

# SILICONE RUBBER RIGHT PRODUCTS, LLC | CONDITIONS OF PURCHASE

(Effective December 15, 2021)

**ACCEPTANCE AND TERMS AND CONDITIONS:** This revocable order will become a binding contract on, and only on, the terms set forth herein, only upon (a) Seller's written acceptance of this order, (b) Seller's shipment of any permitted unit of the items described herein, or (c) other conduct by Seller manifesting to Purchaser the existence of a Contract. Notwithstanding any provisions communicated in any way by Seller to Buyer prior to this order, including any terms contained in any quote by Seller, Seller agrees that this order will control the relationship between Seller and Buyer even if Seller sends to Buyer other terms and conditions to which Buyer may not respond. By signing the order, Seller agrees to be bound by and to comply with all the terms and Conditions of this Purchase Order, including any supplements thereto, and all specifications and other documents referred to in this Purchase Order. Performance of the work called for hereby shall be deemed acceptance of this Purchase Order. This Purchase Order does not constitute an acceptance by Purchaser of any offer to sell, any quotation, or any proposal. Reference in this Purchase Order to any such offer to sell, quotation, or proposal shall in no way constitute a modification of any of the terms and conditions of this Purchase Order. EXCEPT AS OTHERWISE SPECIFICALLY AGREED TO IN WRITING BY PURCHASER, PURCHASER HEREBY OBJECTS TO AND REJECTS ANY ATTEMPTED ACKNOWLEDGMENT OR ORDER ACCEPTANCE CONTAINING TERMS OR CONDITIONS INCONSISTENT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER, WHETHER OR NOT MATERIALLY DIFFERENT THEREFROM, AND SUCH INCONSISTENT OR ADDITIONAL TERMS SHALL NOT BE BINDING UPON PURCHASER. This Purchase Order supersedes all prior agreements, purchase orders, quotations, proposals and other communications regarding this order.

**DOCUMENTS USED IN PURCHASING:** The following documents may be used by Purchaser as a part of Purchaser's sourcing and purchasing process. Except as otherwise (a) expressly provided in one of the following documents that has been signed by an officer or official of Purchaser or (b) expressly provided on the face of this order, the order supersedes all such documents in their entirety.

- A. Supply Agreement.** This is an agreement that provides the relationship terms between Seller and Purchaser including agreed upon price changes and that is also used in some cases as an indicator for eligibility to quote on certain business.
- B. Purchase Order.** The order describes the goods being purchased, specifies the name and address of the Purchaser and Seller and incorporates these Terms and Conditions.
- C. Request for Quotation.** This is an introductory step in potentially generating an offer from Purchaser to Seller contained in an Order. It may include volume and duration projections and specifications for the goods being quoted.
- D. Engineering Change Order.** This is an alternative introductory step in potentially generating an offer from Purchaser to Seller contained in an order. It may include volume and duration projections and specifications for the goods being quoted.
- E. Release.** This is a schedule by which Purchaser (i) specifies the firm quantity of goods that Seller is to deliver to Purchaser on at least a weekly basis and (ii) authorizes production of the goods.

**ANTICIPATION OF DELIVERY SCHEDULE:** Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Purchaser's delivery schedule. It is Seller's responsibility to comply with Purchaser's delivery schedule but not to anticipate Purchaser's requirements. Goods shipped to Purchaser in

advance of schedule may be returned to Seller at Seller's expense. Seller will notify Purchaser immediately at any time that Seller has reason to believe that any delivery will not be made as scheduled.

