

GARMIN
GENERAL TERMS AND CONDITIONS OF PURCHASE – DENMARK EDITION

The attached purchase order and these General Terms and Conditions (collectively the "Purchase Order") constitutes the entire contract between the vendor or seller named on the face thereof ("Seller") and Garmin Nordic Denmark A/S ("Buyer") covering the goods and/or services described therein. Seller's acceptance is limited to the terms and conditions stated herein, without any modification, addition or alteration. Any terms or conditions contained in Seller's quotations, acknowledgments, invoices or any other documents that are different from or in addition to the terms and conditions hereof are hereby excluded. Seller's commencement of work on such goods or services, or shipment of any of the goods, constitutes Seller's acceptance of all of the terms and conditions hereof, whether or not Seller has acknowledged the Purchase Order. Buyer shall have no obligation to place Purchase Orders with Seller, which decision shall be in Buyer's sole discretion.

TERMS AND CONDITIONS

- 1. CHANGES.** Buyer may by a written change order make changes in any one or more of the following: (1) method of shipment or packaging; (2) place or time of inspection, delivery, or acceptance; (3) the quantity and/or type of services ordered; and (4) the work or service/product delivery schedules. If any such change causes an increase or decrease in the cost of or time required for performance of this order, an equitable adjustment shall be made in the price or delivery schedule or both and this order shall be modified accordingly. No claim by Seller for adjustment hereunder shall be allowed unless made in writing for a specified amount within twenty (20) days from the date notice of any such change is received by Seller. If Seller considers that the conduct, statement or direction of any of Buyer's employees constitutes a change hereunder, Seller shall notify Buyer and take no action on the perceived change pending written approval of Buyer.
- 2. CANCELLATION.**
 - (a) Buyer may, for its sole convenience, upon notice to Seller and without liability to Buyer and without prejudice to any other rights Buyer may have, cancel this contract and any outstanding deliveries or Orders hereunder: (1) as to standard products of Seller not then shipped hereunder at any time prior to shipment; (2) as to services at any time at Buyer's discretion; or (3) if (i) the Seller, being a company, passes a resolution for winding up (other than for the purposes of a solvent reconstruction or amalgamation where the resulting entity assumes all of the obligations under the Purchase Order of the Seller) or a court makes a winding up order in respect of the Seller or the Seller has a receiver, administrative receiver, manager or administrator appointed of all or part of its undertaking and assets; (ii) Seller makes a general assignment for the benefit of creditors; (iii) any other action or proceeding is commenced by or against Seller under any insolvency or bankruptcy law, or under any other statute or regulation having as its purpose the protection of creditors; (iv) Seller ceases or threatens to cease to carry on its business or is unable to pay its debts or becomes bankrupt or insolvent (within the meaning of the Insolvency Act 1986) or makes or proposes to make any arrangement or composition with its creditors; (v) Seller (being a natural person) dies or (being a partnership or other unincorporated association) is dissolved; or (vi) Seller suffers any analogous event to those set out in this clause in any other jurisdiction. If an event described in (3) of this section occurs, Seller shall immediately stop all work hereunder and shall immediately terminate orders and subcontracts arising hereunder. Further, in such event Buyer may, at Buyer's sole election, pay Seller its actual direct out-of-pocket costs to date of cancellation, as approved by Buyer, in which event the goods shall be the property of Buyer and Seller shall safely hold the same subject to receipt of Buyer's shipping instructions. The termination of this Purchase Order for any reason is without prejudice to any rights or obligations which have already accrued before the date of termination.
 - (b) In the event of Buyer termination of individual purchase orders for assemblies, Seller will provide to Buyer an itemized bill of material. The cost of WIP (work in process) will be calculated by totaling the raw material, labor, and other itemized and reasonable costs associated with the order termination. Seller shall in good faith assure that the itemized bill is a result of Buyer's induced parts obsolescence or overage. Such costs may or may not include reasonable claims from third party suppliers. In addition, Seller will also take reasonable steps to divert the raw material inventory to other work orders to minimize a claim against Buyer.

