

TERMS & CONDITIONS OF PURCHASE

These terms and conditions of the entity identified on the first page of the purchase order, Applanix Corporation, or an affiliate thereof, along with the written information on the face page of this purchase order, any attachments or exhibits, and all specifications (per Buyer's part number), drawings, instructions or other written materials and information referenced therein, will apply to the purchase of the Items described in this purchase order, and are incorporated and made a part hereof (collectively referred to as "**PO**"). This PO is Buyer's offer to Seller upon the PO terms and conditions (the "**Terms**") and is not an acceptance by Buyer of any offer to sell. Seller will be deemed to have accepted this PO and assented to all of its Terms upon the earlier of Seller's written acceptance of the PO or Seller's commencement of performance. This PO expressly limits acceptance to its Terms. If a separate purchase agreement exists between Seller and Buyer regarding the Items covered by this PO, the terms of such agreement will prevail over any inconsistent Terms in this PO.

1. **Definitions.** "**Buyer**" means Applanix Corporation or any other company identified on the first page of this PO, "**Seller**" means the person, firm or company identified on the face of this PO. "**Item(s)**" means the goods and/or services to be furnished by Seller to Buyer as set forth on the face of this PO. "**Blanket PO**" means a PO that defines all specifics of a purchase except the quantity and delivery dates, which are later communicated in writing by Buyer to Seller. "**Release**", for a Blanket PO, means Buyer's subsequent PO authorizing Seller to ship a definite quantity of Items scheduled for delivery on a specified date. "**Estimated Usage**" or "**Forecast(ed) Quantity(ties)**" means the quantity of Items for which Buyer reasonably expects to issue Releases under its Blanket PO.

2. Pricing

2.1 Prices and costs of carriage set forth on the face of this PO or on an attached exhibit will not be increased without Buyer's written consent. Applicable taxes and other government imposed charges such as duties, customs, fees, tariffs or other surcharges based upon sale or use must be stated separately on Seller's invoice.

2.2 If Seller decreases prices for its products and services that are comparable in quantity, form and function to the Items sold to Buyer hereunder, Seller shall adjust the price of all such unshipped or unperformed Items to the lower prices.

3. Invoicing and Payment

3.1 Seller may submit invoices to Buyer's Accounts Payable Department at the address on the front of this PO no earlier than upon shipment or completion of services. Invoices must specify the PO number, order line Item number (if any), part number, description, quantity, unit price, date of shipment, and such other information as may be reasonably requested by Buyer from time to time.

3.2 Unless otherwise specified in this PO, payment will be net forty-five (45) days from date of invoice, provided that Buyer receives Seller's correct and valid invoice, and further provided that the Items have been delivered or performed in accordance with this PO and Buyer has accepted them. Buyer is entitled at all times to set-off any amount (e.g., price or cost adjustments) owing from Seller to Buyer or any of its affiliates against any amount payable at any time by Buyer under this PO.

4. Forecasts, Releases and Scheduling

4.1 If this PO constitutes a Blanket PO, any Item quantities designated as Estimated Usage(s) or Forecast(ed) Quant(y)(ies) are provided for Seller's planning purposes only and are not binding purchase commitments. Only Releases represent Buyer's obligation to purchase under the Blanket PO. If this PO constitutes a Blanket PO with scheduled Releases, Seller shall acknowledge each Release promptly in writing to Buyer.

4.2 Upon 15 days written notice to Seller, Buyer may reschedule any Release in whole or in part at no additional charge. Further, Buyer may place any portion of the PO on hold by notice which will take effect immediately upon receipt. Items placed on hold will be rescheduled for delivery within a reasonable time.

5. **Cancellation/Termination for Convenience.** Buyer may, by notice, terminate this PO in whole or in part at any time and for any reason. No charge will be imposed for cancellation of orders for Seller standard

Items not unique to Buyer. Buyer's sole liability for cancellation of orders for Items unique to Buyer's design and/or specification ("**non-standard Items**") will be as follows: Any claim for order cancellation charges for non-standard Items must be submitted in writing by Seller to Buyer's purchasing officer associated with this PO within 30 days following receipt of Buyer's notice. Seller's claim may only include (i) the cost of unique work in process, and (ii) the cost of paying claims to Seller's vendors for work in process and materials directly allocable to Items cancelled and which cannot be delivered to other customers of Seller or returned to Seller's vendors. Seller shall wherever possible place such work in process or materials in inventory and sell it to, or use it for other customers. In no event will such claim or Buyer's liability exceed the total purchase price that Buyer would have paid under this PO for the Items cancelled. Upon payment of Seller's claim Buyer will be entitled to receive all work and materials paid for. Buyer reserves the right to inspect Seller's work in process and to audit all relevant documents prior to paying Seller's claim.

