

AJ Rose Mfg. Co. Terms & Conditions

Definitions: “Buyer” means the A.J. Rose Manufacturing Co. “Seller” means the company denoted as the seller on the face of this Purchase order. “Order” means this Purchase Order and all referenced documents, exhibits and attachments. “Product” means the goods and services referenced by this Order. “Specifications” means all instructions, specifications, drawings, data or other information identified in this order and to which the products must conform.

Agreement: The obligations of the parties with respect to the purchase and sale of the Product identified in this Order and the agreement resulting thereby shall be governed solely by the terms and conditions contained on the front and back of the Order and such terms and conditions supersede any prior discussions, writings, sales proposals, offers, representations, and the like, between the parties. Any proposal for additional or different terms and conditions shall not become a part of this Order unless expressly agreed to in writing by the parties.

Acceptance: This Order is Buyers offer to Seller and shall be deemed accepted by Seller upon the occurrence of any of the following: (i) Seller’s written acceptance conveyed to Buyer; or (ii) the earlier of Seller’s commencement of work on the Product which are the subject of this Order or the shipment of such Product.

Cancellation: Buyer shall have the right to terminate this Order in whole or in part, by providing with written notice of such termination. In such an event, Seller shall immediately stop all work hereunder and shall immediately notify and cause any of its suppliers or subcontractors to cease such work. Upon termination by Buyer, Seller’s sole remedy shall be the payment by Buyer of a reasonable termination charge consisting of a percentage of the price the Product equal to the

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percentage of work performed by Seller, its suppliers or subcontractors, prior to receiving notice of termination. Buyer shall not be responsible for any costs incurred by Seller, its suppliers or subcontractors, after receipt of notice of termination, nor for any incidental or consequential damages which result from termination.

Changes: Buyer may at any time issue a written change order to suspend the performance of this order (in whole or in part) or to make changes to the specifications, quantities, schedule, shipping, packaging or delivery instructions to an Order. If the change order causes an increase or decrease in Sellers cost or time required to fulfill this order, Seller will notify Buyer of any such change. Seller will not perform or deliver and Buyer will not be obligated to pay for any increases in product cost related to the change order until the parties agree in writing to any equitable adjustment in the purchase price and/or delivery schedule.

Termination for Cause: Buyer may also terminate this Order or any part hereof for the cause in the event of any default by Seller, or if the Seller fails to comply with any of the terms and conditions of this Order. "Cause" shall include but shall not be limited to late deliveries, deliveries of products which are defective or which do not conform to the Order, and failure to provide Buyer, upon request, with reasonable assurances of future performance. In the event of termination for cause, Buyer shall not be liable to Seller for any amount, and Seller shall be liable for any and all damages sustained by reason of the default which gave rise to the termination.

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Propriety Information – Confidentiality – Advertising: Seller shall consider all information furnished by Buyer to be confidential and 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 obtains written permission from Buyer to do so. This paragraph shall apply to drawings, specifications, engineering data, or product know-how (technical information). Unless otherwise agreed this information shall be kept confidential by the Seller, and Seller will not disclose any such information in any way or use it in manufacturing products for others. Seller will not without buyers prior written consent (i) publish the fact that Seller has furnished or contracted to furnish Buyer any products or services, or (ii) use any of the Buyers trademarks or trade names (the “Marks”). Seller acknowledges that all such Marks are the exclusive property of the Buyer and that Seller will not acquire any rights in any of the Marks.

Warranty: Seller expressly warrants that all Product furnished under this Order shall conform to all specifications and appropriate standards, will be new, will be free from defects in material or workmanship, will conform to any statements made on the containers or labels or advertisements for such Product, that all Product furnished hereunder will be merchantable and will be safe and appropriate for the purpose for which Product of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Buyer intends to use the Product, Seller warrants that such Product will be fit for such particular purpose. Seller further warrants that Product furnished will conform in all respects to samples. Inspection, testing, acceptance or use of the Product furnished hereunder by Buyer shall not affect the Seller’s obligation under this warranty, and such warranties shall survive such inspection, testing, acceptance and use. Seller’s warranty shall run to Buyer, its successors, assigns, customers and users of products sold by

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Buyer. Seller agrees to replace or correct defects of any Product not conforming to the foregoing warranty promptly, without expense to Buyer, when notified of such nonconformity by Buyer, provided Buyer elects to provide Seller with the opportunity to do so. In the event of failure of Seller to correct defects in or replace nonconforming product promptly, Buyer, after reasonable notice to Seller, may make such corrections or replace such Product and services and charge Seller for the cost incurred by Buyer in doing so. Seller shall also be responsible for any incidental or consequential damages incurred by Buyer as the result of the breach of any of Seller's warranties.