- 3. 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 hereunder. Seller shall separately state on all invoices the applicable value added or sales taxes imposed by all applicable governments, unless an exemption is available.
- 4. PAYMENT TERMS and PRICE.** Payment terms are net 30 days end of month from the date of invoice, unless other payment terms, including cash discounts, are agreed upon in writing and stated in the Purchase Order. Purchase Order numbers must be quoted on the invoice for payment to be processed. Time allowed by Seller for payment of invoices or for accepting a cash discount shall commence on the date of invoice. Buyer shall not be responsible for delay in receipt of Sellers' invoices. Items not priced in the Order will be supplied to Buyer at the lowest price charged by Seller for an equal quantity of the items, and shall not exceed current prices quoted or charged to any other customer of Seller for similar items and quantities. Seller will refund to Buyer any amounts paid in excess of such price.
- 5. FREIGHT TERMS and RISK OF LOSS/TITLE.** Notwithstanding any provision hereof to the contrary, title to and risk of loss of the goods shall remain with Seller until the goods are delivered DDP (Delivered Duty Paid) at the point specified in this Purchase Order, or if no such point is specified, when the goods are accepted by Buyer's quality assurance inspection. Charges for packing, hauling, storage, insurance or transportation are included in the price unless otherwise specified in the Purchase Order. In a case of premium freight required to expedite delinquent deliveries as a result of Seller's delay, the cost difference between premium and standard freight shall be borne by the Seller.
- 6. SHIPMENT AND INSPECTION.** Shipping documents must show the Purchase Order number. The terms and routing of shipment shall be as provided in the Purchase Order. Buyer may revise shipping instructions as to any goods not then shipped. Buyer shall have the right to inspect any and all of the goods at Seller's plant or upon Buyer's receipt at Buyer's election, which right shall be exercisable notwithstanding Buyer's having paid for the goods prior to inspection. In the event any surveillance inspection or test is made by Buyer or any governmental entity, such as the United Kingdom Civil Aviation Authority, the European Aviation Safety Agency and the United States Federal Aviation Administration (in the case of items which will be used in an aviation product) on the premises of the Seller, the Seller 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. Buyer, by reason of its failure to inspect the goods shall not be deemed to have accepted any defective goods or goods which do not conform to the specifications therefor or to have waived any of Buyer's rights or remedies arising by virtue of such defects or non-conformance. If any of the goods are defective or otherwise not in exact accordance with the requirements of this Purchase Order, including any blueprints, specifications, samples or instructions issued in connection herewith, Buyer, without prejudice to any of its other rights, may reject the goods for full credit or may fix the goods at Seller's expense or may require prompt correction or replacement thereof by Seller or Buyer's designee at Seller's expense. Should Seller's goods require rework for acceptance in accordance with the terms of this purchase order, Buyer reserves the right to require, and Seller agrees to pay to Buyer, compensation for reasonable charges to perform the rework.
- 7. TIMELINESS. TIME IS OF THE ESSENCE IN DELIVERING GOODS OR SERVICES UNDER A PURCHASE ORDER.** Seller shall use its best efforts to make deliveries as expeditiously as possible. All shipments of goods and performance of services must be provided to Buyer in accordance with the time specified in the Order. In the event of any delayed shipments or performance, all additional expenses to which Buyer may be subjected shall be borne by the Seller. If Buyer believes that a delay or anticipated delay in Seller's deliveries or performance may impair its ability to meet its production schedules or may otherwise interfere with its operations, Buyer may at its option, and without liability to Seller, cancel any outstanding deliveries hereunder wholly or in part. Such remedy shall not be deemed to be the exclusive remedy for Seller's delay or non-performance, but shall be in addition to and without prejudice to all other remedies available to Buyer as provided for herein, at law, or in equity.
- 8. QUALITY ASSURANCE.** Seller and/or the manufacturer of the items provided under the Purchase Order agrees to establish and maintain a formal quality program and comply with the following requirements:
 - (a) Maintain inspection, testing, rework, repair and final acceptance documents showing compliance with the unit specification for a period of two (2) years.
 - (b) All documents shall be traceable to a unit serial number when a complex product is involved.
 - (c) No substitution of material shall be made without prior written permission from Buyer.
 - (d) Seller shall submit a supplier change notice (SCN) or process change notice (PCN) when any change is made to the item that could impact fit, form or function.