**INSPECTION AND REJECTION:** All goods covered by this Purchase Order shall be received subject to Purchaser's right of inspection and rejection. Such right shall be extended to the Purchaser's customer. Payment for goods delivered hereunder shall not constitute acceptance thereof, and all payments against documents shall be made with a reservation of rights by Purchaser for defects, including, without limitation, defects apparent on the face thereof. Seller will provide and maintain inspection and process control systems acceptable to Purchaser for production of the goods covered hereby. Records of all inspection work by Seller shall be kept complete and available to Purchaser during the performance of this Purchase Order or for such longer period as may be specified. When goods are made to Purchaser's instructions, specifications or other requirements. Purchaser may inspect such goods at Seller's plant and any other place of manufacture during production without waiving its right subsequently to reject or revoke acceptance of such goods for undiscovered or latent defects. Seller, at its expense, shall furnish, or cause to be furnished, facilities and assistance reasonably necessary to ensure the safety and convenience of each such inspection. Failure to inspect and accept or reject goods shall not relieve Seller from any of its responsibilities hereunder. If any of the goods ordered hereunder are found at any time not to conform with the requirements of this Purchase Order, including any applicable samples, drawings or specifications, or to be defective in any design, workmanship or materials Purchaser may, at its option, require Seller to inspect the goods and remove and replace nonconforming goods with goods that conform to this Purchase Order. Purchaser may also elect to inspect and sort goods if Seller fails to timely inspect, remove and replace goods and to charge Seller for the cost of inspection. Purchaser may also charge to Seller all direct and indirect costs incurred by Purchaser as a result of any nonconforming goods or delivery or an administrative fee in an amount reasonably related to such costs whether or not the goods are rejected by Purchaser. In the event that Seller does not dispute a notice of nonconformity within 30 days after receipt thereof, such notice will be deemed accepted by Seller, and Purchaser may deduct the appropriate amount from Seller's invoices. The rights granted to Purchaser in this paragraph are in addition to any other rights Purchaser may have.

**CHANGES:** Purchaser may at any time prior to the date on which an order is filled, in writing, make changes within the general scope of this Purchase Order. Changes in this Purchase Order shall be confirmed in writing. No changes may be made in the order or pricing unless accepted by Purchaser in writing.

**PRICE WARRANTY:** The price is set forth on the face of this order and is not subject to increase for the duration of the order. If price is not stated in this order, it is agreed that the goods shall be billed at the price last quoted by Seller to Buyer, or billed at the prevailing market price, whichever is lower. Seller warrants that the prices for the goods delivered or sold hereunder are not less favorable than those currently extended to any other customer of Seller for the same or similar goods in similar quantities. If Seller reduces its price for such goods for any other customer prior to final delivery of the goods to Purchaser, Seller shall reduce the price or prices in this Purchase Order in a corresponding manner. If Seller increases its price for such goods during the term of this Purchase Order, Purchaser may terminate this Purchase Order prior to the effective date of the price increase. Seller shall meet all quality requirements of Purchaser and all quality requirements of Purchaser's customers, including, but not limited to the applicable requirements and standards of ISO9001 and AS9100.

**PACKAGING:** Seller agrees to (a) properly pack, mark and ship goods in accordance with the requirements of the Purchaser and the involved carrier in a manner to secure the lowest transportation cost; (b) route each shipment in accordance with Purchaser's instructions; (c) make no charge for handling, packaging, storage, transportation (including duties, taxes and fees), cost of vehicle or other transportation expenses or drayage of goods except with prior written approval of Purchaser; (d) provide with each shipment papers showing the order number, order amendment or release number, Purchaser's part number, Seller's part number where applicable, quantity of pieces in the shipment, number of cartons or containers in the shipment, Seller's name and vendor number, the bill of lading number and the country of origin; and (e) promptly forward the original bill of lading or other shipment receipt for each shipment in accordance with Purchaser's instructions and carrier requirements. The marks on each package must be sufficient to enable Purchaser to easily identify the goods purchased. Any packaging made of wood (including pallets) must conform to the international softwood standards, including USDA Regulations on Wood Packaging Material Imports. In the event that Seller fails to comply with such standards, Seller shall be liable for all related replacement and transportation costs.

