

PADAGIS LLC - TERMS AND CONDITIONS OF PURCHASE

All purchase orders issued by Padagis LLC and/or any of its affiliates ("Padagis") are subject to the following terms and conditions of purchase. "Products" and "Services" refer to the products and services described on the attached purchase order (the "Order") to be purchased by Padagis from the Supplier or Seller named on the Order ("Supplier"), and "Contract" refers to any contract formed pursuant to this Order.

1. **Agreement.** This Order constitutes an offer by Padagis and may be revoked or changed at any time before acceptance. PADAGIS OBJECTS TO THE INCLUSION OF ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS BY SUPPLIER IN ACKNOWLEDGING OR ACCEPTING THIS ORDER, and neither acceptance of delivery of all or part of the Products or Services ordered, nor payment therefore, shall constitute acceptance by Padagis of any such different or additional terms and conditions that may be contained in Supplier's acknowledgment, acceptance, confirmation, invoice, or other writing, regardless of whether Supplier's acceptance of this Order is conditioned upon Padagis's assent to such terms and conditions. If this Order is made in response to a written proposal or other form of offer from Supplier, and if Supplier's proposal or other form of offer contains terms and conditions additional to or different from those contained herein, PADAGIS'S ACCEPTANCE OF SUPPLIER'S PROPOSAL OR OFFER IS HEREBY EXPRESSLY CONDITIONED UPON SUPPLIER'S AGREEMENT TO ALL OF THE TERMS AND CONDITIONS CONTAINED IN THIS ORDER. Supplier's signing and returning to Padagis of this Order, other written indication of acceptance, commencement of any work or the performance of any Services purchased hereunder, or the shipment of Products shall constitute acceptance by Supplier of this Order and all of its terms and conditions.

2. **Price and Payment.** The price for the Products and Services shall be as set forth in the Order or, if not set forth therein, the last price quoted or the prevailing market rate, whichever is lower (the "Price"). Unless Padagis agrees otherwise in writing, the Price includes all costs and expenses to be paid by Padagis, and Padagis shall not be required to pay any amounts in addition to such Price (including without limitation any sales, use or other taxes). Except as shown on the Order, Padagis shall not be required to pay any late charge, interest, finance charge or similar charge. Padagis's payment of the Price does not indicate its acceptance of the Products or Services. Padagis shall pay all invoices within sixty (60) days from the date of the invoice or the date of acceptance of the Products and Services, whichever is later. Supplier warrants that the Price is at least as low as the price charged by Supplier to other buyers for the same Products and Services.

3. **Shipment and Delivery.** Unless Padagis agrees otherwise in writing, the Products shall be delivered DDP the delivery location identified on the Order or otherwise designated by Padagis, and shall be made in accordance with all Padagis instructions. Supplier will deliver or perform all products and services on the date specified in the Order or otherwise designated by Padagis. All delivery and performance dates are firm, and time and quantities are of the essence. Padagis shall not be obligated to accept any untimely, incomplete or excessive shipments. Packing slips must be included in all Product shipments and the last packing slip must state "ORDER COMPLETED." Padagis's Order number must be shown on each package, packing slip, and invoice related to this Order. Supplier will be solely responsible for, and will indemnify Padagis for, any costs associated with Supplier's failure to comply with the shipping and delivery requirements set forth herein, including failure to deliver Products on time or any excess or deficit in the quantity of Products delivered.

4. **Blanket Order.** If the Order states that it is a blanket purchase order or blanket purchasing agreement, then, except to the extent otherwise expressly stated on Order, (a) Supplier is obligated to deliver to or perform for Padagis all Products or Services ordered or released by Padagis during the period, or in accordance with the delivery or performance schedule specified on the Order, (b) Padagis is not obligated to order, release or purchase from Supplier any particular quantity or volume of Products or Services, and (c) Padagis may purchase any or all of the Products or Services from others.