- (e) The drawings, specifications, test procedures, standards, and other requirements of the Purchase Order shall be fully complied with. Seller is not granted Material Review Board authority.
- (f) All welding, soldering, finishing, plating, or other special processes shall be controlled in accordance with the requirements and specifications reference by or included in the Purchase Order.
- (g) A copy of Seller's and/or the manufacturer's current quality control manual will be provided to Buyer if it has been included in the requirements of the Purchase Order.
- (h) Buyer reserves the right to conduct surveillance of Seller's and/or the manufacturer's facilities for the purpose of assuring compliance. Seller and/or the manufacturer are also subject to governmental surveillance or inspection, such as surveillance by the United Kingdom Civil Aviation Authority and the United States Federal Aviation Administration, when the items contained in the Purchase Order will be used in an aviation product.

9. DESIGNS, TOOLS, ETC.

- (a) If the goods are to be produced by Seller in accordance with designs, drawings or blueprints furnished by Buyer, Seller shall return the same to Buyer at Buyer's request upon completion or cancellation of this Purchase Order or subsequent future Purchase Orders. Such designs and the like shall not be used by Seller in the production of materials for any third party without Buyer's written consent. Such designs and the like involve valuable property rights of Buyer and shall be held confidential by Seller and shall not be used by Seller in the production of materials for itself or any third party without Buyer's written consent.
- (b) Unless otherwise agreed herein, Seller at its cost shall supply all materials, equipment, tools and facilities required to perform this Purchase Order. Any materials, equipment, tools or other properties furnished by Buyer or specifically paid for by Buyer shall be Buyer's property. Any such property shall be used only in fulfilling orders from Buyer unless given written consent to the contrary by the Buyer. The tools may on demand be removed by Buyer without charge. Seller shall use such property at its own risk, and shall be responsible for all loss of or damage to the same while in Seller's custody. Seller shall, at its cost, store and maintain all such property in good condition and repair. Buyer makes no warranties of any nature with respect to any property it may furnish to Seller hereunder.
- (c) Buyer owned tooling should be permanently marked as "Property of Garmin" and shall be stored separately from Seller owned property.

10. DANGEROUS AND HAZARDOUS MATERIALS. If the goods purchased pursuant to the Purchase Order contain any dangerous substance or dangerous preparation defined or described by the Chemicals (Hazard Information and Packaging for Supply) Regulations 2002, Seller shall provide a current safety data sheet to Buyer prior to, or at the time of initial shipment and all containers shall be labeled with the manufacturer's name and address, the identity of the dangerous material, appropriate warnings, and otherwise comply with the requirements of the Regulations. Seller further agrees that the content of all goods supplied to Buyer comply with all applicable federal, state, local, and foreign laws, rules and regulations, including, without limitation, laws enacted pursuant to European Union Directives, including, without limitation, the Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (Directive 2002/95 EC).

11. GENERAL WARRANTIES. Seller represents and warrants to Buyer as follows: (i) Seller will deliver to Buyer title to the goods free and clear of all security interests, liens, charges, restrictions or encumbrances of any kind, nature or description; (ii) the quantity of goods will be as stated in the Purchase Order; (iii) the goods are of satisfactory quality and fit for any purpose held out by the Seller or made known to it by the Buyer; (iv) the goods will correspond to the applicable specifications, instructions and drawings and will be free from defects in design, materials and workmanship (including minor defects however slight); (v) the design, manufacture, construction, supply, use and quality of goods comply in all respects with any relevant statute, statutory rule, order, directive or statutory license, consent or permit which may be in force at the time; (vi) the goods and/or their importation do not infringe the intellectual property rights of any other person; (vii) the goods and all supporting literature and documentation comply with all statutory requirements and regulations relating to the sale of goods; and (vii) the goods shall be new and not used or reconditioned.

