



## GENERAL TERMS AND CONDITIONS OF PURCHASE

### I. CONTROLLING TERMS

These General Purchase Order Terms and Conditions (the "Terms and Conditions") are part of each purchase order ("Order") issued by Novolex Holdings, LLC ("Novolex"), and/or any affiliate of Novolex designated in an Order as purchasing Goods under such Order (in each case referred to as "Buyer"). In these Terms and Conditions, "Seller" shall mean the seller named in an Order and "Goods" shall mean the goods or services that Buyer is to purchase from Seller as described in the Order. If a master vendor or supplier agreement (a "Master Agreement") exists between Seller and Buyer covering such Goods, Seller's provision of Goods and/or Services shall also be governed by the terms and conditions of the Master Agreement, and in the event of any conflict between any term in the Master Agreement and any term in the Order or these Terms and Conditions, the terms of the Master Agreement shall prevail.

UNLESS OTHERWISE PROVIDED BY SEPARATE WRITTEN AGREEMENT DULY SIGNED BY BUYER, AN ORDER MAY BE ACCEPTED ONLY UPON THESE TERMS AND CONDITIONS AND ANY TERMS AND CONDITIONS SET FORTH IN THE ORDER AND ANY MASTER AGREEMENT, WRITTEN SPECIFICATIONS, DRAWINGS AND ADDITIONAL TERMS AND CONDITIONS WHICH MAY BE INCORPORATED BY REFERENCE BY BUYER OR ATTACHED HERETO BY BUYER (COLLECTIVELY, THE "PURCHASE AGREEMENT"). ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS IN SELLER'S ACCEPTANCE, ACKNOWLEDGMENT, INVOICE, OR OTHER RESPONSE HERETO SHALL BE DEEMED OBJECTED TO AND REJECTED BY BUYER AND SHALL BE OF NO EFFECT. IF THESE TERMS AND CONDITIONS ARE NOT ACCEPTABLE, SELLER SHALL IMMEDIATELY ADVISE BUYER IN WRITING UPON RECEIPT OF THE PURCHASE ORDER AND WITHHOLD SHIPMENT AND GOODS UNTIL THE MATTER IS RESOLVED. NOTWITHSTANDING ANY CUSTOM, PRACTICE OR COURSE OF DEALING, BUYER MAY INSIST ON STRICT ADHERENCE TO THE PURCHASE AGREEMENT. ACCEPTANCE OF THE ORDER BY SELLER, INCLUDING THE PURCHASE AGREEMENT, WILL OCCUR UPON THE FIRST TO OCCUR OF ANY OF THE FOLLOWING EVENTS: (I) WHEN BUYER RECEIVES WRITTEN ACKNOWLEDGMENT THAT SELLER HAS ACCEPTED THE ORDER, OR (II) WHEN BUYER IS AWARE THAT SELLER HAS COMMENCED PERFORMANCE THEREUNDER.

### II. CHANGES

Buyer shall have the right at any time, by written order of an authorized contracting official of Buyer, to make changes to an Order including, but not limited to changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost or the time required for performance, an equitable adjustment shall be made and the Order shall be modified in writing accordingly provided that Seller submits its claim for adjustment in writing within thirty (30) calendar days after receipt of the written change Order. However, nothing in this paragraph shall excuse Seller from proceeding with the Order as changed.

### III. PRICING

Pricing for the Goods shall be specified on the face of the Order. Except for those specifically described in the Order, no additional costs, fees, or charges will be reimbursed without Buyer's prior written approval. The price to be paid by Buyer and stated on any Order shall not be increased unless specifically authorized in writing by issuance of a revised Order by Buyer. If price is omitted, it is agreed that the Goods shall be billed at the price last quoted or paid, or the prevailing market price at time of delivery, whichever is lower, unless otherwise specified. Seller warrants that the prices charged Buyer and stated on the Order are no higher than prices charged on orders placed by others for similar quantities under similar conditions. If Seller shall establish, prior to shipment under any Order, lower prices or terms more favorable to Buyer than those stated on that Order, the lower prices or more favorable terms will apply to that Order.

### IV. PAYMENT TERMS

Each invoice must bear Buyer's order number and coding, if any, and must be mailed not later than the day following shipment and be accompanied by a bill of lading if shipment is made by common carrier. A separate invoice must be rendered for each lot of Goods shipped or delivered to Buyer on account of an Order. Goods received and not covered by an invoice will be held at Seller's risk and expense. Buyer's payment of the purchase price does not constitute acceptance of Goods, and Buyer's obligation to pay the price set forth in the Order will be subject to any abatement, reduction, setoff, defense, counterclaim, or recoupment for any reason whatsoever. The payment terms or cash discount period available to Buyer shall commence on the date of receipt of the Goods or on the date of receipt of the invoice; whichever is later. Unless otherwise mutually agreed upon in writing, Buyer shall make all payments by credit card. Invoices shall be paid according to discount terms, or if no discount is offered, according to due date terms. If no discount or due date is indicated, payment shall

be made within sixty (60) days after receipt and acceptance of the Goods under any Order. Buyer shall not be required to pay any late charge, interest, finance charge or similar charge. Seller shall give Buyer written notice of any claimed discrepancy in any amount paid or deducted by Seller pursuant to the Purchase Agreement within 90 days of such payment or deduction. If Seller fails to give notice within such period, Seller agrees that it will not thereafter assert any claim for such payment or deduction and waives any such claim.

