

**RHE-TECH, LLC**

**PURCHASE ORDER TERMS AND CONDITIONS**

1. **Definitions.** Unless otherwise defined herein, all capitalized terms used in these Purchase Order Terms and Conditions of Buyer (“Terms and Conditions”) have the meanings given to them in the last Section of these Terms and Conditions.

2. **General Terms and Conditions.** These Terms and Conditions apply to all Products or Services purchased by any Buyer. All references to Buyer means any Buyer as the context requires. All purchase orders, purchase agreements, supply agreements, forms, documents, instruments, writings, correspondence and communications that are submitted, transmitted or presented from Buyer to Seller (each, a “Purchase Order”) are and shall be subject to these Terms and Conditions. Seller has reviewed, understands, accepts and agrees to be bound by these Terms and Conditions.

3. **Changes.** Buyer reserves the right at any time to issue a written change order or amendment to the Purchase Order concerning any of the following: (a) specifications, drawings, and data incorporated in the Purchase Order where the items to be furnished are to be specially manufactured for Buyer; (b) quantity; (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery; or (f) any other matters affecting the Purchase Order.

4. **Offer and Seller’s Acceptance.** Each Purchase Order, together with these Terms and Conditions, is an offer by Buyer to Seller and creates in Seller a binding power of acceptance. Among other things, but not limited to, a signed purchase or supply agreement, or Seller’s acknowledgement or acceptance of the Purchase Order, or Seller’s written acceptance of a proposal, or Seller’s failure to object to the Purchase Order within five (5) business days, or the commencement of any work or the performance of any services by Seller, including samples, or the shipment by Seller of any Products or the providing or delivery of any Services, shall in each instance constitute an acknowledgement, acceptance and agreement by Seller of the Purchase Order and these Terms and Conditions, and such acknowledgement, acceptance and agreement and performance thereunder and hereunder is expressly limited to the Purchase Order and these Terms and Conditions, and cannot and shall not be modified except in writing signed by an Officer of Buyer.

5. **Inconsistent or Additional Seller Terms.** Buyer expressly disclaims, is not bound by and rejects any new, additional, inconsistent and/or different terms in a proposal, quotation, acknowledgment, acceptance, document, instrument, writing, correspondence or communication from Seller to Buyer, and only these Terms and Conditions and the Purchase Order shall be binding upon Buyer and Seller absent a specifically negotiated and mutually agreed upon and documented agreement between Buyer and Seller in writing which is signed by an Officer of Buyer. No objection to or rejection of these Terms and Conditions by Seller, or reservation of rights by Seller, shall be effective or valid or binding against Buyer. If these Terms and Conditions are inconsistent with the specific provisions of the Purchase Order, then the specific provisions of the Purchase Order shall control.

6. Pricing. Seller shall furnish the Products or Services at the prices in the Purchase Order. All prices are firm. No price increases will be permitted, including but not limited to price increases to cover increases in the cost of raw materials, parts, components, fuel, energy, labor, supplies, overhead, or transportation

7. Packing, Marking and Shipping.

(a) All Products shall be properly packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation rates. No charges will be allowed for transportation unless otherwise indicated. Seller shall route shipments in accordance with Buyer's instructions on the Purchase Order.

(b) Unless otherwise specified on the Purchase Order, Seller shall properly mark each package with Buyer's order number and part number and where multiple packages comprise a single shipment, each package shall also be consecutively numbered. Seller's name must appear on all packages. All packages must contain individual gross and net or tare and net weights.

(c) All shipping and delivery terms contained on the Purchase Order and these Terms and Conditions shall be governed by the International Chamber of Commerce *Incoterms 2020* as may be amended, modified, updated and/or restated from time to time ("*Incoterms 2020*") and are incorporated herein by reference, with specific reference made to Free Carrier (FCA), Carrier and Insurance Paid To (CIP), Delivered at Place (DAP) and Delivered Duty Paid (DDP). To the extent any these Terms and Conditions are inconsistent with *Incoterms 2020*, these Terms and Conditions shall govern and control.

8. Packing Slips, Bills of Lading and Invoices.

(a) Seller shall be responsible for proper packaging, loading, and tie-down to prevent damage during transportation. Each packing slip, bill of lading and invoice shall bear the applicable purchase order number and the location of the plant to which materials are to be shipped and Seller's name. Final packing slips, packages and invoices shall be marked, "This completes your order."

(b) Original bill of lading or other shipping receipt for each shipment shall be promptly forwarded by Seller to Buyer's Purchasing Department and/or administration office.

(c) Two (2) copies of Seller's invoice showing prices and extensions must be mailed or e-mailed in accordance with directions appearing on the Purchase Order. Separate invoices are required for each individual shipment unless otherwise approved by Buyer, and Seller must provide Buyer with the date, bill of lading for the shipment, weight and number of packages in each invoice. Any cash discount period available to Buyer will begin from Buyer's receipt of the invoice, or the receipt of the Products or Services, whichever is later. If an invoice is returned to Seller for correction, the cash discount period will begin from the receipt of the corrected invoice.

9. Shipping Releases. Unless specific delivery dates are provided in the Purchase Order, Seller shall not fabricate any of the supplies covered by the Purchase Order or procure any

of the materials required in their fabrication or ship any Products to Buyer, except to the extent authorized in written instructions furnished by Buyer to Seller. Shipments in excess of those authorized may be returned to Seller, and Buyer may deduct and offset its reasonable packing, handling, sorting and transportation expenses incurred in connection with such returned shipments against any amounts owing by Buyer to Seller.