6. Cancellation/Termination for Default. If Seller fails to deliver Items on time, to replace or correct non-conforming Items, or to perform any other obligations under this PO, Buyer may by written notice of default and without liability to Buyer: (i) cancel this PO, in whole or in part, and Seller shall be liable to Buyer for all damages, losses and liability incurred by Buyer directly or indirectly resulting from Seller's default, or (ii) obtain the Items ordered hereunder from another source with any excess cost resulting therefrom chargeable to Seller, if such default(s) are not cured by Seller within 10 days of Buyer's notice. Buyer further reserves the right, by written notice of default and without liability to Buyer, to cancel and terminate this PO in whole or in part without liability to Buyer for any of the following; (i) the institution of insolvency, receivership or bankruptcy proceedings against Seller; (ii) Seller's making an assignment for the benefit of creditors; or (iii) Seller's dissolution, liquidation or ceasing to do business in the normal course.

7. Effect of Cancellation/Termination. Upon any notice of cancellation or termination hereunder, Seller shall immediately discontinue work and cease placing of orders for materials for that portion of the PO cancelled or terminated, but shall continue to supply any portion of this PO not cancelled or terminated and any other outstanding POs or contracts between Buyer and Seller. Upon cancellation or termination of this PO (in whole or in part) for any reason, at Buyer's request Seller shall transfer title and deliver to Buyer any completed Items, and any partially completed Items and all unique materials. The price for partially completed Items and unique materials so accepted will be mutually agreed to by the parties pursuant to good faith negotiations, but will in no event exceed the per Item PO price.

8. Packing and Shipment. Seller shall pack all Items for shipment in the manner specified by Buyer or, absent such direction, in a manner that follows good commercial practice, is acceptable to common carriers for shipment at the lowest rate and is adequate to ensure safe arrival. Buyer will notify Seller of the method of shipment. If no instructions are given, Seller shall select the least expensive method. Seller must mark all packages in compliance with Buyer's requirements. Items and documentation shipped must comply with the import/export laws and regulations of the SHIP TO: location. Seller must include a duplicate set of shipment documentation inside the shipment package, or the first package of multiple container shipments.

9. Delivery. Seller must deliver Items strictly in accordance with the schedule and quantities set out or referred to in this PO or Release. Time is of the essence of this PO. Unless otherwise specified in this PO, delivery shall be FCA (Incoterms 2000) Buyer's delivery location specified on the PO or Release. Seller shall insure against normal risks of transportation. Title and risk of loss or damage to all Items covered by this PO will pass to Buyer upon delivery to the specified delivery location, subject to Buyer's right to reject and return non-conforming Items at Seller's risk and expense. If Seller expects to make a delivery that is not on time, Seller shall promptly notify Buyer in writing and (provided that the delay is due to no fault of Buyer) Seller shall (at Seller's expense) employ accelerated measures to meet the specified delivery date or minimize the delay. Buyer's acceptance of a delivery delay notice will not be construed as a waiver of any Buyer right or remedy. Any deliveries made 14 days or more ahead of the delivery date on the PO or Release will at Buyer's sole discretion be either (i) returned back to Seller within 5 days or (ii) kept at Buyer's location as Seller's inventory and Seller's responsibility for loss until the required delivery date on the PO or Release. Should early delivery of the goods and services be accepted by Buyer, any claim for payment shall become due not earlier than on the agreed date of payment based upon the PO or Release delivery date. Buyer reserves the right to assert compensation claims for additional costs, in particular with regard to storage costs.

10. Inspection and Acceptance. Each Item is subject to inspection and test by Buyer (or its authorized contract manufacturer) prior to acceptance to verify conformance to specifications, material and workmanship requirements, and quality requisites as outlined in Exhibit A. Buyer has the right to reject or require correction of any Items that do not conform to the requirements of this PO, which Items shall be promptly replaced or corrected by Seller at its sole expense. The making of payment will not prejudice Buyer's right of rejection. Upon reasonable notice and at mutually agreeable times, Seller shall permit Buyer to conduct source inspections and/or testing on Seller's premises, and Seller shall provide Buyer's inspectors with reasonable access to facilities and assistance at no additional charge. Source inspections may include participation by Buyer's customers for the Items.