## **V. QUANTITY**

Shipment of a quantity greater than that ordered will not be deemed accepted unless authorized in writing by Buyer, nor shall shipment of a lesser quantity and Buyer's acceptance thereof relieve Seller of its obligation to deliver the balance of the Goods ordered. Upon request from Buyer, Seller shall promptly make any and all necessary corrections to documentation or records related to U.S. customs and reissue same to Buyer.

## **VI. SHIPPING TERMS**

Unless otherwise agreed upon in writing, all goods will be shipped under Incoterms rule Delivered at Place (DAP) to the agreed, named place of destination per Incoterms 2020 as promulgated by the International Chamber of Commerce, with all costs, risks and responsibilities in accordance with such Incoterms. Title to the goods shall pass from Seller to Buyer upon Delivery per the selected Incoterms rule.

## **VII. DELIVERY AND INSPECTION**

Seller agrees to route all shipments as per any routing or ship-to instructions in the Order, or as requested by Buyer. If specific routing or ship-to instructions are indicated and not complied with, all extra shipping costs and other costs of Buyer resulting therefrom, including costs of reshipment to correct locations, will be paid by Seller. No charges will be allowed for drayage, boxing, storage or packing unless agreed upon by Buyer.

Seller will deliver the Goods to Buyer on the times and dates specified in the Order. **TIME IS OF DELIVERY IS OF THE ESSENCE.** If Seller fails to deliver as and when specified, Buyer reserves the right to cancel the Order or any part thereof and purchase elsewhere and hold Seller accountable for any excess cost resulting therefrom without prejudice to its other rights. Seller agrees that Buyer may return, at Seller's expense, for full credit part or all of any shipment not timely delivered. If Seller fails to meet Buyer's delivery requirements and Buyer requires a more expeditious method of transportation for the Goods than the transportation method originally specified by Buyer, then at Buyer's option Seller will (i) promptly reimburse Buyer the difference in cost between the more expeditious method and the original method, and (ii) allow Buyer to reduce its payment of Seller's invoice by such difference, or (iii) ship the Goods as expeditiously as possible at Seller's expense and invoice Buyer for the amount which Buyer would have paid for normal shipment.

Buyer shall be under no duty to inspect Goods purchased hereunder before their use or resale, and processing, manufacture or resale shall not constitute an acceptance of Goods or a waiver of any claim. Buyer reserves the absolute right to reject and refuse or revoke acceptance of Goods which are not in accordance with any instructions, specifications, drawings and data or not otherwise in accordance with Seller's warranties (express or implied) or the terms and conditions of the Purchase Agreement. Any inspection, discovery of any breach of warranty, failure to make an inspection, or failure to discover any breach of warranty does not constitute a waiver of any of Buyer's rights or remedies whatsoever. Goods rejected as not conforming to the Purchase Agreement or as otherwise deemed defective, will be returned to Seller at Seller's expense, including transportation and handling costs.

## **VIII. TAXES**

Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes (whether federal, state or local), assessments, fees or duties arising because of Buyer's purchase from Seller or Seller's manufacture, performance or sale of the Goods (including any tax, assessment, fee or duty measured or imposed upon Seller's income, payroll or property and any franchise tax) ("Taxes"), and Seller shall be responsible and liable for paying, and shall pay, all Taxes, provided, however, if such Taxes were not in effect at the time that Buyer and Seller entered into their agreement for Seller's production or provision of Goods for Buyer, any such Taxes shall be paid by the party upon which the legal incidence of the Tax is imposed. If Buyer agrees in writing to pay any Tax, then the correct dollar amount of the Tax shall be separately stated on Seller's invoice. All invoices must show S.C. Sales & Use Tax Direct Pay Permit #18901(19), registration #16-80577 for purchases within the State of South Carolina.

## **IX. AUDIT**

Seller shall maintain during the course of the work, and retain not less than four (4) years after completion thereof, complete and accurate records of all Seller's costs that are chargeable to Novolex pursuant to the Purchase Agreement. Novolex shall have the right, during normal working hours, to inspect, reproduce, and audit those records by authorized representatives of its own or a third-party auditing firm selected by Novolex. For small dollar transactions, Novolex expects to make payment by credit card. For these transactions, a receipt must be provided to the cardholder at the time of purchase. Seller shall not submit invoices already paid by a Novolex location using a Novolex credit card.

