

ACS Industries Inc. & Affiliates

Terms and Conditions of Purchase

- 1. Conflict Terms:** The terms and conditions by the buyer stated on this purchase order shall govern in the event of any conflict with any terms proposed by Seller and are not subject to change by reason by any written oral statements by Seller or by any items stated in Seller's acknowledgement of this order, unless such conflicting or additional terms are accepted in writing, making reference to this order, and signed by Buyer. Shipment of good pursuant to this order shall be deemed to be an unqualified acceptance of the terms and conditions contained herein.
- 2. Changes:** Buyer reserves the right to make changes at any time in a) services to be performed or goods to be furnished, b) drawings, designs, or specifications applicable to said services or goods, c) methods of shipment and packaging, and d) time and place of delivery including temporary suspensions of shipments. If any such change causes and increase or decrease in the cost of the time required for performance of this contract, an equitable adjustment shall be made in the contract price or delivery schedule. Any claim for adjustment by Seller under this clause shall be deemed waived unless asserted in writing within ten (10) days from the notification of change from the Buyer. Price increases or extensions of the time for delivery shall not be binding on the Buyer unless evidence by a purchase order change notice issued by Buyer.
- 3. Delivery:** Time is of the essence in this contract, and delivery of items or rendering of services is not completed by the time indicated, Buyer reserves the right, without liability and addition to its other rights and remedies, to terminate this contract by notice effective upon receipt by Seller as to stated items not yet shipped or services not yet rendered and to purchase substitute items of services elsewhere and charge Seller any losses, expenses, or incidental or consequential damages incurred or suffered. Any provisions herein for delivery of goods or services rendered by installments shall not be construed as making the obligations of the Seller severable. Shipments sent C.O.D. without the written consent of the Buyer will not be accepted and will be at the Seller's risk of F.O.B. point. Transportation charges on good sold delivered destination must be prepaid. No insurance charges which increase shipping costs will be allowed unless authorized by buyer. Regardless of FOB point, Seller will handle all claims regarding loss or damage of in-transit goods and billing and payment for such goods will be suspended until claim is resolved. Goods must be shipped as instructed and failure to do so will permit Buyer to bill and extra handling charges back to Seller.
- 4. Inspection:** Goods purchased hereunder are subject to inspection and approval at the place designated by the buyer or at the Buyer's destination. For a period of one year from delivery or until such a time as the goods purchased thereunder are used by Buyer, whichever is longer, Buyer reserves the right to reject, refuse or revoke acceptance and return goods which are not in accordance with the instructions, specifications, drawings, or data relating to this order, or not in accordance with Seller's warranty as described in paragraph 8 below. Buyer will charge Seller for the cost of inspection any goods rejected. Goods not accepted will be returned to Seller at Seller's expense. Buyer reserves the right to place in the Seller's plant, at Buyer's expense, inspectors who will be permitted to inspect any goods on this order or contract before shipment or during the process of manufacturer.
- 5. Payment:** Regardless of shipment or payment terms, payment for any goods shall not be deemed an acceptance thereof if payments by installments is permitted under this order or contract. Seller waives any right to accelerate any amount due by reason of failure by Buyer to pay one or more installments.

