms of Use, including the Purchase Order, constitutes the entire agreement regarding the subject matter hereof and supersedes all prior agreements, understandings and communications, oral or written, between Supplier and Garmin regarding the subject matter hereof without prejudice to any confidentiality or nondisclosure agreements executed between Supplier and Garmin. Depending on the Affiliate that is a party to the Purchase Order, the Supplemental Terms may apply, and to the extent the Supplemental Terms apply, the Supplemental Terms shall prevail over any conflicting terms in these Terms and Conditions. A Purchase Order may contain additional terms so long as they do not conflict with these Terms and Conditions. These Terms and Conditions shall prevail over any conflicting terms of a Purchase Order, unless the conflicting terms are in a Purchase Order signed by Garmin and Supplier.
- (b) 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.
- (c) Supplier shall not assign its rights or obligations under the Purchase Order without the prior written consent of Garmin, which may not be unreasonably withheld
- (d) 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.
- (e) If any term of the 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 the Purchase Order.
- (f) In the event of any conflict among the requirements of the Purchase Order, the provision requiring the highest standard for the work of Supplier shall govern.
- (g) Stenographic and clerical errors, whether in mathematical computations or otherwise made by Garmin on the Purchase Order or any other forms delivered to Supplier, shall be subject to correction.
- (h) Any modification hereof, to be valid, must be in writing and executed by both parties.
- (i) The headings in the 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.
- (j) 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, and Supplier shall remain fully responsible for its subcontractors' and suppliers' compliance with such requirements.

(k) The parties have agreed that the language of the Purchase Order and all communication between them be English.

31. DEFINITIONS

The following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined, even if not so noted below).

- “Affiliates” means (i) a parent company (if any) that owns, directly or indirectly, a majority of either Garmin or Supplier and (ii) any other company that is majority-owned, directly or indirectly, by Garmin or Supplier.
- “Background Intellectual Property Rights” means Garmin’s Intellectual Property or Supplier’s Intellectual Property, as applicable, except for any Foreground Intellectual Property Rights.
- “Bill of Materials” means the raw materials, sub-assemblies, intermediate assemblies, sub-components, components and the quantities of each needed to manufacture goods.
- “Class A Goods” means goods that are common off-the-shelf goods offered for sale by Supplier to third parties without restriction.
- “Class B Goods” means goods that are customized in-part (semi-customized) for sale to Garmin.
- “Class C Goods” means goods that are customized for sale to Garmin.
- “EOL” means an ‘end of life’ or a discontinuation event of production or supply of good(s) by Supplier.
- “EOL Notice” means a notification sent by Supplier to Garmin relating to an EOL event for goods.
- “EOL Product” means good(s) that are subject to an EOL event.
- “Foreground Intellectual Property Rights” means Intellectual Property Rights developed with respect to, or for incorporation into, the Goods, that are developed by either party, directly or indirectly, during the design or manufacture of goods in connection with these Terms and Conditions.
- “Government Authority” means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.
- “Intellectual Property Rights” means all industrial and other intellectual property rights comprising or relating to: (a) patents; (b) trademarks; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights and copyrightable works, software and firmware, data, data files, and databases and other specifications and documentation; (d) trade secrets; (e) internet domain names; and (f) all industrial and other intellectual property rights, and all rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered and including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the laws of any jurisdiction throughout in any part of the world.
- “Longevity Period” means a period of twenty-five (25) years, beginning on the issuance of the first production-phase Purchase Order from Garmin to purchase goods from Supplier.
- “LTB” means a ‘last time buy’ order made by Garmin in the event an EOL event applies to good(s).
- “LTB Date” means a date, determined by Supplier, for Garmin to place LTB order.
- “PCN” means a ‘product or process change notification’ sent by Supplier to Garmin.
- “Product Change” means, with respect to any good(s), any change or modification to: (i) the Bill of Materials, (ii) design (hardware or software), (iii) packaging, (iv) tooling, (v) manufacturing process, (vi) manufacturing location, or (vii) subcontracted third-party supplier(s) (to the extent such subcontracting is permitted by Garmin).
- “Quantity of EOL Product” means the quantity of an EOL Product required by Garmin to meet Garmin’s supply needs for the portion of the Longevity Period following any EOL Notice or PCN, as applicable, determined pursuant to Section 28(b)(v).
- “Schedule Share” means a weekly rolling forecast issued by Garmin to Supplier for supply of one or more goods under these Terms and Conditions.