## **X. SELLER'S REPRESENTATIONS AND WARRANTIES**

Seller represents and warrants that all Goods sold or provided hereunder shall (i) conform with the descriptions, requirements and specifications of the Order and all samples provided, (ii) be free from defects in design, material and workmanship, (iii) be merchantable and fit for Buyer's particular purposes; (iv) be provided in a timely, competent and workmanlike manner and quality, and (v) comply with, and be manufactured, marked, labeled, branded, provided and sold in compliance with all applicable laws, standards, rules and regulations. The foregoing warranties shall remain in effect for a period of one (1) year after the later of final acceptance of the Goods or discovery of a defect or breach of warranty by Buyer.

Seller further represents and warrants that it has good title to all Goods, free and clear from any lien, encumbrance or rightful claim of any third party, including any claim for infringement of the intellectual property or other rights of a third party.

Seller further represents and warrants that as of the date of each Order (and/or such other date or dates specified in a particular representation or warranty) that the following statements are true and correct: (i) the Purchase Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms; (ii) Seller has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under the Purchase Agreement; (iii) Seller is and, at the time of each delivery of the Goods will be, solvent; (iv) Seller has not offered or given, and shall not offer or give, any gratuity or thing of value to any employee of Buyer or of any affiliate of Buyer; (v) Seller currently adheres to, and throughout the life of the relationship with Buyer will continue to adhere to, the United States' Foreign Corrupt Practices Act and similar implementing legislation of other countries; (vi) Seller is and shall continue to be in compliance with all equal employment and affirmative action provisions of Executive Order 11246, the Vietnam Era Veterans' Readjustment Assistance Act ("VEVRAA"), Section 503 of the Rehabilitation Act of 1973, as amended, Executive Order 12138, Section 8 of the Small Business Act, as amended (15 USC § 637), and all implementing regulations under those Orders, VEVRAA and those sections; (vii) any oral or written merchandise plan, advertising or promotion plan, payment, discount, or allowance and/or any service or facility Seller offers, gives, or pays to Buyer, complies with the applicable provisions of the Clayton Act, as amended by the Robinson-Patman Act, and the Federal Trade Commission Act; and (viii) Seller is and shall continue to be in compliance with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, as amended ("Bioterrorism Act") and all regulations issued under it.

These warranties shall be in addition to any other warranties, express or implied, in the Purchase Agreement or available to Buyer under applicable law. Seller agrees that the foregoing warranties shall survive delivery and acceptance of and payment for Goods and extend to Buyer and its parents and subsidiaries, direct and indirect, their successors and assigns, affiliates, and to the customers, distributors, dealers and agents of any of them and to the users and consumers of the Goods.

## **XI. GENERAL INDEMNITY**

**SELLER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS NOVOLEX AND EACH BUYER, AND EACH OF THEIR DIRECTORS, MANAGERS, OFFICERS, EMPLOYEES, SHAREHOLDERS, MEMBERS, CUSTOMERS, AGENTS, SUBSIDIARIES, AFFILIATES AND REPRESENTATIVES FOR, FROM AND AGAINST ANY AND ALL THREATENED OR ACTUAL CLAIMS, LOSSES, DEMANDS, LIABILITIES, DAMAGES, ASSESSABLE PAYMENTS, EXCISE TAXES, SUITS, JUDGMENTS, RECALL CAMPAIGNS OR OTHER CORRECTIVE SERVICE ACTIONS, COSTS OR EXPENSES (INCLUDING ATTORNEYS' FEES, EXPERT WITNESS FEES, LITIGATION EXPENSES, AND COURT OR OTHER COSTS INCURRED IN ANY PROCEEDING) OF ANY NATURE WHATSOEVER (COLLECTIVELY, "LOSSES"), ARISING OUT OF, RESULTING FROM, OR RELATING TO: (A) THE GOODS, INCLUDING THEIR MANUFACTURING, PACKAGING, LABELING OR USE BY NOVOLEX OR ANY BUYER; (B) THE BREACH OF ANY REPRESENTATION, WARRANTY OR OTHER PROVISION OF THE PURCHASE AGREEMENT BY SELLER; (C) ANY CLAIM OR THREATENED CLAIM FOR PERSONAL INJURY, DEATH OR PROPERTY DAMAGE OR LOSS OF ANY NATURE WHATSOEVER ARISING FROM OR RELATED TO ANY GOOD; (D) ANY CLAIM THAT ANY OF THE GOODS INFRINGE ON, MISAPPROPRIATE OR OTHERWISE VIOLATE ANY PATENT, TRADEMARK, COPYRIGHT, OR OTHER INTELLECTUAL PROPERTY OR THIRD PARTY RIGHT OF ANY NATURE OF ANY THIRD PARTY, OR (E) ANY VIOLATION BY SELLER OF ANY APPLICABLE LAW. SELLER'S INDEMNITY OBLIGATIONS SHALL EXCLUDE ONLY THOSE LOSSES CAUSED BY THE SOLE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF NOVOLEX, OR ANY BUYER OR ANY OF THEIR DIRECTORS, MANAGERS, OFFICERS, EMPLOYEES OR AGENTS.**

## **XII. NON-SOLICITATION**

During the term of the Purchase Agreement and for a period of one (1) year following the expiration or termination of the Purchase Agreement, Seller shall not solicit or assist in the solicitation of, or deliver or provide Goods to, any customer of Novolex to which Seller delivered or provided Goods pursuant to the Purchase Agreement, if such delivery or provision of Goods would directly or indirectly compete with Novolex, any Buyer or any of their affiliates in any of the markets any of them serve.