- 6. Manufacturer in Advance:** Seller shall not manufacture in advance of Seller's normal flow time or deliver any goods in advance of the schedule specified in the order without buyer's written permission. Buyer reserves the right to return at Seller's expense all goods received at Buyer's destination in advance of the schedule specified in the purchase order. Good shipped in excess of quantity designated in the purchase order or tolerance previously agreed in writing may returned to Seller at Seller's expense.
- 7. Container Refunds:** Seller shall refund to Buyer the amount charged for reels, spools, barrels,, drums, containers, packaging or other handling devices upon return to Seller.
- 8. Warranty:** By accepting this order or contract Seller warrants the goods, a) are free from defects in materials, workmanship and fabrication, b) conform to the quality, quantity, dimensions and design specified, c) are strictly in accordance with Buyer's specifications, drawings and/or approved sample, if any, and d) are merchantable and fit for the particular purpose for which they were purchased. This warranty is non-exclusive
- 9. Intellectual Property:** Seller warrants freedom from patent infringement and from interference with any third-party intellectual property right and shall indemnify Buyer against costs (including reasonable attorney fees) liabilities of judgement arising from any claim of patent infringement or alleged violation of any third party patent infringement right when Sellers goods are used for their normal purposes in the form sold by the Seller.
- 10. Non-Disclosure and Buyers Property:** All drawings, specifications, artwork, patterns, information or data provided by Buyer or developed by Seller in connection with this order or contract shall be Buyers exclusive property, shall be used by Seller only for Buyer's work, shall be kept confidential, and shall be returned promptly at Buyer's request. If any work related to this order is assigned to subcontractors, Seller shall require a similar written agreement form the subcontractors. Unless otherwise agreed in writing, all tools, patterns, equipment or materials of every description furnished to Seller by Buyer or paid by Buyer, any replacements thereof, or any materials affixed or attached thereto shall be property of the Buyer. Such property shall be plainly marked or otherwise adequately identified by Seller as Buyer's property, and shall be safely stored separate and apart from Seller's property. Sller shall not substitute any property for Buyer's property and shall not use such property except in filling buyer's orders.
- 11. Price:** The price for the goods sold hereunder shall not be higher than that appearing on the face of the purchase order, or if no price appears heron, then no higher than the last price quoted by the Seller. Seller covenants that if it should at any time prior to delivery of the last goods covered hereby sell like articles in similar quantities to any third parties at lower price, Seller will notify Buyer in writing of such lower prices and Buyer will receive full benefit of such lower prices from the date of such sale to any such third party.
- 12. Excusable Failure or Delay:** Neither Buyer nor Seller will be held responsible for failure or delay in delivery or acceptance of the goods sold hereunder where such failure or delay to is due to an act of God or of the public enemy, war, compliance of the law, government act or regulations, fire, flood, quarantine, embargo, epidemic, unusually severe weather or other causes similar to the foregoing beyond their reasonable control, but the party seeking to avail itself of any of the foregoing issues shall promptly notify the other party of the reasons for any failure or delay in delivery or acceptance and shall exert its best efforts to avoid any further failures or delays.
- 13. Compliance With Laws:** By accepting this order, Seller represents and warrants that it has complied and will continue to comply with all applicable federal, state, and local laws and regulations in the production of goods or performances of services rendered hereunder. If Buyer shall be held liable for any failure by Seller to comply with said laws and regulations, shall suffer any loss, including incidental and consequential damages, as a result of non-compliance, the allegation thereof, or administrative or judicial action based thereon, or shall incur expense including, but not limited to, counsel fees in relation to said non-compliance

or allegation thereof, Seller shall indemnify and hold harmless Buyer to the full extent of such liability, loss or expense. Without limiting the generality of the foregoing, Seller warrants and agrees as follows: a) all shipment of goods will be accompanied by Seller's certification as follows: "We hereby certify that these goods were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof," b) the goods delivered to Buyer under this order or contract comply with the provisions of the USA Federal Occupational Safety and Health Act of 1970, as amended, and with safety standards as are in effect on the date of the shipment to the Buyer. Seller will honor any reasonable request by Buyer for information necessary to determine whether the goods will comply with said provision and standards, and in addition to other remedies of Buyer, will replace at its expense upon Buyers request all goods found by Buyer or by an official authority not to comply.