**DELIVERY:** Shipments shall be made in the quantities and at the time or times specified in this Purchase Order. If this Purchase Order is identified as a blanket purchase order, or if no time for delivery is specified, the time for delivery shall be at the time and the amount requested in a release or delivery schedule furnished by Purchaser. Time is of the essence in this contract, and, if delivery of the goods is not complete by the time promised, Purchaser reserves the right to terminate this Purchase Order by written notice, which will be effective upon receipt by Seller as to materials not yet shipped. Purchaser may then purchase the goods elsewhere. In addition to Purchaser's other remedies, and without liability, Purchaser reserves the right (i) to refuse and to return at Seller's risk and expense, including, without limitation, warehouse or other storage costs and extra-handling costs, any shipments made in excess of quantities ordered and shipments made before or after the time or times specified in this Purchase Order or in releases or supplementary schedules furnished by Purchaser; and (ii) if delivery is not made in the quantities and/or by the time or times specified, to take either or both of the following actions: (a) terminate this contract without liability by notice effective when received by Seller and to purchase elsewhere and charge Seller with any resultant loss, including, without limitation, any price differential and consequential or incidental damages, unless deferred shipment has been authorized, or (b) direct Seller to make expedited routings of goods, and the difference in cost between any such expedited routing and the Purchase Order routing costs shall be paid by Seller. Seller shall not be liable for delays or defaults in deliveries due to causes beyond its control and without its fault or negligence. If at any time Seller has reason to believe that deliveries will not be made as scheduled, it shall immediately give Purchaser written notice setting forth the cause or causes of the anticipated delay. Purchaser may terminate this Purchase Order if the delay in delivery will exceed 14 days.

**TRANSPORTATION:** Unless otherwise stipulated on the face of this Purchase Order, goods covered by this Purchase Order shall be shipped FOB Seller's plant, and title to said goods to pass to Purchaser upon the completion of unloading of the goods at the destination specified for any delivery, and Seller shall bear the risk of loss of the goods while in the possession of the carrier. No charges for unauthorized transportation will be allowed. Any unauthorized shipment that will result in excess transportation charges must be fully prepaid by the Seller. Seller shall release rail or truck shipments at the lowest released valuation permitted in the governing tariff or classification.

**EXTRA CHARGES:** No extra charges of any kind, including interest charges, service charges or carrying charges, will be allowed unless specifically agreed to in writing by Purchaser.

**CUSTOMER SUPPORT:** Seller shall support all supplier initiatives of Purchaser and support Purchaser in meeting the initiatives of its customers. Upon Seller's written request, Purchaser shall cooperate with Seller to explain to Seller the terms, conditions and requirements of Purchaser's customers.

**WARRANTIES:** Seller expressly warrants that all goods and services covered by this Purchase Order will: (a) conform to any specifications, drawings, plans, instructions, samples or other descriptions, whether express or implied, furnished by Purchaser to Seller and Seller must retain these for any future orders unless updated information provided by Purchaser; (b) be fit and sufficient for the purpose(s) for which they were manufactured and sold and, if Seller knows or has reason to know of any other particular purpose for which Purchaser intends to use such goods, the goods will be fit for such particular purpose; (c) be new and merchantable; (d) be of good material and workmanship and free from defects, whether latent or patent; and (e) be free from any liens, taxes, charges or other encumbrances and that Seller will convey clear title thereto to Purchaser. The foregoing warranties shall survive Purchaser's Inspection, acceptance and use of the goods. Seller hereby extends to Purchaser any and all warranties received from Seller's suppliers and agrees to enforce such warranties on Purchaser's behalf. All of Seller's warranties shall run to Purchaser, its successors, assigns, customers and users of products sold by Purchaser. Seller agrees promptly to correct defects in any goods not conforming to the foregoing warranties, or to replace such goods, without expense to Purchaser, when notified by Purchaser, provided Purchaser so elects. In the event of Seller's failure to correct or replace such defective or nonconforming goods, Purchaser may, after reasonable notice to Seller, make such correction or replacement at Seller's expense. Purchaser's approval of any design, drawing, material, process or specifications will not relieve Seller of any of the foregoing warranties. Seller shall meet all quality requirements of Purchaser and all quality requirements of Purchaser's customers, including, but not limited to, the applicable requirements and standards of ISO9001 and AS9100.

The foregoing warranties and remedies shall be in addition to any warranties and remedies of additional scope herein or otherwise provided by Seller to Purchaser or provided by law. In addition to the foregoing, Seller shall indemnify and hold Purchaser harmless from and against any and all damages, claims, liabilities and expenses (including court costs and attorneys' fees) arising out of or relating to or resulting in any way from a breach of any warranty, whether express or implied, or from any act or omission of Seller, its officers, agents, employees or subcontractors.

