

## TERMS AND CONDITIONS OF PURCHASE

Date last modified February 8, 2022

1. **ACCEPTANCE.** The purchase order, including these Terms and Conditions of Purchase and all documents referenced therein and herein (collectively, the "Order") is an offer by Colson Group USA or its affiliates ("Buyer") to purchase the goods ("Goods") and/or services ("Services") described in the purchase order from the person or entity to whom the purchase order is addressed ("Seller"). Acceptance is limited to the terms of the Order. The Order is the only terms and conditions which govern the purchase of Goods and Services by Buyer and supersede all other terms and conditions, oral or written, and all other communications between the parties suggesting additional or different terms. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the provisions of the Order is hereby deemed material and objected to and rejected. No terms of any document or form submitted by Seller shall be effective to alter or add to the provisions contained in the Order. Unless otherwise stated herein, Seller's acknowledgment of the Order, shipment of Goods or commencement of any Services shall constitute acceptance by Seller of the Order.
2. **PRICES.** The prices are the lower of Seller's prevailing prices or as stated on the Order and are otherwise fixed, firm and not subject to increase. Unless otherwise agreed by Buyer, the price includes all charges for packing, hauling, storage and transportation to Buyer's designated point of delivery. Seller will pay all delivery charges in excess of any delivery charge Buyer has agreed to pay. The price stated includes all taxes except state or local sales or use tax or similar taxes, which Seller is required by law to collect from Buyer. Such taxes, if any, shall be separately stated in Seller's invoice and paid by Buyer unless an exemption is available. Seller agrees that any price reduction made with respect to Goods or Services subsequent to its placement but prior to payment will be applicable to the Order. Only the Buyer entity issuing the Order shall be liable for payment of the purchase price. Sales forecasts, quantity purchase estimates or similar projections received are not purchase commitments of Buyer. Buyer shall have no obligation to purchase or otherwise compensate Seller for any of Seller's finished products, work in process or raw materials, not expressly covered by an Order issued by Buyer.
3. **PAYMENT TERMS.** Seller shall issue an invoice to Buyer on or any time after the completion of delivery of Goods or Services. Unless otherwise agreed to by Buyer in writing, Buyer shall pay all properly invoiced amounts due to Seller Net 90 days after Buyer's receipt of such invoice, except for any amounts disputed by Buyer. Without prejudice to any other right or remedy it may have, Buyer has the right to set off against any amounts due Seller from any amounts owed to Buyer by Seller arising from this or any other transaction.
4. **DELIVERY.** Time is of the essence. Unless otherwise agreed by Buyer in writing, all shipments are DDP Buyer's designated facility (Incoterms 2020) and title and risk of loss/damage shall pass to Buyer at such time and place. The Order must be shipped complete by the date requested but must not be shipped more than one week in advance of the time or times specified in the Order, without Buyer's prior approval. When more than one shipment is made against any Order, indicate "Final Shipping" on shipping papers and invoice accompanying the last shipment in the Order. Seller shall not ship excess quantities without Buyer's prior written approval. Buyer shall not be obligated to accept untimely, excess or under shipments and such shipments in whole or in part may, at Buyer's option, be returned to Seller, or held for disposition at Seller's expense and risk. Seller's invoice shall describe the items, state the purchase order number and be attached to the original bill of lading or other shipping receipt. If, in order to comply with delivery date specified on the front hereof, Seller must ship by a more expensive way than specified herein and Seller shall pay any increased costs. Buyer will not accept substitutions absent its prior written consent. Seller shall assume and pay for any loss or damage to the Goods ordered by Buyer from any cause whatsoever until the Goods are delivered to Buyer at the Seller's designated delivery location.