- 14. Governmental Regulations:** Seller agrees to comply with all applicable contract clauses required by federal, state, or local law, rule, or regulation which shall be part of this order or contract including, but not limited to, the following, which are incorporated by reference herein, Equal Opportunity, Affirmative Actions of Disabled Veterans and Veterans of the Vietnam era, Affirmative Action for Handicapped Workers, and the certification of Nonsegregated Facilities clause. Seller also agrees and certifies, if applicable, that it has developed a written Affirmative Action compliance program and annually files the Standard Form 100 (EEO-1). In addition, Seller agrees to comply with all applicable federal laws and regulations regarding the utilization of small business concerns and/or small disadvantaged business concerns, including if applicable, any subcontracting plans thereunder.
- 15. Code of Conduct for Business:** Seller agrees to follow Buyers supplied guidelines for "Code of Business Conduct" for: a) Obeying the Laws in all location, b) Avoiding conflicts of interest, c) Treating people with dignity and respect, d) Providing a safe and healthy place to work, e) Taking care of the environment and doing your best to conserve natural resources, f) and Protecting intellectual property. Details of the guidelines may be found on ACS Industries Inc. website: <https://acsindustries.com>.
- 16. Cancellation:** In addition to any other rights the Buyer may have, Buyer reserves the right to cancel this order or any part of it and Buyer's sole responsibility to Seller shall be to pay the order or contract price for such goods that have been delivered as of the time of such cancellation is effective and to reimburse to Seller its actual costs of custom material and direct labor expended by it in reasonable anticipation of its fulfillment of this order which are not recoverable by the Seller, provided that no allowance shall be made to Seller for any overhead or anticipated profit for undelivered goods and materials.
- 17. Resale Certification:** If this order is marked "Resale," the property purchased thereunder is purchased for resale. The failure by the Buyer to so mark this order, however, shall not effect the Seller's liability under any provision hereof to those purchasing from the Buyer.
- 18. Setoff:** Buyer shall have the right at any time to setoff any amount owed by Seller to Buyer against any amount due and owed to Seller on this or any other order or obligation.
- 19. Assignments and Subcontracts:** Seller will not assign or transfer this order nor subcontract the furnishing of any completed or substantially completed article without the prior written consent from the Buyer.
- 20. Taxes:** Except as otherwise provided herein and unless prohibited by law, Seller agrees to pay any federal, state and local taxes, use, transportation or excise tax which may be imposed upon the goods ordered or upon their sale, use or delivery.
- 21. Indemnity:** Seller shall indemnify and hold harmless Buyer from and against any and all costs, including counsel fees, loss, and damages of any nature relating to the performance by Seller's hereunder and including, without limitation, claims made for property damage and/or personal injury, including death, whether said claims are premised on contract or on tort including, without limitation, strict liability. This

indemnity will not apply where such damage or injury is attributable solely to the actions of the Buyer or its customer, agents, or employees.

- 22. Insurance:** Seller shall maintain insurance coverage in amounts not less than the following: a) Workers compensation - statutory limits for the states in which this order or contract is to be performed (or evidence of authority to self-insure); b) Employers Liability - \$250,000; c) Commercial General Liability – (including Products/Completed Operations and Blanket Contractual Liability) - \$1,000,000 per person, \$1,000,000 aggregate, and d) Automobile Liability (including owned, non-owned and rented vehicles) - \$1,000,000 per occurrence. Seller’s purchase of appropriate insurance coverage or the furnishing of certificates of insurance shall not release Seller’s of its obligations or liabilities under this order or contract. In the event of Seller’ breach of this provision, Buyer shall have the right to cancel any undelivered portion of the goods or services covered by this order or contract and shall not be required tom make further payments except for conforming goods delivered or services rendered prior to cancellation.
- 23. Certificates of Insurance:** At Buyers request, Seller shall furnish to Buyer, within 15 days from the date of the request, certificates of insurance setting forth the amount (s) of coverage, policy number (s) and date (s) of expiration for insurance maintained by Seller and, if further requested by Buyer, such certificates will provide that Buyer will receive fifteen (15) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages.
- 24. Duty Drawback:** Should Buyer be entitled to make application for duty drawback with respect to any goods imported by Seller to satisfy this order or contract, Seller will provide within 30 days of Buyer’s request, without cost to Buyer, the necessary information and documentation to enable Buyer to make such application.
- 25. Packing and Crating:** All items shall be packed by Seller in suitable containers for protection in shipment and storage, and all such containers shall bear Buyer’s name and this order number. Detailed packing slips are required. Prices set forth in this order or contract include all charges for Sleer’s packaging , crating, and for transportation to FOB point.
- 26. Services:** Where Seller provides services to Buyer under this order or contract, all of the terms and conditions herein shall apply. All new technology (including but not limited to inventions, patentable, or not), new equipment or new manufacturing processes resulting from services performed by Seller for Buyer under this order or contract shall be exclusive property of Buyer.
- 27. Modification of Agreement:** No change of modification to this order or contract shall be effective against Buyer or Seller unless it made in writing, makes specific reference to the contract terms and signed by both parties.
- 28. Governing Law:** This order or contract and any matter relating thereto shall be governed by the laws of the State of Rhode Island USA without regard to its conflict of laws principles.