**REMEDIES FOR BREACH OF WARRANTY:** In the event that Seller shall breach any of the foregoing warranties, Seller will reimburse Purchaser for all damages suffered by Purchaser, including, without limitation, incidental, consequential and other damages, including, without limitation, costs incurred by Purchaser, directly or indirectly, for (a) inspecting, sorting, storing, reworking, repairing or replacing the nonconforming product, (b) resulting from production interruptions, (c) conducting recall campaigns or other corrective service actions, and (d) resulting from personal injury or property damage caused by the nonconforming product. Such damages also include reasonable attorneys' fees and other professional fees, court costs, settlements and judgments incurred by Purchaser and other costs associated with Purchaser's administrative time, labor and materials. Neither acceptance of any part or all of the order nor payment therefor will deprive Purchaser of any claims or rights resulting from defects, delay in delivery or otherwise, including, without limitation, its rights to reject or return any part or all of the goods.

**PURCHASER'S PROPERTY:** Unless otherwise agreed in writing, all tools, equipment or material furnished to Seller by Purchaser or specially paid for by Purchaser, and any replacement thereof, or any

materials affixed or attached thereto, shall be and remain the personal property of Purchaser. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as property of Purchaser and shall be safely stored separate from Seller's property. Seller shall not substitute any property for Purchaser's property and shall not use such property except in filling Purchaser's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost, with loss payable to Purchaser and shall be subject to removal at Purchaser's written request, in which event Seller shall prepare such property for shipment and shall redeliver it to Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense.

**CONFIDENTIAL OR PROPRIETARY INFORMATION:** Any knowledge or information which the Seller shall have disclosed or may hereafter disclose to Purchaser and which in any way relates to the goods or services covered by this Purchase Order shall not, unless otherwise specifically agreed to in writing by the Purchaser, be deemed to be confidential or proprietary information, and shall be acquired by Purchaser free from any restrictions (other than a claim of patent infringement) as part of the consideration for this Purchase Order. Seller shall keep confidential any technical, process or economic information derived from drawings, specifications, oral communication and other data furnished by Purchaser in connection with this Purchase Order and shall not divulge, quote, or use, directly or indirectly, such information for the benefit of any other party without obtaining Purchaser's prior written consent. Except as required for the efficient performance of this Purchase Order, Seller shall not make copies or permit copies to be made of such drawings, specifications, or other data without the prior written consent of Purchaser.

**PATENTS:** Seller shall defend any suit or proceeding brought against Purchaser or its customers that is based on a claim that any article or apparatus, or any part thereof constituting goods furnished under this Purchase Order as well as any device or process resulting from the use thereof, constitutes an infringement of any patent, if notified in writing and given authority, information, and assistance (at Seller's expense) for the defense of same, and Seller shall pay all damages and costs awarded therein. In case use of said article or apparatus, part or device is enjoined, Seller shall, at its own expense and at its option, (a) either procure for Purchaser the right to continue using said article or apparatus, part or device, (b) replace same with a non-infringing equivalent, or (c) remove said article or apparatus and refund the purchase price and the transportation and installation costs thereof.

**DEFAULT:** Upon default by Seller under any clause, provision or obligation hereunder, Seller shall pay all of Purchaser's costs, charges and expenses arising from such default, including, but not limited to, reasonable attorneys' fees and costs of litigation, and Purchaser shall have any and all remedies available to Purchaser at law.

**CANCELLATION:**

**A. Cancellation with Cause:** Purchaser shall have the right to cancel this Purchase Order partially or entirely upon the occurrence of any the following: events: (a) Seller's failure to provide goods which conform to the warranties provided herein or by law; (b) Seller's failure to make deliveries as specified in this Purchase Order or as specified in Purchaser's supplemental schedules; (c) Seller's failure to comply with any other terms or conditions of this Purchase Order; (d) Seller's insolvency; (e) Seller's filing of a voluntary petition in bankruptcy; (f) the filing of an involuntary petition to have Seller

declared bankrupt, provided it is not vacated within 30 days from the date of filing; (g) the appointment of a receiver or trustee for Seller, provided such appointment is not vacated within 30 days from the date of such appointment; or (h) the execution by Seller of an assignment for the benefit of creditors. In the event of any such cancellation, Purchaser, without prejudice to any other legal or equitable remedies available to it, shall have the right (i) to refuse to accept delivery of any and all goods covered by this Purchase Order; (ii) to return to Seller any and all goods already accepted and to recover from Seller all payments made for such goods (and for freight, storage, handling and other expenses incurred by Purchaser in connection therewith); (iii) to recover any advance payments to Seller for undelivered or returned goods; and (iv) to purchase elsewhere or charge Seller with any resultant losses, including, without limitation, consequential or incidental damages. In the event of such cancellation, Seller will work with Purchaser to provide as smooth a transition as possible to an alternate supplier.