Price: Seller warrants that the prices for the articles sold Buyer hereunder are not higher than those currently extended to any other customer for the same or similar articles in similar quantities. In the event Seller reduces its prices for such article during the term of this Order, Seller agrees to reduce the prices hereof correspondingly. Article pricing does not include shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, crating and insurance. Seller agrees that the price for all articles sold to Buyer and not subject to increase for any reason, including increased raw material costs, increased labor or other manufacturing costs, or changes in volumes or program length unless agreed to in writing by both parties. This firm fixed pricing shall have a term of (7) years from the date of the first purchase order issued by the Buyer for any specific article.

Force Majeure: Buyer may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such Product at the direction of the Buyer and shall deliver them when the cause affecting the delay has been removed. In such event Buyer shall be responsible only

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for Seller's direct additional costs in holding the Product or delaying performance of this Order at Buyer's request. Causes beyond Buyer's control shall include, but shall not be limited to, government action or inaction, transportation, accident, civil or military authority, insurrection, acts of God, strike or other labor trouble, fire or unusably severe weather.

Indemnification: Seller shall indemnify, defend and hold Buyer harmless from any and all costs (including attorney's fees) damages or other expenses or assessments, which are incurred by Buyer and which result from any claim of any nature for patent or trademark infringement with regard to Product sold by Seller to Buyer hereunder.

Insurance: Seller represents and warrants that seller and any subcontractor used by seller in connection with the Order, shall carry Comprehensive General Liability Insurance under which Buyer shall be named an additional insured, with at least industry-standard policy coverage's and limits.

Access to Seller's Premises: Inspection and Testing: Upon written notice given by Buyer, reasonably in advance of the date requested for access, Seller shall permit Buyer to have access to the premises of Seller and of any vendors and subcontractors of Seller, for the purposes of determining the progress of the work, observing the condition of the Product, and of inspecting and testing the Product. Any expediting efforts made by Buyer shall not relieve Seller of any of its obligations as to the time of delivery specified in the Contract Documents; and any inspection or failure to inspect by Buyer shall not relieve Seller of any responsibility or liability with respect

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to the Product, nor be interpreted in any way to imply acceptance thereof by Buyer. Seller will also allow inspection by Buyer's customer with advance written notice.

Assignments and Subcontracting: No part of this Order may be assigned or subcontracted without the prior written approval of Buyer.

Setoff: All claims for money due or to become due from Buyer to Seller under this Order shall be subject to Buyer's right to setoff from payment of such money that amount of money, if any, owed by Seller to Buyer pursuant to this Order.

Shipment: All Product sold pursuant to this Order will be adequately contained, packaged, marked and labeled by Seller. If in order to comply with Buyer's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this Order, any increased transportation costs resulting therefrom shall be paid for by Seller unless the necessity for such rerouting or expedited handling has been caused by Buyer. Product shall be shipped by Seller to Buyer F.O.B. Buyer's plant. Risk of loss to such Product shall not pass from Seller to Buyer until acceptance thereof by Buyer.

Waiver: Buyer's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Buyer's waiver or any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

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Delivery: Time is of the essence of this Order, and if delivery of Product or rendering of services is not completed by the time promised, Buyer reserves the right without liability in addition to its other rights and remedies to terminate this contract by notice effective when received by Seller as to items not yet shipped or services not yet rendered and to purchase substitute Product or serves elsewhere and charge Seller with any loss incurred.

Title: Seller warrants that on delivery of the Product, Buyer will receive good title to the Product and services free and clear of all liens and encumbrances and that all Product and services will be free from any actual or claimed patent, copyright or trademark infringement. These warranties are in addition to any warranties implied by law or otherwise made by Seller and will survive acceptance and payment by Buyer.

Remedies: The rights and remedies herein reserved to Buyer are cumulative and in addition to any other or further rights and remedies available at law or in equity.

Governing Law: This Order and all transactions between Buyer and Seller will be governed by and construed in accordance with the internal laws of the State of Ohio.

Limitation on Buyer's Liability – Statute of Limitations: In no event shall Buyer be liable for anticipated profits or for incidental or consequential damages. Buyer's liability on any claim of any kind of any loss or damage arising out of or in connection with or resulting from this Order or from the performance or breach hereof shall in no case exceed the price allocable to the Product or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of

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any description. Any action resulting from any breach on the part of Buyer as to the Product delivered hereunder must be commenced within one year after the cause of action has accrued.

Packing Lists and Invoices: All packing lists and invoices must show Order number, Buyer's part number and be in the units of measure shown on Order. Any deviations will result in late or non-payment of invoice until deviations are resolved.

Dodd-Frank Act Compliance - HR 4173: All materials supplied to AJ Rose Manufacturing that become an AJ Rose Manufacturing Co saleable product (production part) must comply with the AJ Rose Manufacturing 'Conflict Minerals' Policy. This policy can be found on the AJ Rose Manufacturing website.