5. **WARRANTIES.** Seller warrants that (I) all Goods or Services are and will be (a) in full conformity with specifications, drawings, samples, quantities, delivery schedules, and descriptions furnished or specified by Buyer; (b) free from defects in material, workmanship and design, (c) merchantable and fit and sufficient for the purposes intended; (d) free and clear of all liens, Claims, security interests or other encumbrances; (e) free of claims of infringement or misappropriation of any third party's intellectual property rights; and (f) produced or provided in compliance with all applicable foreign, federal, provincial, state, and local laws and regulations as well as requirements and standards ("Applicable Laws") applicable to the Goods and Services; and (II) Seller shall (a) comply with all Applicable Laws and Buyer's prime contract (if any); and (b) refrain from engaging in any illegal, unethical, or deceptive practices. All warranties shall survive inspection, testing, delivery, acceptance, termination and payment and failure to inspect, test or discover any defect or other nonconformance. These warranties shall be in addition to all other warranties, express, implied or statutory. **NO ATTEMPT BY SELLER TO DISCLAIM, EXCLUDE, LIMIT, OR MODIFY ANY WARRANTIES OR SELLER'S LIABILITY FOR DIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SHALL BE OF ANY FORCE OR EFFECT.**
6. **INSPECTION.** All Goods are subject to inspection and testing by authorized representative(s) of Buyer and/or Buyer's customers at all reasonable times and places, including during production. No Goods shall be considered accepted prior to inspection by Buyer at Buyer's place of business. Buyer reserves the right to reject or revoke acceptance, in whole or in part, of Goods which fail to meet any requirement of the Order, notwithstanding inspection, testing, delivery, acceptance and/or payment and such Goods may, at Buyer's option, be returned to Seller at Seller's cost or held for disposition at Seller's risk and expense.
7. **INDEMNIFICATION.** Seller, shall indemnify, hold harmless and defend Buyer, its affiliates and their respective successors and assigns, against all claims, demands, damages, losses, liabilities, lawsuits, dispute resolution, judgments, fines, settlements, penalties, costs and expenses including without limitation all attorney's fees and litigation costs, whether direct, indirect, incidental, consequential, or otherwise (collectively, "Claims") for (i) personal injury, property damage, or other damage, arising out of, relating to, or in connection with, the Goods or Services; (ii) actual or alleged act, omission, negligence or failure to comply with all terms of the Order or any other agreement between Buyer and Seller; (iii) any Recall; (iv) actual or alleged infringement or misappropriation of any IP Right; (v) loss or damage to Buyer's Property; and (vi) Seller's breach of the Order or any of the warranties expressed herein or any warranties implied by law. Seller shall not enter into any settlement without Buyer's prior written consent. This indemnification is in addition to the warranty obligations of Seller.
8. **INTELLECTUAL PROPERTY.** Seller represents and warrants that the manufacture, sale, performance and use of the Goods or Services will not infringe any patent, copyright, trademark, trade secret or other intellectual property or proprietary right ("IP Right"). If all or any portion of the Goods are held to constitute an infringement of a patent and/or their use is enjoined for any reason, Seller shall promptly, at its own expense, either procure for Buyer the right to continue using such Goods royalty-free or replace such Goods to Buyer's satisfaction with non-infringing goods of equal quality and performance.
9. **INSURANCE.** Seller shall obtain and at all times during which the Order is in effect maintain at its cost insurance as designated by Buyer from time to time, but no less than insurance with insurers having a current A.M. Best rating of "A- VIII" or better: (1) primary comprehensive or commercial general liability insurance with limits of at least \$1 million/occurrence and \$2 million/annual aggregate combined single limit for bodily injury and property damage, including coverage for: (i) Products and Completed Operations liability; (ii) Blanket Contractual liability; and (iii) Cross Liability endorsement or Severability of Interest clause. Insurance required shall: (1) be endorsed to insure Buyer, its officers, directors, employees, representatives and agents as additional insureds; (2) be endorsed to waive any rights of subrogation against Buyer; (3) provide contractual liability coverage to Seller for its indemnity obligations; and (4) be endorsed to provide that such insurance is primary to and non-contributory with any other insurance obtained by, for or on behalf of Buyer notwithstanding any "other insurance" provision contained within such policies. Seller shall provide written notice to Buyer no less than 30 days prior to the effective date of cancellation or material reduction of any required insurance coverage. Prior hereto and at any time upon request, Seller shall provide certificates of insurance to Buyer along with other documentation as may be required by Buyer to evidence the insurance coverages required herein.
10. **CHANGES.** Buyer shall have the right at any time to make changes in drawings, specifications, quantities, materials, packaging, time and place of delivery, and method of transportation, and cancel an Order, in whole or in part, without liability. If any such changes result in an increase or decrease in the cost or the time required for performance, an equitable adjustment may be made by Buyer or Buyer may, at its option, terminate an Order if agreement on an adjustment cannot be reached. Claims for adjustment must be asserted by Seller within ten days of the change order. Seller agrees to accept any such changes.
11. **RECALL.** In the event that Buyer determines, in Buyer's sole discretion, that any defect, nonconformance or deficiency in any of the Goods requires a field campaign, recall or similar action ("Recall"), to repair, replace or remediate any Goods or any of Buyer's products in which Goods are incorporated, Seller shall be liable to Buyer and its customers for all damages, costs and expenses with regard to the foregoing including, without limitation, attorneys' fees and court costs.