**B. Cancellation without Cause and Suspension:** Purchaser reserves the right to cancel this Purchase Order, in whole or in part, at any time, without cause or default on the part of Seller. In the event of such cancellation, Seller shall immediately stop work hereunder, shall immediately cause all of its suppliers and subcontractors to cease such work, shall observe any instructions from Purchaser as to work in progress and take such actions as may be reasonably necessary to protect any property of Purchaser in the possession of Seller. Upon any termination by Purchaser under this Section, Purchaser's sole obligation to Seller shall be: (i) to pay the Purchase Order price for all finished work and completed services which conform to the requirements of this Purchase Order and (ii) to pay Seller's actual costs of the work in process and parts specifically identified to this Purchase Order. In no event shall Purchaser's obligation hereunder exceed that which Purchaser would have had to Seller in the absence of termination. Seller also shall, at Purchaser's request, immediately suspend shipments of goods for reasonable periods of time. Purchaser shall not be liable for any work done after notice of cancellation is given, for other costs that reasonably could have been avoided by Seller or its suppliers, subcontractors, or for its failure to accept goods covered by this Purchase Order when such failure has resulted from causes beyond Purchaser's reasonable control. In no event shall Purchaser be liable to Seller for any other amounts or adjustments that exceed the aggregate price of this Purchase Order, including, without limitation, consequential or incidental damages or lost profits.

**INSOLVENCY:** If Seller ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors is made by the Seller, Purchaser may terminate this Purchase Order without any liability.

**RIGHTS OF ENTRY AND RECLAMATION:** Purchaser shall have the right to enter Seller's facility during normal business hours or, in the event of a Seller shutdown, at reasonable times, to inspect the facility, goods, materials and any property of Purchaser covered by this Purchase Order, and without the necessity of a court order, may enter upon Seller's property and remove property belonging to Purchaser or any customer of Purchaser.

**PUBLICATION OR ADVERTISING:** Without Purchaser's prior written permission in each instance, Seller shall not advertise or publish the fact that Purchaser has contracted to purchase goods or services from Seller, disclose information relating to the Purchase Order, nor use the name or any trademark or trade name of Purchaser or of any of its customers in advertising or other publications.

**ASSIGNMENT:** Assignment of this Purchase Order (by any means, including by operation of law) or any interest therein or any payment due or to become due hereunder, without the written consent of Purchaser, shall be void.

**SUBCONTRACTING:** Seller shall not subcontract any of its duties or obligations under any Order without prior written approval by Purchaser. In the event of Seller's subcontracting any of the work under any order as approved by Purchaser, as a condition of such approval, Seller shall provide Purchaser with written evidence that the subcontractor agrees to be bound by these Terms and Conditions and the order.

**SET-OFF:** Purchaser shall be entitled at all times to set off any amount owing at any time from Seller to Purchaser or any of its affiliated companies against any amount payable at any time by Purchaser to Seller.

**WAIVER:** No claim or right arising out of a breach of this contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. The failure of Purchaser to enforce at any time or for any period of time any of the provisions hereof shall not be construed to be a waiver of such provisions nor of the right of Purchaser thereafter to enforce each and every such provision.