5. **Representations and Warranties About Supplier.** Supplier represents and warrants to Padagis that (a) Supplier is duly organized and validly existing under the laws of its state of organization, (b) the Contract is the valid and binding obligation of Supplier, enforceable against Supplier in accordance with its terms, (c) Supplier is solvent, (d) Supplier will, and will cause the Products and Services to, comply with all applicable laws, and (e) neither execution nor performance of this Contract will conflict with or result in the breach of any other agreement or obligation by which Supplier is bound. Supplier shall provide, at Supplier's expense, all labor, materials, equipment, transportation, facilities and other items necessary to provide the Products and perform the Services. Supplier shall abide by the requirements of 29 CFR Part 741, 41 CFR § 60-1.4(a), Appendix A to Subpart A, 60-300.5(a) and 60-741.5(a) and Executive Order 13672.

6. **Representations and Warranties About the Products and Services.** Supplier represents, warrants and agrees that (a) the Products and Services will conform in all respects with: (i) the requirements of this Contract and the Order; (ii) all specifications, catalogs and descriptive literature provided for such Products and Services; and (iii) any specifications, drawings, samples and/or other descriptions specified by Padagis, (b) the Products will be new, free from any defects in materials and workmanship, merchantable, and fit and sufficient for the purpose intended, (c) Supplier has good title to all Products and will pass such title to Padagis free of any security interests, liens, or other encumbrances; (d) the Services will be free from any defects and performed in a good and workmanlike manner, in accordance with the highest standards in the industry, by persons with appropriate qualifications and experience to perform such Services, and to Padagis's reasonable satisfaction; and (e) the Products and Services will not infringe upon any intellectual property rights of any third party. Supplier shall assure that the Products are stored, packaged, handled, labeled, and transported (a) in a manner adequate to prevent damage during storage, handling and shipping, (b) in accordance with all requirements provided by Padagis, and in accordance with applicable law, including without limitation the Federal Food, Drug and Cosmetic Act and the U.S. Department of Transportation Hazardous Materials Safety Regulations as outlined in 49 CFR Parts 100-185 and all amendments.

7. **Inspection and Acceptance.** All Products shall be subject to Padagis's inspection and approval or rejection. In the event of any Products or Services that do not conform with the terms of this Contract, Supplier will, at Padagis's option and at Supplier's sole expense, promptly, in addition to any rights or remedies that Padagis may have under this Contract, in equity, or at law, either (a) repair or replace such Products and complete, correct or re-perform such Services, or (b) promptly reimburse Padagis for any amounts paid by Padagis for such Products and Services. Supplier shall be liable to Padagis for any costs, expenses and damages, whether direct, incidental, or consequential, which result from a breach of any Supplier warranties. Padagis's employees or agents may at any time enter Supplier's premises to inspect and test the Products, Supplier's process of manufacture of them, and any materials, components, or work-in-process that are to be used in their manufacture. Padagis's inspection, acceptance, use of or payment for any Products or Services shall not constitute a waiver by Padagis of any Supplier warranties.

8. **Indemnity.** Supplier shall indemnify and hold Padagis harmless (and defend Padagis if it requests) as to any claims, liabilities, losses, damages and expenses (including attorney fees) brought against Padagis or incurred by Padagis resulting from (a) Supplier's actual or alleged acts or omissions, (b) any failure of the Products or Services to comply with the specifications and warranties set forth in this Agreement, including any failure of the Products or Services to be delivered or performed on the specified delivery date; (c) any claim that the Products or Services or any materials developed, authored or originated by Supplier infringe any third party's intellectual property rights; or (d) any failure of Supplier, the Products, or the Services to comply with applicable law.

9. **Changes.** Padagis may, at any time prior to delivery of Products or performance of Services, modify or cancel all or part of this Order issued to Supplier hereunder by issuing a written order to Supplier specifying the modifications. Supplier shall promptly comply with the modified terms. In the event that any modifications cause an increase or decrease in the cost or time required for the performance, Padagis and Supplier will use commercially reasonable efforts to agree upon an equitable adjustment to the Order. If the parties are unable to agree upon such adjustment, Padagis may terminate this Agreement immediately upon notice to Supplier.

10. **Termination.** Padagis may terminate the Contract if Supplier (a) is in breach of this Contract, including failure to make delivery of the Products or perform the Services as and when required, (b) becomes insolvent, (c) makes an assignment for the benefit of creditors; (d) files or has filed against it a petition in bankruptcy; (e) has a receiver appointed for its assets; or (f) is dissolved or liquidated, then Padagis may terminate the Contract, in whole or part. Upon such termination, Padagis shall have no payment obligations to Supplier with respect to the Contract or terminated portion thereof other than amounts due for conforming Products delivered to Padagis prior to the date of termination and Services fully performed prior to the date of termination, in each case in accordance with the terms of this Contract. Termination of this Contract will not affect those provisions which specifically provide for survival beyond expiration or termination, or any provisions regarding indemnification, warranties, and confidentiality.

