

## TERMS AND CONDITIONS

THE FOLLOWING TERMS AND CONDITIONS OF PURCHASE SHALL APPLY TO ALL PURCHASE AGREEMENTS OR PURCHASE ORDERS WHICH REFERENCE THESE TERMS AND ALL OTHER PURCHASES MADE BY ALLNEX USA INC. UNLESS OTHERWISE AGREED UPON IN A WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF ALLNEX USA INC. IT MAY NOT BE ADDED TO, MODIFIED OR SUPERSEDED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS IN SELLER'S RESPONSES ARE HEREBY OBJECTED TO AND NO SUBSEQUENT CONDUCT BY BUYER SHALL BE DEEMED TO BE AN ACCEPTANCE THEREOF.

1. Seller represents and warrants that all materials, supplies and equipment (herein collectively referred to as materials) delivered and services furnished hereunder will conform with all applicable laws; that materials, the process by which they are and the use for which they are specifically designed by Seller will not infringe any patent; and that each chemical substance sold hereunder has been reported to the EPA, as required by the Toxic Substance Control Act and Regulations, for inclusion in the inventory of chemical substances compiled by the Administrator of the EPA. Seller will defend, indemnify and save harmless Buyer from and against any and all loss, liability and expense by reason of any actual or alleged violation of such laws and any actual or alleged infringement of such patents and Seller shall, upon notification, promptly assume full responsibility for the defense of any suit or proceedings which may be brought against Buyer or any of its subsidiaries, affiliated companies, agents or vendors by reason of the use or sale of any equipment or processes furnished hereunder (which are not of Buyer's design) for actual or alleged violation of such laws, infringement of patents or trade secrets, or for alleged unfair competition resulting from similarity of design, trademarks or appearance of equipment. Seller further shall indemnify and hold Buyer, its subsidiaries, affiliated companies, agents and vendors harmless from and against any and all expenses, losses, claims, royalties, profits and damages, including court costs and attorney's fees resulting from the bringing of such suit or proceedings or the threat thereof and from any settlement, decree or judgment therein. Buyer reserves the right to control any such suit or proceedings and may be represented by its own counsel in any such suit or proceedings if it so desires.
2. In case of default by Seller, Buyer may obtain materials and services from other sources and hold Seller responsible for any damages occasioned thereby.
3. Seller represents and warrants that materials furnished by it shall (except when otherwise specified on the face of this order) be new and of first grade and that Seller's services will be performed in a skillful and workmanlike manner. Seller represents and warrants that materials are fit for the purpose for which they are purchased and will meet specifications, if any Seller is responsible for and will make good any defects in workmanship and/or materials covered by its purchase order, which defects become apparent within 12 months from the date of putting same into service. Seller is not relieved of the responsibility imposed by this clause, either as to proper packing, quality of materials or specifications, by reason of acceptance by Buyer. Seller shall provide Buyer a current material safety data sheet ("MSDS") for each material or product supplied to Buyer hereunder on an annual basis or sooner in the event such document has been modified.
4. Materials are subjected to inspection and test by Buyer and ultimate purchase at the plant where they are manufactured.
5. If Seller has provided samples or prior supply of materials to Buyer, Seller represents that the process used to manufacture the materials, including but not limited to the raw materials, testing or quality control and packaging has not changed. If Seller makes a change to any such processes, it shall provide Buyer with 60 days advance written notice.
6. Unless otherwise agreed, Seller shall manufacture the materials in such a manner that all materials sold to Buyer under this Agreement will constitute originating merchandise under Article 401 of the North American Free Trade Agreement ("NAFTA"). Seller shall furnish NAFTA certificates on U.S. Customs and Border Protection ("CBP") Form 434 covering all such materials, and shall make available to Buyer at Seller's premises, upon reasonable advance notice and during normal business hours, all records supporting the originating status of such material required to be maintained by Seller under the applicable CBP regulations.
7. Seller represents and warrants that materials have been produced in compliance with the requirements of section 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended.
8. Bills of lading showing full routing, car numbers, etc. should be dated and sent at the time of shipment. Invoices should be dated and sent any time after the delivery of the materials or performance of the services and a separate invoice must be made for each destination showing point of shipment and how shipped. Invoices bearing transportation charges must be supported with attached original receipted transportation bills and, in the case of consolidated carload shipments must show weight and rate. Unless otherwise stated on the face of the Purchase Order issued by Buyer or agreed in a writing signed by an authorized representative of Buyer, payment shall be made Net 60 days from the date of Buyer's receipt of a correct invoice.
9. If this purchase order requires Seller to furnish, for a lump sum amount, materials or services, Seller shall furnish Buyer with an analysis of such amount that Buyer may reasonably require.
10. Buyer may set off any amount owed to Buyer or any of its affiliated companies from Seller or any of its affiliated companies against any amount payable by Buyer in connection herewith. In the event such set off involves an affiliate of Seller, Seller hereby agrees to be joint and severally liable on any debt owed by such affiliate up to the amount payable by Buyer in connection herewith.
11. If the manufacturing, transportation, delivery, receipt or use by either party of any material or services covered hereby is prevented, restricted or interfered with by reason of any event or cause whatsoever beyond the reasonable control of the party so affected, such party, upon prompt notice to the other party (and, in case Buyer gives such notice, in advance of actual shipment) shall be excused from making or taking deliveries hereunder to the extent of such prevention, restriction or interference but, at Buyer's option, deliveries so omitted shall be made, upon notice thereof to Seller, upon cessation of such contingency.