11. Warranty. Seller warrants that the Items covered by this PO will (i) conform to applicable specifications, instructions, drawings, data, Seller samples and other requirements of this PO including the quality requisites as outlined in Exhibit A; (ii) be merchantable, of good material and workmanship, free from defects (latent or patent) and be fit and sufficient for the purpose intended; and (iii) be delivered free and clear of any liens or encumbrances. The foregoing warranties are in addition to all other warranties, whether express, implied or statutory and will survive delivery, inspection, acceptance and/or payment by Buyer. If, (due to no fault of Buyer), any of the Items furnished by Seller do not meet the warranties specified herein or otherwise applicable, Buyer may within one (1) year after its acceptance of the Items (or for such longer period of time as the Items are normally warranted by Seller), at Buyer's option, require Seller to promptly repair, replace or refund the cost of all non-conforming Items at Seller's sole cost and expense (including, without limitation, all transport costs). Any repaired Items shall incorporate the most recent engineering changes adopted by Seller provided that they otherwise comply with the specifications, material and workmanship requirements, and quality requisites required hereby. These remedies are in addition to all other remedies at law or in equity or under this PO. All warranties/remedies run to Buyer and its customers.

12. Patents, Copyrights, Trade Secrets, Trademarks, Product Liability. Seller shall, at its own expense, promptly defend, indemnify and hold harmless Buyer, its successors, assigns, customers and users of its products from and against any and all costs, expenses (including legal fees), and liability incurred due to actual or alleged (i) infringement of any patent, copyright, trade secret, trademark or other intellectual property right or (ii) personal injury or property damage, arising from the use, sale or distribution of the Items. If Buyer gives notice of such a claim, or if an injunction issues under any infringement claim, Seller agrees at its expense to promptly (a) procure for Buyer and its customers the right to continue using the Items, (b) modify the Items so that they become non-infringing while retaining existing functionality, or (c) replace the Items with non-infringing products/services of equivalent functionality. The indemnification provisions herein shall not apply to infringement resulting solely from Seller's compliance with Buyer's written design specifications (where provided) or Buyer's gross negligence or willful misconduct.

13. Changes and Configuration. Buyer's specifications (per Buyer part number) for each Item are made part of this PO. Seller shall not change the specifications, manufacturing process or the site of manufacture or sourcing of any Items without Buyer's prior written approval. Seller shall cooperate with Buyer to provide configuration control and traceability systems for Items supplied under this PO, as applicable.

14. Compliance. Seller shall comply with all federal, state and local laws and government rules and regulations of Canada, the United States and other countries applicable to Seller's manufacture, sale, import or export of the Items (inclusive of packaging and marking) or the performance of services covered by this PO, including but not limited to: the import and export laws/regulations of the Canadian or United States governments or any agency, the United States Foreign Corrupt Practices Act, the Canadian *Corruption of Foreign Public Officials Act*, , the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United Kingdom Bribery Act of 2010, and comparable laws/regulations of other countries, as applicable. Likewise, Seller shall comply with all Environmental Regulations governing the manufacture, use and distribution of the Items furnished under this PO at Seller's own expense. For this purpose, "**Environmental Regulations**" means all laws, regulations, directives, ordinances, orders and decrees of any kind, adopted or implemented in any country, state, province, region or jurisdiction governing: (i) the use of hazardous substances; (ii) waste electrical and electronic equipment; (iii) conflict minerals; (iv) batteries, accumulators and waste batteries and accumulators; (v) packaging and packaging waste; and (vi) the registration, evaluation, authorization and restriction of chemicals.

Environmental Regulations include, but are not limited to, Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011, Restriction on the Use of certain Hazardous Substances in Electrical and Electronic Equipment, ("**EU RoHS**"), European Directive (EC) No 1907/2006 on the Registration, Evaluation, Authorization and restrictions of Chemicals ("**EU REACH**"), China Order No. 39: Final Measures for the Administration of the Pollution Control and Electronic Information Products ("**China RoHS**") and notification of use of "Conflict Minerals" under Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act, each as amended. Seller shall provide written certification and proof of its compliance under this Section 14 upon request. Seller will defend, indemnify and hold Buyer harmless against any liability (including attorneys' fees) arising out of Seller's failure to meet any of its foregoing compliance obligations.

15. General Provisions.

15.1 *No Assignment; Binding Effect.* A transfer, assignment or delegation of Seller's rights or obligations under this PO is void without Buyer's prior written consent. This PO will otherwise be binding upon and inure to the benefit of the Buyer, Seller, their successors and permitted assigns.

15.2 *Limitation of Liability, Buyer's Remedies.* BUYER SHALL NOT BE LIABLE TO SELLER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING LOST PROFITS) REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE, EVEN IF BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Any remedies specified in this PO are cumulative and in addition to any other remedies provided at law or in equity.