12. **FORCE MAJEURE.** Buyer shall not be liable for failure to take delivery of the Goods or to allow performance of the Services or to otherwise perform hereunder if such failure or inability is due to causes beyond Buyer's control.
13. **TERMINATION.** Buyer may terminate any Order, in whole or in part, without liability to Buyer at any time, if (i) Seller breaches the Order or fails to deliver the Goods or to perform the Services by the specified time; (ii) a petition initiating a proceeding under any applicable law relating to bankruptcy, insolvency, or reorganization is filed by or against Seller; (iii) Seller is insolvent or executes an assignment for the benefit of creditors; (iv) a receiver is appointed for Seller or any substantial part of its assets; or (v) Buyer is insecure with respect to Seller's ability to perform and Seller is unable to provide Buyer with adequate assurance of its ability to perform within five days after Buyer's request therefore. Buyer's right are cumulative, not exclusive and in addition to its rights and remedies at law, in equity or otherwise. No termination shall affect any accrued rights or obligations of either party as of the effective date of such termination. Upon receipt of notice of any termination, Seller shall, unless the notice directs otherwise, immediately discontinue all work.
14. **PROPERTY.** Title to and right of immediate possession of any property, including, without limitation, patterns, tools, jigs, dies, equipment, goods and materials ("Buyer's Property") furnished, owned by or paid for by Buyer shall be and remain the sole property of Buyer, free and clear of liens and claims. No articles made therefrom shall be furnished by Seller to any other person or entity without Buyer's prior written consent. Seller shall be responsible for maintaining adequate records and maintenance and protection of Buyer's Property and shall return Buyer's Property to Buyer immediately upon demand. Seller waives any lien rights or other rights to retain Buyer's Property and acknowledges that its obligation to return Buyer's Property upon demand is unconditional.
15. **AUDIT.** Buyer and its designees shall have the right to audit and inspect Seller and Seller's suppliers records and facilities to determine Seller's and its supplier's compliance with the Order.
16. **NOTICES.** All notices to Buyer be given in writing and will be effective upon personal delivery, on the third day after mailing if sent by certified mail, postage prepaid, return receipt requested, or two business days after deposit if sent by a nationally recognized courier service which maintains evidence of the time, place and receipt of delivery, and in each case if addressed as set forth in the Order (or such other addresses a party may designate in writing from time to time).
17. **INFORMATION.** All information, documents, specifications, suggestions, comments and data ("Information") heretofore or hereafter furnished or disclosed by Buyer to Seller is and shall remain the confidential and proprietary information of Buyer and shall be maintained in strict confidence and only used for purposes of fulfilling an Order. Further, Seller shall not in any manner advertise or publish the fact that it has furnished Buyer, or contracted to furnish Buyer, any Goods or Services without the prior written consent of Buyer. **BUYER MAKES NO WARRANTY WITH RESPECT TO INFORMATION. ANY IMPLIED WARRANTIES THAT MAY EXIST WITH RESPECT TO ANY INFORMATION PROVIDED BY BUYER, INCLUDING ANY WARRANTY OF MERCHANTABILITY AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.**
18. **INVOICES.** The parties agree that for any transactions, facsimile signatures shall be accepted as original signatures, orders may be transmitted electronically and any document created pursuant to an Order may be maintained in electronic format; a copy of which shall be considered an original. Neither party shall raise any objection to the authenticity of any Order nor any document created thereto, based on the use of a facsimile signature, electronic order or the use of an electronic copy.
19. **CONFLICT MINERALS.** Seller represents and warrants that the Goods do not contain any Conflict Minerals pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and associated rules and if the Goods do contain Conflict Minerals, Seller shall provide a written report to Buyer and provide direction on how to proceed. If the status of any Goods changes during performance of the Order so that the representations, warranties and/or certification contained in this clause are no longer accurate, then Seller must complete and submit a written report to Buyer.
20. **MISCELLANEOUS.** All waivers by Buyer shall be in writing. No delay or omission in the exercise of any right, power, or remedy of Buyer hereunder shall impair such right, power, or remedy or be considered to be a waiver of any default or acquiescence therein. Seller shall not assign any Order or any monies due or to become due from Buyer without Buyer's prior written consent. The Order shall be construed in accordance with the laws of the state of Buyer's principal place of business or the state of Buyer's incorporation, without regard to any rules on conflicts of laws, in Buyer's discretion. In case any one or more provisions contained in an Order shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Provisions which by their nature should survive will remain in force after any termination or expiration. The section headings contained herein are not part of the Order and are included solely for the convenience of the parties.