### **XIII. INSURANCE**

Seller agrees, and agrees to require any contractors and/or subcontractors to agree, to maintain, during the term of Seller and Buyer's business relationship and for two (2) years thereafter, insurance coverage meeting the following minimum requirements: (A) Commercial General Liability coverage including Completed Operations, Contractual Liability, Personal Injury Liability and Broad Form Property Damage including completed operations with limits of \$1,000,000 Each Occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate (any combination of underlying and umbrella and/or excess liability limits can be used to comply with this requirement); (B) Business Automobile Liability including protection for owned, hired, and non-owned vehicles with a limit of \$1,000,000 per each accident; (C) Statutory Worker's Compensation to comply with the laws of the applicable state, including Employers Liability with minimum limits of \$500,000 Per Accident & Per Employee; and (D) Excess Liability coverage of \$5,000,000 per each occurrence and aggregate as per Novolex Contractor Safety Policy.

All insurance policies shall contain a provision that the coverages afforded thereunder shall not be canceled, not renewed, have restrictive modifications added, nor other material changes made, until at least thirty (30) days' prior written notice has been given to Buyer. In the event that Seller (or Seller's contractors and/or subcontractors) fails to obtain or maintain any insurance coverage required under this Agreement, Buyer may, at its option, purchase such coverage and charge the expense thereof to Seller or terminate this Agreement. All insurance shall be primary as to any other insurance or self-insurance programs afforded or maintained by Novolex. Prior to commencement of delivering or providing Goods, Seller shall provide Buyer with a Certificate of Insurance as an appropriate endorsement providing evidence of the above-mentioned insurance and naming Novolex as an additional insured under the Commercial General Liability and Business Automobile Liability policies. Renewal certificates shall be provided at the anniversary of each insurance policy.

Seller waives all rights of subrogation against Novolex for recovery of damages to the extent they are covered by workers' compensation, employers' liability, commercial general liability or commercial umbrella liability. Seller shall require all of its sub-contractors to provide such insurance as deemed necessary to protect Seller and Novolex from claims resulting from any and all operation under this contract. Any deficiency in the coverage or policy limits of said contractor's and/or sub-contractors' insurance will be the sole responsibility of Seller.

### **XIV. CONFIDENTIAL INFORMATION**

All information, drawings, know-how, methods, marketing strategies, specifications, prices, costs, business plans, purchasing data, research and development data, customer lists or information, and other data (collectively, "Confidential Information") furnished by Buyer to Seller, or otherwise learned by Seller as a result of its relationship with Buyer, is proprietary to Buyer, and Seller agrees to keep all such Confidential Information confidential and use such Confidential Information only as necessary in order to fulfill Seller's obligations to Buyer under the Order. Seller further agrees to return to Buyer all Confidential Information, including all copies thereof made by or for Seller, upon Buyer's request. Seller will not in any manner advertise or publish the fact that it has furnished or contracted to furnish to Buyer the Goods without prior written consent of Buyer. Seller will not have the right under any circumstance to use the name of Buyer as its own or hold itself out in a manner that would lead a third party to reasonably believe Seller is acting as or on behalf of Buyer.

### **XV. PROPRIETARY RIGHTS**

Seller will not sell or otherwise dispose or transfer any Goods that are supplied to Buyer under an Order and that incorporates any trademark, patentable invention, copyright work, industrial design, Confidential Information or other matter that is the subject of any intellectual property right of Buyer to any party other than Buyer except when specifically authorized by Buyer in writing. Any ideas, inventions or discoveries resulting from Buyer's use of Goods sold hereunder or related thereto will be the sole property of Buyer.

### **XVI. TITLE AND BUYER PROPERTY**

Any documents, including drawings and specifications, deliverables or work product produced or acquired by Seller under an Order and all intellectual property rights therein (collectively, "Buyer Property") will belong to and vest in Buyer upon creation without any restrictions on Buyer's use, including reproduction, modification, disclosure, or distribution of the Buyer Property. Seller is deemed to have assigned and does hereby assign all right, title and interest in and to Buyer Property to Buyer. Seller will execute such additional documents as Buyer may request to vest title in the Buyer Property to Buyer. Buyer grants to Seller a limited, nonexclusive, nonassignable license to use Buyer's drawings, know-how, and other Confidential Information only for the purpose of fulfilling its obligations under an Order or Purchase Agreement. Seller will not disclose such drawings, know-how or other Confidential Information to third parties unless this is required for Seller to fulfill its duties under the Order.