**COMPLIANCE WITH LAWS:** Seller agrees to comply with the applicable provisions of any federal, state, or local law, ordinance and all orders, rules, and regulations issued thereunder, and any provisions, representations or agreements, or contractual clauses required thereby to be included or incorporated by reference or by operation of law in the contract resulting from acceptance this Purchase Order. Acceptance of this Purchase Order by Seller shall be deemed a certification that Seller is in compliance with any and all requirements imposed by applicable law, regulation or executive order upon prime contractors or subcontractors under contract with a government agency. Seller acknowledges and agrees that its responsibility for compliance with laws includes, but is not limited to, compliance with all applicable environmental laws, rules, regulations and ordinances. Delivery of goods under this Purchase Order will constitute a certification by Seller that such goods comply with all applicable federal and state packaging and labeling laws, Seller warrants that no chemical substance constituting or contained in goods sold or otherwise transferred to Purchaser hereunder is contained in the list of chemical substances compiled and published by the administrator of the Environmental Protection Agency pursuant to the Toxic Substances Control Act, as amended. Seller certifies and warrants that the goods supplied hereunder are in compliance with the applicable laws, rules and regulations administered by the Consumer Product Safety Commission, the Environmental Protection Agency and any applicable state or local consumer or environmental laws, rules and regulations.

**FOREIGN PURCHASES:** Upon request and to the extent applicable, Seller will provide Purchaser Customs Form 331 entitled "Manufacturing Drawback Entry" and/or Certificate properly executed. If the face hereof indicates Purchaser is Importer of Record, the following applies to all transactions involving imported goods: Seller warrants that all sales made hereunder are or will be made at not less than fair value under the United States Anti-dumping Law (19 U.S.C. Sec. 160 et seq.), and Seller will indemnify, defend and hold Purchaser harmless from and against any costs or expenses (including but not limited to any anti-dumping duties which may be imposed) arising out of or in connection with any breach of this warranty. If the face hereof indicates Seller is Importer of Record, the following apply to all

transactions involving imported goods: Seller agrees that Purchaser will not be a party to the importation of the goods, that the transaction(s) represented by this order will be consummated subsequent to Importation, and that Seller will neither cause nor permit Purchaser's name to be shown as Importer of Record on any customs declaration.

**BLANKET PURCHASE ORDER:** If this Purchase Order is identified on the face hereof as a blanket order, it is issued to cover such portion of Purchaser's goods or services listed on the face hereof as Purchaser may elect to purchase from time to time from Seller. Unless expressly provided otherwise on the face hereof, if Purchaser elects to purchase from Seller, an authorized representative of Purchaser will request orally or in writing that Seller make specific deliveries (or shipments) only in the quantities and at time specified by the authorized representative. Under no circumstances shall Purchaser be under any obligation to Seller for goods or services not specifically covered by a request of an authorized representative of Purchaser.

**INDEMNITY:** Seller agrees to indemnify and hold harmless Purchaser, its managers, directors, officers, employees, successors, assigns, customers and users of Purchaser's products from and against any and all damages (including consequential and punitive damages), claims, liabilities, losses, costs and expenses (including, without limitation, court costs and attorneys' fees) arising out of or relating to or resulting in any way from

(a) any actual or alleged death of or injury to any person, damage to any property or any other damage or loss that results, or is claimed to result, in whole or in part, from any actual or alleged (i) defects, whether latent or patent, in the goods sold to Purchaser hereunder, including, without limitation, actual or alleged improper construction or design; (ii) breach of any express or implied warranty; or (iii) violation by such goods, or their manufacture, possession, use or sale, of any law, statute or ordinance or any governmental or administrative order, rule or regulation; (b) any breach of the covenants and agreements contained in this Purchase Order; or (c) any act or omission of Seller, its directors, officers, employees, agents or subcontractors.

**INSURANCE:** Seller will maintain such workers' compensation insurance and public liability insurance, including, without limitation, products liability insurance, and other insurance as will adequately protect Purchaser against such damages, claims, liabilities, losses, costs and expenses (including, without limitation, court costs and attorneys' fees). Seller agrees to submit certificates of insurance evidencing its insurance coverage when requested to by Purchaser.

**CHARGES FOR INACCURATE PERFORMANCE:** In addition to any other right that Purchaser may have hereunder (including the right to recover all damages suffered), Purchaser may bill Seller according to a separately published policy in the event that Seller fails (i) to make deliveries on time, in the quantities and lots size of goods ordered, or of the quality and conforming to the specifications indicated or (ii) to submit accurate invoices, reports or other documentation or data requested by Purchaser. The intent of these charges is to reimburse Purchaser for the additional out-of-pocket costs associated with auditing and otherwise correcting or accommodating any performance of Seller that is other than the requested performance. Such payments are intended merely as good faith defrayal by Seller of Purchaser's additional costs and not as a waiver of or substitute for the payment of any damages, indemnity otherwise provided under this Purchase Order or otherwise.