15.3 *Entire Agreement, Modification and Waiver, Severability.* This PO constitutes the entire agreement of the parties concerning its subject matter and merges all prior agreements, dealings and negotiations. No modification or additions to the PO Terms will be binding on Buyer unless in writing and signed by Buyer's authorized representative. Buyer's waiver of any Seller default will not be considered a waiver of any subsequent default. These Terms may be severable and the invalidity, illegality or unenforceability in whole or in part of any provision will not affect the validity of other provisions.

15.4 *Applicable Law.* Seller and Buyer agree that this PO, these terms and conditions and any dispute, claim or controversy arising therefrom shall be governed by the laws of the Province of Ontario, Canada.

15.5 *Notices.* Any notice under this PO shall be in writing, and shall be deemed received (a) when delivered personally, (b) 5 days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (c) 1 day after having been sent by a commercial overnight carrier with written verification of receipt. All notices shall be addressed to the parties' address on the face of this PO (or as subsequently changed by written notice to the other party); and if to Buyer, then to the Attention of Buyer's purchasing representative associated with this PO, with a copy to Trimble Navigation Limited, 935 Stewart Drive, Sunnyvale, CA 94085, Attn: General Counsel, Legal Notice.

15.6 *Official Language.* The official language of these Terms is English. If there is a conflict between versions of these Terms in any other language, the English language version controls.

Exhibit A - Purchase Order Quality Requisites

QR-001: ISO 9001 Quality System Requirement

Seller shall comply with **QMS standard ISO 9001** "Quality Management Systems - Requirements," and all other terms of this PO in the manufacture and / or delivery of the Items in this PO.

QR-002: Certificate of Conformance (C of C)

Seller shall provide Certificate of Conformance ("C of C") with the delivery of the Item(s) stating that the requirements of the PO and Statement of Work (SOW, if applicable) have been fully met. The C of C shall be signed by Seller's Quality Manager or General Manager.

QR-003: Quality Flow -Down to Sub-Tier Suppliers

Seller's quality system shall assure all relevant PO requirements are flowed down to its sub-tier suppliers (and theirs, and so on). Seller's sub-tier suppliers are responsible to comply with the same specifications and requirements specified on this PO. Seller shall flow down to the supply chain the applicable requirements including customer requirements.

QR-004: Requirement for the Qualification of Personnel

Seller's quality system shall assure all relevant PO requirements are met and all applicable processes affecting the final quality of the Items in the PO were rendered by qualified personnel.

QR-005: Product and Process Control and Quality Record Retention

Seller's product and process control and quality records shall be retained at Seller's location a minimum of 10 years from the date of shipment, unless a longer retention period is specified on the PO. The records shall be adequate to ascertain the quality level of production processes. This includes chemical and physical test results of raw material used in the manufacture of the Item(s) on this PO. Quality records shall be provided upon request from Buyer.

QR-006: Government /Customer Inspection & Right of Access

Upon reasonable notice, Seller shall provide the right of entry for Buyer, Buyer's customers and regulatory agency personnel, for access to any and all facilities where work is being performed or is scheduled to be performed, including those facilities of Seller's sub-tier suppliers, in order to perform source inspections, process audits, audits of applicable records, surveys or system surveillance as part of verification of conformance to the requirements.

Seller's denial of access may result in disqualification of future procurement with Buyer, without limiting any of its other rights and remedies. Seller shall include the provisions of these facility access requirements in its purchase orders with sub-tier suppliers. This access shall be provided at no increase in price, cost or fee to Buyer.

QR-007: Requirement regarding the need for the supplier to notify Buyer on non-conforming product:

Seller shall notify Buyer of any nonconforming product, and arrangements for Buyer's approval of supplier nonconforming material.

QR-008: Requirement regarding the need for the supplier to notify Buyer on supplier changes of product, suppliers & changes of manufacturing facility /location:

Seller shall notify Buyer of changes in product and/or process, changes in suppliers, changes of manufacturing facility locations definition and, where required, shall obtain Buyer's approval.

QR-009: No Changes without Approval

Except for first time purchases, Items furnished under this PO (or Release, as applicable) shall be identical in form, fit and function to a product previously accepted by Buyer. No component substitution is allowed without Buyer approval. Alternate or equivalent parts must be approved by PO amended and/or approved waiver/deviation (in writing) prior to shipment and acceptance by Buyer's Quality and Purchasing Department.