11. **Insurance.** Supplier shall maintain insurance coverage that will fully protect both Supplier and Padagis from any and all claims and liabilities of any kind or nature for property damage, personal injury, death and economic damage, to any person, that may arise from the Products or their use or the performance of the Services or any activities connected with the Services. Supplier shall maintain employee's liability and compensation insurance that will protect Padagis from any and all claims and liabilities made by Supplier or any employee or agent of Supplier under any applicable worker's compensation or occupational disease acts. All insurance required by this paragraph shall be in amounts and coverages, and shall be issued by insurers, reasonably satisfactory to Padagis. Upon request by Padagis at any time, Supplier shall furnish Padagis with certificates evidencing required insurance.

12. **Confidentiality.** Supplier shall keep confidential, shall not disclose to any third party, and shall not use for any purpose other than performance of its obligations under this Contract any proprietary nonpublic information of or regarding Padagis that is provided to Supplier or otherwise becomes available to Supplier in connection with this Contract, including trade secrets, pending patents, and other intellectual property, specifications, drawings, samples, models, and business or technical data such as information regarding plans, plants, processes, products, costs, equipment, operations, suppliers or customers. The foregoing obligation shall survive expiration or termination of this Contract. Supplier shall be responsible for any violation of the foregoing obligation by its employees, contractors and other agents and representatives. If there is an actual or threatened breach of this section, Padagis's remedies at law will be inadequate and therefore Padagis shall have the right of specific performance or injunctive relief, or both, in addition to any and all other remedies and rights at law or in equity.

13. **Records and Audit.** Supplier agrees to maintain records of its activities under this Contract in accordance with recognized commercial accounting standards for six (6) years after the termination of this Agreement. Upon reasonable notice to Supplier, Supplier shall allow Padagis, or its authorized representatives, to conduct reviews of Supplier's records, information and data maintained by Supplier and associated with the provision of Products and Services under this Contract.

14. **Other Terms.** Supplier shall not permit a lien or claim to attach to the Products, the Services, or any property of Padagis. Supplier may not delegate or subcontract any of its obligations under this Order without Padagis's written consent. Padagis may deduct from, and set off against, any amounts at any time owing to Supplier under this Order any damages or other amounts then owing to Padagis by Supplier, whether under this Order or otherwise. If at any time Padagis has reasonable grounds for insecurity as to Supplier's performance, Supplier shall provide adequate assurance of due performance within 10 days after demand by Padagis, which shall be considered a reasonable time.

15. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to the principles of conflicts of law, and the United Nations Convention on Contracts for the International Sale of Goods shall not apply. The parties hereby consent to the exclusive jurisdiction of the state or federal courts in the State of Michigan to adjudicate any dispute arising under or in connection with this Agreement. Any such dispute shall be brought before the Circuit Court for Kent County, Michigan or the United States District Court for the Western District of Michigan, Southern Division. The parties hereby waive any objection based on inconvenient forum.

16. **Miscellaneous.** If any provision of this Agreement is invalid or unenforceable under any applicable law, the provision shall be ineffective to that extent and for the duration of the illegality, but the remaining provisions shall be unaffected. Supplier shall not assign any of its rights nor delegate any of its obligations under this Agreement without the prior written consent of Padagis. This Agreement shall be binding upon and enforceable by and against Supplier and Padagis, and their respective legal representatives, successors, and assigns. Supplier is an independent contractor, and neither Supplier nor any of Supplier's employees or agents shall be considered agents or employees of Padagis.

17. **Complete Agreement.** This Order and the Contract constitutes the entire agreement between Supplier and Padagis with respect to the subject matter hereof. Any change in, or waiver of, any provision of this Order or the Contract must be contained in a writing signed by Padagis. Padagis's waiver of any breach by Supplier of any condition or right pursuant to this Order shall not be deemed a waiver as to any other breach, condition, or right.