### **XVII. TOOLS**

Unless otherwise agreed upon in writing by Buyer, Seller at its own expense will furnish, keep in good condition, and replace when necessary, all tools, jigs, dies, gauges, fixtures, and molds ("Tools") necessary for the production of the Goods. At Buyer's request a complete set of Tool drawings will be made available to Buyer. Seller will ensure the Tools and other Seller property for the replacement value thereof for all risks of physical loss, including theft, and provide proof of such insurance to Buyer at Buyer's request. Seller waives

all subrogation rights against Buyer as respects any of Seller's property on Buyer's premises or elsewhere. Seller grants Buyer an irrevocable option to take possession of and title to the Tools upon payment to Seller of the book value thereof less any amount that Buyer has previously paid to Seller for the cost of such Tools; provided, however, that this option will not apply if such Tools are used to produce Goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others. All Tools furnished by Buyer, either directly or indirectly to Seller to perform the Order, or for which Seller has been reimbursed by Buyer, will be and remain the property of Buyer. All Tools owned by Buyer must be identified by the part number and marked "Property of Novolex" or a Buyer-designated customer. At Buyer's request, such property shall be immediately released to Buyer or delivered to Buyer by Seller F.O.B. to the destination designated by Buyer, properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such property.

## **XVIII. COMPLIANCE WITH LAWS, ETHICS**

Seller represents, warrants and certifies that it, as well as any Goods manufactured, sold or rendered in connection with an Order, are and will at all times be in compliance with all applicable federal, state, local and other laws, regulations, rules or orders, including the Fair Labor Standards Act, as amended (and this certification shall be deemed to be the written assurance contemplated by such Act), and the Food and Drug Act, as amended and its implementing regulations. Seller agrees to indemnify, defend, and hold harmless Buyer, its affiliates and each of their officers, employees, agents, successors, assigns, customers, and users of their Goods from and against all claims, actions, suits, losses, damages, liabilities, costs and expenses (including attorney's fees) in any manner arising out of or alleged to have resulted from Seller's violation of any applicable laws, regulations, rules or orders.

Novolex requires its vendors, suppliers, and third-party partners to conduct their business in an ethical and responsible manner by complying with laws and regulations and adopting policies and practices, including those that respect human rights, strive to minimize the impact of operations on the environment, protect worker health and safety, provide fair labor conditions and preserve a fair and competitive marketplace. Seller further warrants that no part of its supply chain, directly or indirectly, is involved with human rights violations, including but not limited to, human trafficking, human slavery, or child labor. For the complete list of these and other requirements, refer to the Novolex Supplier Code of Conduct available at [Novolex.com](http://Novolex.com).

In the event any Good is detained by the authorities of any country due to suspicion of forced labor, such Good will be deemed commercially non-viable. The Good will be rejected, not imported, and returned to the Seller or destroyed at Seller's expense; the resulting demurrage and detention shall be paid by the Seller; invoices for these Goods will not be paid; and any open Purchase Orders of at-risk Goods will be subject to cancellation. Additionally, the Seller hereby reaffirms its commitment to comply with the Novolex Supplier Code of Conduct which, in part, includes the commitment to develop and maintain management systems to identify and prevent forced labor and other abuses of human rights in its own operations and business relationships. Seller further agrees to (i) cooperate with Novolex in its efforts to ensure the absence of forced labor and other abuses of human rights in all tiers and branches of the supply chain; (ii) cascade the requirements of Novolex's Supplier Code of Conduct to its sub-suppliers and promptly report instances of non-compliance to Novolex; (iii) permit visits by Novolex personnel (or third parties on Novolex's behalf and at Novolex's expense) to conduct on-site reviews for compliance purposes; and (iv) provide timely and meaningful assistance to Novolex with governmental audits. Requests for paperwork or other evidence needed for Novolex to respond to a governmental request or for general compliance purposes shall be fulfilled by the Seller within 10 calendar days.

## **XIX. OCCUPATIONAL SAFETY AND HEALTH**

Seller agrees to comply, and to require its employees, agents and contractors to comply, with the provisions of the Federal Occupational Safety and Health Act, as amended, and the standards and regulations issued thereunder and warrants that all Goods furnished under an Order will conform to and comply with said standards and regulations. Further, Seller agrees that at any time that Seller's employees, agents and contractors are delivering or providing Goods in Buyer's facilities or in proximity to Buyer's employees, Seller shall require its employees, agents or contractors to comply with all safety rules and regulations promulgated by Buyer.