QR-0010: Prohibition of Pure Tin (Sn)

The uses of Pure Tin Plated finishes are strictly PROHIBITED. Any Tin (Sn) Plating or Solder processes shall contain NO LESS than 3 percent LEAD (Pb) composition, unless specifically authorized in writing by Buyer. These restrictions apply for all types and levels of procurements, with Seller responsible for communicating these restrictions to manufacturers or sub-tier suppliers as required.

QR-011: Materials Procurement, Handling and Assembly Precautions

QR-011A: Electrostatic Discharge Control (ESD) Program-Quality

For electrical and electronic parts susceptible to damage from Electrostatic Discharge (ESD), Seller is responsible to establish and implement an ESD Control Program per the latest revision of one of either MIL-STD-1686, EIA-625, ESD 20.20 or better equivalent. Seller shall take the necessary precautions to ensure that static susceptible devices are adequately protected from ESD damage at all times in connections with the Items covered by this PO, including during manufacturing, test, inspection, storage, packaging and shipping. Packaging shall be marked with an ESD cautionary note or symbol.

QR-011B: Moisture Sensitive Devices (MSD)

Seller shall develop, maintain and follow procedures required to ensure the proper storage, handling and assembly of Moisture Sensitive Devices in all Items covered by this PO.

QR-011C: Foreign Object Debris (FOD) Program

Seller shall develop and maintain a foreign object debris (FOD) prevention program to identify and eliminate foreign object entrapment areas and paths through which foreign objects may migrate and cause product failure. The FOD program will include design, manufacturing, and process controls to prevent FOD in deliverable Items. Seller shall include periodic self-assessment of internal FOD prevention practices. Delivered Items must be clean and free from any material/debris, such as machined chips, burrs, grinding dust, forming materials, corrosion, oil and other foreign material on surfaces to prevent FOD entrapment.

QR-011D: Requirement on Segregation of lots:

Seller will not co-mingle different date codes or production lots, nor combine resubmitted parts with new production parts. Parts may be submitted in one shipment provided the different date codes and lots are identified and segregated.

QR-011E: Manufacturer's Part Numbers

If an Item on this PO is controlled by a Manufacturer Part Number, it is Seller's responsibility to assure that the "Manufacturer Part Number" meets all requirements of the latest manufacturer data sheet.

QR-011F: Counterfeit Part Avoidance:

1. Seller shall have a counterfeit detection process for all electrical, electronic, and other electronic component parts that meets the intent, as a minimum, of SAE standard AS5553, Counterfeit Electronic Parts, Avoidance, Detection, Mitigation, and Disposition. Seller shall flow down the requirements of this provision to its subcontractors and suppliers at any tier for the performance of this PO.
2. For all electrical, electronic, other electronic component parts delivered shall be from the Original Component Manufacturer (OCM)/ Original Equipment Manufacturer (OEM). In the event a part is not directly available from the OCM/ OEM or franchised distributors, purchase from independent distributors may be made but the evidence of supply chain traceability (chain of custody) back to the OCM/ OEM shall be provided as a Certification of Conformance. The Certification shall clearly identify the name and location of all of the supply chain intermediaries from the original manufacturer to the final source of the product delivered to Buyer.

Note: Distributors shall, in addition to the above, include their company's certification (Certificate of Conformance) for each part number shipped.

If evidence of supply chain traceability (chain of custody) to the OCM/ OEM is not available, Seller must notify Buyer immediately in writing and get authorization to purchase this product.

Notification: Should Seller become aware of confirmed counterfeit parts that, by any means, have been acquired for this contract, whether they have not been delivered to Buyer, Seller shall notify Buyer as soon as possible but no later than seven (7) days of discovery. Seller must verify Buyer's receipt of this notification in writing. Confirmed counterfeit parts are expected to be reported to the Government Industry Data Exchange Program (GIDEP) and applicable Canadian and/or US Government investigative authorities not later than 60 days.

Confirmed counterfeit parts will be segregated from conforming parts and controlled until rendered unusable by physical destruction (for example, cutting of leads and mechanical mutilation).

Seller shall quarantine suspect counterfeit and/or suspect counterfeit parts and make these available for investigation by appropriate government authorities.

Seller shall be liable for all costs relating to the removal and replacement of counterfeit components and the cost of rework or corrective action that may be required to remedy the use or inclusion of such parts.

QR-011G: Mercury – Free Certification (when applicable)

Items furnished under this contract shall ***not be contaminated by mercury or mercury compounds***. Contamination shall be prevented by ensuring that the supplies during the manufacturing processes, test and inspections have not come in direct contact with mercury or any of its compounds, not with any mercury containing device employing a single boundary of containment.