12. REMEDIES. In the event of Seller's breach of this contract or of any warranties, Buyer may take any or all of the following actions without prejudice to any other rights or remedies available to Buyer at law or in equity: (1) require Seller to repair or replace such goods and upon Seller's failure or refusal to do so, repair or replace the same at Seller's expense; (2) reject any shipment or delivery containing defective or non-conforming goods and return for credit or replacement at Buyer's option, said return to be made at Seller's cost and risk;

(3) cancel any outstanding deliveries hereunder and treat such breach by Seller as Seller's repudiation of this contract. In the event of Buyer's breach hereunder, Seller's exclusive remedy shall be Seller's recovery of the goods or the purchase price payable for goods shipped prior to such breach.

13. INDEMNIFICATION/INSURANCE. Seller shall indemnify, defend and hold harmless Buyer from and against all claims, suits, actions, liabilities, damages, losses, demands, costs and expenses (including attorneys' fees) arising from, directly or indirectly, or related to: (i) of any actual or alleged injury or death to any person or damage to any property; or (ii) any other damage or loss resulting in whole or in part from any alleged or actual defect in any goods supplied to Buyer by Seller, including any infringement covered in Section 15, and any costs, expenses or damages arising from any voluntary or involuntary recall or market withdrawal of any goods and/or component parts supplied by Seller. If a Purchase Order covers the performance of labor on Buyer's premises, Seller agrees to indemnify and protect Buyer against all claims and liabilities for injury or damage to any person or property arising out of the performance of this Purchase Order. Seller shall maintain all necessary insurance coverage, including commercial general liability, public liability, and workers' compensation coverages necessary to fulfill its obligations hereunder. Nothing in these General Terms and Conditions will operate or be construed to operate so as to exclude or restrict the liability of either party for death or personal injury caused by reason of the negligence of that party.

14. FORCE MAJEURE. For the purposes of this contract, an event of force majeure shall mean any or all of the following events or occurrences; fires, floods or other acts of God, acts of government or any subdivision or agency thereof or any other cause whether or not similar to the causes or occurrences enumerated above and in all cases, which are beyond the control of the party claiming the occurrence of a force majeure event and which delays, interrupts or prevents such party from performing its obligations under this contract. Notwithstanding any provision hereof to the contrary, the reduction, depletion, shortage, curtailment or cessation of Seller's supplies or reserves or any other supplies or materials of Seller or its suppliers shall not be regarded as an event of force majeure. Within ten days of the occurrence of a force majeure event, the affected party shall give notice thereof and an estimate of the effect it will have on its ability to perform. The affected party shall exercise due diligence to eliminate or remedy the force majeure caused and shall give the other party prompt notice when that has been accomplished. Except as provided herein, if performance of this contract by either party is delayed, interrupted or prevented by reason of any event of force majeure, both parties shall be excused from performing hereunder while and to the extent that the force majeure condition exists after which the parties performance shall be resumed. Notwithstanding the foregoing, within five days following Seller's declaration of a force majeure event which prevents its full and/or timely delivery of the goods hereunder, Buyer may, at its option and without liability to Seller: (1) require Seller to apportion among its customers the goods available for delivery during the force majeure period; (2) cancel any or all delayed or reduced deliveries; or (3) cancel any outstanding deliveries hereunder and terminate the contract. If Buyer accepts reduced deliveries or cancels the same, Buyer may procure substitute goods from other sources, in which event this contract shall be deemed modified to eliminate Seller's obligation to sell and Buyer's obligation to purchase such substituted goods. After cessation of a force majeure event declared by Seller, Seller shall, at Buyer's option, but not otherwise be obligated to deliver goods not delivered during the force majeure period. After cessation of a force majeure event declared by Buyer, neither party shall be obligated to deliver or purchase goods not so delivered and purchased during the force majeure period.