**RELIANCE ON CERTAIN SELLER FURNISHED INFORMATION:** Seller acknowledges and agrees that Purchaser will use or rely upon the specifications, drawings and other Information furnished by Seller to

Purchaser in developing and printing labels or other packaging (including packing slips and customs declarations) and selling material. Seller will indemnify and hold Purchaser harmless from any and all costs and damages suffered by Purchaser as a result of any inaccuracies in any information furnished to Purchaser by or on behalf of Seller that Purchaser uses or relies upon in designing or printing Purchaser's labels and other packaging and selling material.

**CLAIMS BY SELLER:** Any legal action by Seller under this Purchase Order must be commenced within one (1) year after the breach or other event giving rise to Seller's claim occurs, regardless of Seller's lack of knowledge of the breach or other event giving rise to the claim.

**GOVERNING LAW:** This Purchase Order will be governed by and construed in accordance with the laws of the State of Wisconsin, without giving effect to the conflicts of laws principles thereof (other than any conflicts of laws principles would require the application of the laws of another jurisdiction).

**ARBITRATION:** All disputes arising under or in connection with this Purchase Order or any other document pertaining to this Purchase Order shall be finally settled by arbitration in Madison, Wisconsin before a single arbitrator appointed by the American Arbitration Association ("AAA"), which arbitration shall be conducted under the AAA's commercial arbitration rules then in effect at the time of the Order, provided, however, that discovery shall be permitted pursuant to the United States Federal Rules of Civil Procedure. The decision of the arbitrator shall be final and binding upon Purchaser and Seller, shall not be appealable, and judgment on the award rendered may be entered in any court of competent jurisdiction. The arbitrator will have no authority to award punitive or other damages not measured by the prevailing party's actual damages. Each party will bear equally the costs and expenses of AAA and of the arbitrator and will bear its own costs and expenses. The failure of one party to pay its share of arbitration fees will constitute a waiver of such party's claim or defense in the arbitration. All arbitration proceedings shall be confidential, except to the extent that disclosure is necessary to enforce an arbitration award in a court of competent jurisdiction or is otherwise required by law. Notwithstanding anything herein to the contrary, Purchaser shall have the right, without waiving any remedy under this Purchase Order, to seek from any court of competent jurisdiction equitable relief and any interim or provisional relief that is necessary to protect the rights or property of Purchaser.

**WAIVER OF JURY TRIAL:** EACH OF PURCHASER AND SELLER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY ORDER OR ANY OTHER DOCUMENT PERTAINING TO ANY ORDER.

**ENTIRE AGREEMENT:** This Purchase Order, with such documents as are expressly incorporated herein by reference, is intended by the parties as the final expression of their agreement with respect to such terms as are included herein and is intended as a complete and exclusive statement of the terms of their agreement.

**MODIFICATIONS OF THIS PURCHASE ORDER:** The Purchaser may modify these Terms and Conditions from time to time on its website [www.naugahyde.com/pages/purchaseterms.cfm](http://www.naugahyde.com/pages/purchaseterms.cfm). Such modifications shall be effective upon posting. Seller is advised to review Purchaser's website from time to time, in order that it may be aware of the current Terms and Conditions.

**SEVERABILITY:** In the event that any provision of these Terms and Conditions is declared to be void, invalid or unlawful by any court or other tribunal of competent jurisdiction, such provision shall be deemed severed from these Terms and Conditions, and the balance of these Terms and Conditions shall remain in full force and effect. The parties shall undertake to replace the invalid, ineffective or unenforceable provision with one or more valid, effective and enforceable provisions that, in their commercial effect, approximate as closely as possible the intentions of the parties as expressed in such stricken provision.

**NOTICES:** All notices, claims and other communications to Purchaser required or permitted under this Purchase Order shall be made in writing and sent by certified mail, return receipt requested or by facsimile transmission to the following address and shall be effective only upon receipt by Purchaser:

Silicone Rubber Right Products, LLC  
Attn: Purchasing  
112 West Lake Street  
Northlake, IL 60164  
Fax: (708) 531-1719