## **XX. TOXIC SUBSTANCES CONTROL**

Seller expressly represents and warrants that each and every chemical, chemical substance, and in the case of mixtures, every chemical substance ingredient, sold or otherwise furnished hereunder is, at the time of such sale and delivery to Buyer, listed in the Toxic Substances Control Act Chemical Substance inventory compiled and published by the U.S. Environmental Protection Agency pursuant to the Toxic Substances Control Act, as amended, and is otherwise manufactured, sold, furnished and/or delivered in compliance with all applicable provisions of such Act.

Seller expressly represents and warrants that the Goods sold or otherwise furnished hereunder are not and/or do not contain chemicals or other substances whose use of any kind, or presence in consumer goods has been banned, or whose use has been restricted or limited in any manner without such restriction or limitation being clearly identified with respect to each such chemical or other substance and the components thereof on the labeling of each such Good.

## **XXI. INGREDIENTS, DISCLOSURE, AND SPECIAL WARNINGS AND INSTRUCTIONS**

Pursuant to federal and state regulations, Buyer maintains a current file of Material Safety Data Sheets (“MSDS”). It is Seller’s responsibility to supply MSDS information along with all updates as they shall occur. In addition, and at Buyer’s request, Seller will promptly furnish to Buyer in such form and detail as Buyer may direct (i) a list of all ingredients in the Goods, (ii) the amount of each ingredient, and (iii) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the Goods, Seller will furnish to Buyer sufficient warning and notice in writing (including appropriate labels on goods, containers, and packaging) of any hazardous material that is an ingredient or a part of any of the Goods, together with any special handling instructions as may be necessary to advise carriers, Buyer, and their respective employees of the measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Goods, containers, and packaging shipped to Buyer. Contractors, subcontractors and service providers are required to submit information regarding potential environmental impacts of proposed on-site projects, services, or activities with any request for a quote from Buyer. If adverse environmental impacts can result from proposed on-site activities or from accidental occurrences, the contractor, subcontractor or service provider is required to detail the methods that will be taken to minimize and manage environmental impacts. This information may be in the form of drawings, descriptions of control mechanisms, plans or other means.

## **XXII. TERMINATION FOR CONVENIENCE**

Buyer reserves the right to terminate an Order or any part of it for Buyer’s sole convenience. In the event of such termination, Seller shall immediately stop all work thereunder and shall immediately cause any of its suppliers or subcontractors to cease such work. In the event that Buyer terminates an Order at least thirty (30) days prior to the shipment date set forth in the Order, Buyer shall not be liable to Seller for any amount. In the event that Buyer terminates an Order less than thirty (30) days prior to such shipment date, Buyer’s liability to Seller with respect to such Order shall be limited to: (i) Seller’s purchase price of all components not usable in Seller’s or Seller’s subcontractor’s other operations or marketable to Seller’s other customers, plus (ii) the actual costs incurred by Seller in procuring and manufacturing material not usable in Seller’s or Seller’s subcontractor’s other operations. Seller shall not be paid for any work done after receipt of notice of termination, nor for any costs incurred by Seller’s suppliers or subcontractors which Seller could reasonably have avoided, nor shall Buyer be liable for any loss of profits on the order or portion thereof so terminated or suspended, nor for any consequential or incidental loss or damage, nor for any suspension delay, termination or cancellation charges. Seller shall not unreasonably anticipate the requirements of an Order.

## **XXIII. TERMINATION FOR CAUSE**

Buyer may terminate an Order or any part of it for Cause. Cause shall include: (i) any default by Seller, (ii) any failure by Seller to comply with any of the terms and conditions of the Purchase Agreement, including late deliveries, deliveries of Goods which are defective or which do not conform in any respect to the requirements stated in the Purchase Agreement, (iii) failure to provide Buyer, upon request, with adequate assurances of future performance, (iv) Seller’s financial condition is found to be or becomes unsatisfactory to Buyer; or (v) Seller becomes insolvent or there is filed by or against Seller a petition in bankruptcy, reorganization or other insolvency proceeding. In the event of termination for Cause, Buyer shall not be liable to Seller for any amount, and Seller shall be liable to Buyer for any and all damages sustained by the Cause which gave rise to the termination. If it should be determined that Buyer has improperly terminated any Order for Cause, such termination shall be deemed a termination for the convenience of Buyer.

## **XXIV. FORCE MAJEURE**

Buyer will have the right to suspend shipments from Seller hereunder and refuse to accept delivery of the Goods, without incurring any liability to Seller, in the event of war, riot, flood, acts of God, terrorist acts, fire, court order, strike, work stoppage, act of governmental authority, epidemic, pandemic or any other cause beyond Buyer’s control.

## **XXV. ASSIGNMENT AND SUBCONTRACTING**

Seller shall not, without the written consent of Buyer, (i) assign the Purchase Agreement or the performance of an Order or any amounts payable pursuant to an Order, or (ii) subcontract the provision of any Goods hereunder. The consent of Buyer to any assignment or subcontracting shall not (i) with respect to subcontracting, relieve Seller of its responsibility for the performance of any of its other obligations under the Purchase Agreement, or (ii) constitute Buyer’s consent to further assignment or subcontracting. Seller will ensure that any third party to whom Seller subcontracts any of its obligations hereunder is bound by all the terms and conditions under the Purchase Agreement relating to such performance to which Seller is bound under the Purchase Agreement. The Purchase Agreement shall be binding on the parties, and their respective successors and permitted assigns. Any assignments in contravention of this provision shall be void.