12. Rated Orders under The Defense Priorities and Allocations System (applicable only to Federal Sub-Agreements in support of Federal Contracts); Orders issued hereunder may be rated orders, certified for national defense use. If so, Seller is required to follow all the provisions of the Defense Priorities and Allocations System regulations (15 C.F.R. Part 700).
13. Neither party may assign its rights or delegate its obligations hereunder without the other party's written consent which shall not be unreasonably withheld, except to the assignee of substantially all the assets to which this purchase order relates.
14. If Seller's employee, subcontractors or others under Seller's control perform services hereunder at Buyer's premises or at premises of others, Seller shall maintain and shall require subcontractors, if any, to maintain the following kinds of insurance with minimum limits: (a) Workers compensation: Statutory; (b) Employer's liability: \$500,000 each accident-disease; (c) Comprehensive General Liability Bodily Injury & Property Damage (includes Products/Completed Operations, with no Contractual Liability Exclusion) - Bodily Injury/Property Damage: \$1,000,000 per occurrence, \$2,000,000 annual aggregate; (d) Business Auto Liability (for owned, non-owned and hired vehicles) - Bodily Injury & Property Damage: \$1,000,000 combined single limit per occurrence/annual aggregate. If Seller's employees, subcontractors or others under Seller's control perform services at Buyer's premises, Seller shall name "Allnex USA Inc. and its subsidiaries" as an Additional Insured under its Commercial General Liability and Business Auto insurance coverage. Before commencing to perform such services, Sellers shall furnish insurance certificates as directed by Buyer, satisfactory in form and substance to Buyer, showing the above coverage's, and providing for at least 30 days prior written notice to Buyer by the insurance company of cancellation or modification.
15. If Seller's employees, subcontractors or others under Seller's control perform services at Buyer's premises or at Buyer's direction at premises of others, (i) such persons shall comply with all rules and regulations of such premises and (ii) Seller shall keep materials and the premises on which the work is done free and clear of all liens for material and labor incident to the performance of Seller's services hereunder.
16. Seller agrees to protect, defend, indemnify and save buyer harmless from and against any and all expenses, claims, demands or causes of action of every kind and character arising in favor of any person, including employees of both Buyer and Seller, on account of personal injuries or death or damage to property, arising out of, incident to or resulting directly or indirectly from the performance by Seller hereunder.
17. The Equal Opportunity Clause required by Executive Order 11246, as amended (41-CFR 60-1.4), the Employment Assistance to Veterans Clause required by Executive Order 11701 (41 CFR 60-250.4) and the Employment of the Handicapped Clause required by the Rehabilitation Act of 1973 (41 CFR 60- 741.4) are part of this purchase order and binding upon Seller unless exempted by rules, regulations or orders of the Secretary of Labor. The word "Contractor" in the clauses shall mean Seller, as applicable.
18. To the extent this document requires or results in the Seller preparing, writing, designing or composing any written, pictorial, graphic, sculptural, musical or three-dimensional work (such as, but not limited to, reports, manuals, books literature, forms, print, radio and television advertising and promotional material, video tapes, slides, movies and audio-visual materials and computer programs and operating systems). Seller agrees that all worldwide copyright rights in same, and in derivative works based on same, are the property of Buyer. Depositing payment from Buyer pursuant hereto constitutes written assignment by Seller of such rights to Buyer, and Seller agrees to execute without cost any further assignment or other documents requested by Buyer so as to further evidence and confirm Buyer's ownership of all rights therein.
19. Seller acknowledges that it is Buyer's policy to maintain a drug free work environment for its employees and to discourage alcoholism, and that the presence on the job site of employees of contractor who are under the influence of drugs or alcohol is inconsistent with and a violation of, contractor's obligation to complete its work in a safe and efficient manner. Accordingly, contractor agrees as follows:
  - (i) Seller will notify its employees, subcontractors and materialmen that contractors and their employees are not permitted to bring on to any Buyer work site any alcoholic beverage or controlled dangerous substance, as that term is defined in the "Controlled Dangerous Substance Act" nor to enter any Buyer work site while under the influence of alcohol or any controlled dangerous substance;
  - (ii) Seller will not permit or condone its employees, or employees of its subcontractors and materialmen bringing any alcoholic beverage or any controlled dangerous substance onto any Buyer work site or working while under the influence of alcohol or any controlled dangerous substance.
  - (iii) Seller will remove from Buyer's work site any of its employees found to be in possession of, or under the influence of any alcoholic beverage or any controlled dangerous substance while on Buyer's work site and will cause its subcontractors and materialmen to take similar action with respect to their employees. Any employee removed from a Buyer work site pursuant to this provision shall not thereafter be allowed to enter a Buyer work site.
  - (iv) Seller acknowledges the failure to comply with the provisions of this section shall constitute grounds for termination of this contract, for cause. As used herein, Buyer's work site includes not only the portion of Buyer's property on which Seller is performing services hereunder, but also all of Buyer's adjacent property, including other areas of its plant, access roads, parking lot and material storage areas.