15. INTELLECTUAL PROPERTY INFRINGEMENT. It is anticipated that the goods will be possessed, used and/or sold by Buyer and/or its customers. If by reason of any of these acts a legal action 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, Seller shall, at its own expense, defend such legal action and shall indemnify and hold Buyer and its customers harmless from and against all claims, damages, losses, demands, costs and expenses (including attorneys' fees) in connection with such legal action or threatened legal action. In the event Buyer and/or its successors in interest is or are enjoined from the operation, use and/or sale of the goods or any services, or any part thereof, covered by this Purchase Order, Seller shall (at its sole expense) take all reasonable steps possible to procure for Buyer and its successors in interest the right to operate, use and sell said goods or any services, or any part thereof, covered by this Purchase Order. If Seller cannot so procure the aforesaid right within a reasonable time, Seller shall then promptly (at Seller's sole expense): (i) modify said goods or services, or any part thereof, so as to avoid infringement of any patent or other proprietary interest, or (ii) replace said goods or services, or any part thereof with goods or services which do not infringe or violate any said patent or other proprietary interest; (iii) remove said goods or services, or any part thereof, and refund any compensation paid to Seller and pay to Buyer any transportation costs and

expenses that may have been paid or incurred by Buyer in connection with the goods or services, or any part thereof, so removed.

16. LABOR/SERVICES.

- (a) If the Purchase Order covers services or labor to be performed on Buyer's premises, Seller shall work to observe the highest safety standards and to adhere to all Buyers' work instructions and security requirements. Seller shall obtain and pay for Worker's Compensation and Employer's Liability Insurance, public liability and property damage insurance in amounts acceptable to Buyer insuring against said injuries, deaths and damages, and shall furnish Buyer with 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 Buyer.
- (b) Seller will comply with Buyer's safety procedures and company policies, including anti-harassment policies, when performing service on Buyer's property.
- (c) In the event that construction delays or other causes not within the Seller's control force postponement of the installation as scheduled, the goods will be stored until installation can be resumed, and will be considered accepted by the Buyer for purposes of invoicing and payment. In such event the Buyer may reserve the right to withhold 20% of the invoice amount of such shipments against the completion of the contract. All transfer and storage charges incurred shall be negotiated on an individual basis.
- (d) Intellectual Property. Seller acknowledges that any trade secret information, any copyrightable work product, and any and all other intellectual property rights developed, derived from or otherwise generated by Seller in performing Services hereunder shall be owned by and belong exclusively to Buyer. Seller hereby assigns and agrees to assign to Buyer the ownership of all intellectual property rights, titles, and interests in such material, including, without limitation, inventions (whether patentable or unpatentable) and copyrightable work product, and Buyer shall have the right to obtain and hold in its own name or in the name of one of its parent or affiliated companies, without obligation of any kind to Seller, patents, copyrights, registered design rights, or other protection that may be available or become available with respect to such items. Seller further agrees to give Buyer and its designees or assignees all assistance necessary to perfect such rights, titles, and interests. These obligations shall survive and continue beyond the termination of Seller's engagement with Buyer under each Purchase Order, and shall be binding upon Seller's assigns, executors, administrators or other legal representatives.

17. COMPLIANCE WITH LAW. Seller represents and warrants to Buyer that Seller will comply with all applicable laws in Denmark and European Union laws, ordinances, directives, rules and regulations applicable to its performance under the Purchase Order including, without limitation, any rules, regulations or orders issued or promulgated under such Acts and Regulations. Seller shall indemnify and hold Buyer harmless from and against any and all claims, damages, demands, costs and losses which Buyer may suffer in the event that Seller fails to comply with said Acts, Regulations, directives, rules or orders. 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.