## **XXVI. EXPORT AND IMPORT REQUIREMENTS; DRAWBACK AND REFUND RIGHTS**

Seller shall prepare, maintain and, to the extent that the applicable law, regulation or customs authority requires it to do so, submit to the applicable customs authorities, all information and documentation that is necessary to comply with the applicable customs and export and import requirements of each country from which the Goods will be exported and each country into which they will be imported, and Seller shall comply with all other applicable customs requirements. Whenever Buyer requests it to do so, Seller shall promptly furnish to Buyer

copies of that information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country into which the Goods are to be imported. The parties shall adhere to the division of costs, risks and responsibilities enumerated in the Incoterms ruleset promulgated by the International Chamber of Commerce (“ICC”). Accordingly, for shipments where Buyer is designated as importer of record, Seller shall: (i) provide to Buyer the commercial invoice, packing list, and certificate of origin, each prepared in proper form in the English language, that conforms to Buyer’s instructions; (ii) upon Buyer’s request, cooperate in the preparation of the bill of lading and, for U.S. destinations, timely completion of the Importer Security Filing (“ISF”) worksheet; (iii) cooperate with activities to comply with CTPAT, AEO, and other customs programs that Buyer participates in; and (iv) timely perform tasks and provide documents as otherwise defined in the Incoterms rules. Seller is responsible to ensure that the Goods and associated documentation comply with the technical country of origin requirements of each country into which the Goods are to be imported. For Goods that qualify for a free trade agreement, Seller agrees to provide a certificate of origin to Buyer that adheres to the Rules of Origin per the applicable treaty and maintain supporting documentation for a minimum of five (5) years. For free trade agreement or any other compliance reason, Seller agrees to (i) permit and facilitate Buyer’s review of such supporting documents upon Buyer’s request; (ii) permit and host Buyer’s visits (or third parties on Buyer’s behalf and at Buyer’s expense) to conduct on-site reviews; and (iii) assist with governmental audits. Seller also agrees to facilitate reviews and audits of Seller’s suppliers by Buyer (or third parties on Buyer’s behalf and at Buyer’s expense) for compliance purposes. Seller assigns and transfers to Buyer all transferable duty drawback or tax refund rights relating to the Goods, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller shall promptly inform Buyer of each such right and, upon Buyer’s request, shall promptly provide to Buyer all documents and information that are required for Buyer to obtain each such drawback or refund. If importation of the Goods results in the assessment of a countervailing duty on Buyer when acting as the importer, Seller will reimburse such countervailing duty to Buyer, provided such reimbursement is permitted under applicable laws and regulations. Seller warrants that it is not a restricted party or otherwise subject to embargoes or governmental sanctions of any country and, if said status changes, Seller shall notify Buyer immediately.

## **XXVII. WAIVER; MERGER; MODIFICATION**

Failure by either party to require strict performance hereunder will not be deemed a waiver of that party’s right to subsequently require strict performance. The Purchase Agreement constitutes the entire agreement of the parties and supersedes all prior and contemporaneous agreements, inducements, or conditions, express or implied, oral, or written. The Purchase Agreement may not be modified except by Buyer as provided expressly herein or by written instrument executed by a duly authorized officer of each of Buyer and Seller.

## **XXVIII. NOTICES**

All notices, requests, demands, or other communications required or permitted to be provided to Novolex shall be in writing and delivered either: (A) personally, (B) by certified or registered mail, return receipt requested, postage prepaid; (C) by a recognized overnight courier service; or (D) by email transmission made during normal business hours with a copy to follow by registered or certified mail, return receipt requested, postage prepaid or by overnight courier service, addressed as follows: 3436 Toringdon Way, Suite 100 Charlotte, North Carolina 28277, Attention: Legal Department.

## **XXIX. INDEPENDENT CONTRACTOR.**

Nothing in the Purchase Agreement, shall be deemed to imply or create any relationship of agency, partnership, joint venture, employment or otherwise as between Buyer, or any affiliate of Buyer, and Seller or any other entity. Seller is and shall be an independent contractor in all respects and specifically represents that it is properly licensed and offering and provide Goods based on its expertise and experience. Except as expressly provided in the Purchase Agreement, Seller and its employees shall not be subject to the control and supervision of Buyer as to the means and manner of providing or provisioning Goods hereunder. Seller shall have complete control of its organization and shall exercise direct supervision, control, and direction of work performed by its employees and shall be solely responsible for all workers' compensation obligations, if any. Further, Seller is solely responsible for determining the method and amount of all wage and benefit payments, all hiring, firing or discipline of its employees as well as all policies and procedures related thereto. Accordingly, Seller agrees that the working conditions and employment terms of its employees, while established and maintained by Seller, shall meet the standards required by all applicable federal and state laws and regulations.