18. STATEMENT OF CONDUCT. Seller understands and acknowledges that Buyer does not allow gifts or other consideration to be provided to Buyer's employees from suppliers or potential suppliers except for very low cost promotional items. Seller agrees to make its representatives aware of Buyer's policy and Seller agrees that violation of this policy by Seller or any representative of Seller shall entitle Buyer to cancel this Purchase Order.

19. CONFIDENTIALITY/PUBLICITY/ADVERTISEMENT. All information obtained by Seller or furnished by Buyer relating to Buyer or associated with the purchase of the goods and/or services covered by this Order is proprietary and confidential, and Seller shall not disclose any such information to any other person or use such information itself for any purpose other than performing this contract, unless Seller first obtains written permission from Buyer to do so. The obligation of confidentiality contained herein shall survive cancellation, termination, and expiration of this agreement and shall bind all employees, agents, and consultants retained by Seller. Seller will not, except as required by law, make any public release regarding the Purchase Order nor will 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 the Buyer or any of its parent, affiliated and/or subsidiary companies without the prior written consent of the Buyer.

20. IMPORTED GOODS. Seller will provide all information and documentation needed to effect customs entry into each country into which the goods are to be imported, except information within the exclusive possession of Buyer. Where Buyer has provided Seller 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. Seller will provide such documentation and other assistance as Buyer may request to allow Buyer to claim drawback of duties and taxes on purchased goods or articles manufactured from purchased goods. Seller shall accurately indicate the Country of Origin of the goods sold hereunder on the customs/commercial invoice and other applicable documentation. When requested by Buyer, Seller shall execute such documents as may be necessary to allow Buyer to claim duty preference under any and all applicable programs. Seller warrants that all sales hereunder are made in circumstances that will not give rise to the imposition of anti-dumping duties, countervailing duties, or similar levies under the laws of Denmark or the law of any other country into which the goods may be exported. Seller warrants that all transfers of goods and data received from Buyer will be conducted in compliance with applicable laws, regulations and/or requirements of Denmark and other Governments with jurisdiction over any goods or technical data supplied by Buyer in connection with this Purchase Order.

21. GOVERNING LAW. This Purchase Order and the contract between the parties shall in all respects be construed and governed by the laws of Denmark. Seller hereby submits to the exclusive jurisdiction of the courts of Denmark for the purpose of all legal proceedings relating in any way to the Purchase Order.

22. MISCELLANEOUS. 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.

- (a) Seller shall not assign its rights or obligations under this Purchase Order without the prior written consent of Buyer, which may not be unreasonably withheld.
- (b) If Seller is on Buyer's EDI system, Seller acknowledges that the terms and conditions stated herein apply to each order placed pursuant to EDI, even though these terms and conditions are not separately transmitted with each Purchase Order.
- (c) All claims for money due or to become due from Buyer shall be subject to deduction or setoff by Buyer by reason of any claim arising out of this or any other transaction with Seller.
- (d) The failure of Buyer to insist on strict compliance with the terms and conditions hereof or to exercise its options hereunder shall not constitute a waiver of its right to thereafter require strict compliance or preclude Buyer from fully exercising options not previously exercised.
- (e) Stenographic and clerical errors, whether in mathematical computations or otherwise made by Buyer on this Purchase Order or any other forms delivered to Seller shall be subject to correction.
- (f) The entire understanding and agreement of the parties with respect to the transactions contemplated herein is contained in this document, and any prior understandings, agreements and representations, oral or written, shall be deemed superseded and merged herein. Any modification hereof, to be valid, must be in writing and executed by both parties.
- (g) The headings in this Purchase Order are inserted solely for convenience and are not intended to serve as the basis for interpretation or construction of the terms and conditions contained herein.
- (h) If any provision of these General Terms and Conditions is found to be invalid or unenforceable but would not be if some part of the provision were deleted, that provision will apply with whatever modifications are necessary to make it valid.

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