## **XXX. PERSONAL DATA**

From time to time, Seller may receive, observe, and/or have physical or electronic access to Personal Data (defined below) relating to Buyer’s or its affiliates’ employees, agents or customers. To the extent that Seller receives, maintains, processes, or otherwise has access to any Personal Data (defined below) in connection with providing the Goods, Seller represents and warrants that (a) it has implemented, and shall at all times maintain, a comprehensive information security program that is written in one or more readily accessible parts and contains appropriate administrative, technical, and physical safeguards designed to (i) insure the security and confidentiality of the Personal Data; (ii) protect against any anticipated threats or hazards to the security or integrity of the Personal Data; and (iii) protect against unauthorized access to or use of the Personal Data that could result in substantial harm or inconvenience to Buyer, its affiliates, employees or its customers, and (b) it shall not use, or otherwise process any Personal Data for purposes other than the provision of the Goods and in accordance with the Agreement.

“Personal Data” is defined as any information relating to an identified or identifiable natural person (the data subject); an “identifiable natural person” is one who can be identified directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his/her physical, physiological, psychological, economic, cultural or social identity. By way of example only and not intended to be limiting, Personal Data includes the name, address, telephone number, e-mail address, account numbers, or any elements or components of such information, and any list, description or other grouping of information that is derived from such information. In the event that Seller is in or reasonably believes itself to be (or to have been) in breach of this Section XXX, it shall immediately notify Buyer and take steps to remedy such breach (if not already remedied), including taking reasonable measures to protect Buyer, its affiliates, employees and its customers against the consequences of any unauthorized access to, use or disclosure of Personal Data, and shall take such other reasonable measures as Buyer may request in order to safeguard the confidentiality and security of such Personal Data. In addition to all other remedies available to it, Buyer shall be entitled, as a matter of right, and without the requirement of posting bond, to seek immediate equitable and other provisional relief in any court of competent jurisdiction, including a preliminary injunction to protect and recover the Personal Data.

#### XXXI. MISCELLANEOUS

- a. **Construction.** The headings herein are inserted for convenience only and shall not constitute a part of these Terms and Conditions or used to construe or interpret any of its provisions. If a question of interpretation arises, these Terms and Conditions shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any provision of these Terms and Conditions. The word “includes” or “including” means include or including, without limitation.
- b. **Severability.** If any provision of the Purchase Agreement is held to be invalid or unenforceable for any reason, the remaining provisions shall continue in full force and effect without being impaired or invalidated in any way.
- c. **Remedies.** The exercise of any right or remedy provided for in the Purchase Agreement shall be without prejudice to Novolex’s right to exercise any other right or remedy provided in the Purchase Agreement, or at law or in equity. All payments to be made by Novolex pursuant to the Purchase Agreement are subject to set-off, deduction or offset, by Novolex of all sums due and owing to Novolex or Novolex’s affiliates by Seller.
- d. **Governing Law.** The Purchase Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, United States of America, and the federal laws applicable therein, without regard to the laws of such jurisdiction concerning conflicts of law. Any civil action related to the Purchase Agreement will be instituted and maintained in the federal or state courts for Darlington County, South Carolina and Seller consents to the personal jurisdiction of such courts. In the event that the Purchase Agreement is with a Seller from a country that is a signatory to the United Nations Convention on Contracts for the International Sale of Goods (“CISG”), the parties agree that the CISG shall not govern the Purchase Agreement.
- e. **Attorney Fees.** Should any litigation be commenced under the Purchase Agreement, the successful party in such litigation shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys’ fees, expert witness fees, litigation related expenses, and court or other costs incurred in such proceeding.
- f. **Entire Agreement; Amendments.** The Purchase Agreement embodies the entire agreement of the parties respecting the subject matter herein. There are no promises, representations, terms, conditions or obligations other than those contained herein. The Purchase Agreement supersedes all prior or contemporaneous representations or agreements, either oral or written, of the parties respecting the subject matter herein, and Seller’s terms and conditions are hereby rejected unless agreed upon by Novolex in a writing signed by Novolex. Novolex and Seller agree that Novolex may issue purchase orders, work orders or similar documents, and such forms as a matter of convenience to the parties and that Seller may acknowledge receipt of such forms without altering any of the terms and conditions of the Purchase Agreement. The Purchase Agreement may be amended only in writing and signed by both parties.
- g. **Survival.** All representations, warranties, indemnifications, covenants and agreements regarding taxes, audit, insurance, non-solicitation, confidential information, intellectual property rights and tools made by Seller shall survive the delivery of the Goods or termination or satisfaction of the Purchase Agreement, as well as any other covenants and agreements made by Seller or any other terms and conditions of the Purchase Agreement which by their nature should survive.