10. Inspection. All Products ordered and all workmanship related to such Products are and will be subject to Buyer's final inspection and testing during normal business hours prior to and as a condition to acceptance by Buyer. If any of the Products are defective in material or workmanship or otherwise not in conformity with the requirements of the Purchase Order, Buyer in addition to all other rights and remedies, may at its option and at Seller's expense: (a) reject and return the Products for full credit or refund; (b) require Seller to promptly correct, repair and/or replace the Products; (c) correct the Products; or (d) obtain replacement Products from another source. Seller shall not redeliver corrected or rejected Products without disclosing the former rejection or requirement for correction. Seller shall disclose any corrective action taken. Repair, replacement and other correction and redelivery shall be completed within the original delivery schedule or such later time as Buyer may reasonably direct. All costs, expenses and loss of value incurred as a result of or in connection with nonconformance and repair, replacement or other correction may be recovered from Seller by equitable price reduction or credit against any amounts that may be owed to Seller under the Purchase Order or any other amounts owing by Buyer to Seller. Payment for any Products shall not be deemed acceptance and in no event shall Buyer incur any liability for payment for rejected Products. Any rejected Products that Buyer elects to return to Seller are at Seller's risk and at Seller's expense.

11. Tools. Unless otherwise provided in the Purchase Order or in any other written agreement signed by an Officer of Buyer, Seller at its own expense shall furnish, keep in good condition, and replace when necessary, all tools, jigs, dies, gauges, fixtures, molds and patterns necessary for the production of the Products ordered. The cost of changes in the foregoing items necessary to effect design or specification changes ordered by Buyer, shall be paid for by Buyer but only to the extent expressly approved by an Officer of Buyer in writing. Seller shall not sell or otherwise dispose of said tools, jigs, dies, gauges, fixtures, molds and patterns without the prior written consent of Buyer.

12. Bailed Property.

(a) Unless otherwise provided in the Purchase Order or in any other written agreement signed by an Officer of Buyer, all supplies, materials, facilities, tools, jigs, dies, gauges, fixtures, molds, patterns and equipment furnished by Buyer to Seller, are to be used solely by Seller to perform its obligations under the Purchase Order and for no other purpose (collectively, the "Bailed Property") and shall remain the property of Buyer and may not be sold, pledged or encumbered. Seller does not acquire any property right or security or security interest in such Bailed Property by reason of its possession thereof.

(b) Seller shall be liable and otherwise responsible to Buyer for, and shall pay Buyer for, any and all losses, claims, damages, costs and expenses, including attorney's fees, resulting

from damage to or destruction of the Bailed Property, or from levy or attachment of any court process or lien thereon. Seller shall indemnify, defend and hold Buyer harmless from and against any and all claims, actions, proceedings, demands, allegations, losses, liabilities, damages, costs, expenses and fees, including attorney's fees, incurred, imposed upon, demanded from or suffered by Buyer in any way related to or arising from the Bailed Property in Seller's possession or control. Seller shall protect Buyer against loss of the Bailed Property by fire or other hazard by means of proper insurance.

(c) The Bailed Property shall at all times be properly housed and maintained by Seller, shall be deemed to be personalty, shall be so marked by Seller, shall not be commingled with the property of Seller or with that of a third party, and shall not be moved from Seller's premises without Buyer's prior written approval. Upon request of Buyer all such property shall be delivered to Buyer by Seller, at any location designated by Buyer, at Seller's risk and expense, and shall be properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such property. Buyer shall have the right to enter onto Seller's premises at all reasonable times to inspect such property.

13. Seller's Warranties. Seller expressly warrants that all Products or Services covered by the Purchase Order will conform to the specifications, drawings, samples and other descriptions furnished or adopted by Buyer and will be merchantable, of good workmanship and material, and free from defects. Any claimed breach of warranty by Buyer shall be given to Seller within a reasonable time. Buyer's approval of Seller's design, material or services provided shall not be construed to relieve Seller of the warranties set forth herein.

14. Risk of Loss and Title. Seller assumes all risk of loss or damage to the Products ordered, including work in process, and Seller shall retain title to the Products ordered until delivery to and acceptance by Buyer at the named destination.

15. No Liability. UNDER NO CIRCUMSTANCES SHALL BUYER BE LIABLE FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES OR DAMAGES FOR LOST PROFIT, REVENUE, OPPORTUNITY, OR BUSINESS INTERRUPTION.

16. Indemnification. Seller shall indemnify, defend and hold Buyer harmless from and against any and all claims, actions, proceedings, demands, allegations, losses, liabilities, damages, costs, expenses and fees, including attorney's fees, incurred, imposed upon, demanded from or suffered by Buyer in any way related to or arising from (a) Seller's breach of warranty, (b) Seller's breach of any term of the Purchase Order and/or these Terms and Conditions, or (c) by reason of personal injury, including death, or property damage sustained by a third party, resulting from or arising out of an act or omission of Seller or Seller's agents, employees, or contractors in fulfillment of the Purchase Order. Seller's indemnification obligations will survive the expiration of the Purchase Order and the completion and/or delivery of Products or Services provided or in any way related to the Purchase Order.

17. Confidentiality; Limited Use. Seller shall keep confidential and not disclose to any third party, any confidential and/or proprietary materials provided by Buyer to Seller in connection with Seller's performance of the Purchase Order or prepared by Seller specifically for Buyer pursuant to the Purchase Order, including but not limited to any drawings, software, specifications, raw materials, components, data, business information or plans, pricing, pricing information, customer lists or other customer information ("Confidential Information"). Seller shall not make any copies of Confidential Information except as specifically authorized by Buyer in writing. At the completion of the Purchase Order, or upon Buyer's request, Seller shall promptly return to Buyer all Confidential Information not consumed in the performance of the Purchase Order, together with any copies in Seller's possession. Seller shall use Confidential Information solely for Seller's performance of the Purchase Order for Buyer, and Seller shall not, without Buyer's written consent, directly or indirectly use Confidential Information or information derived therefrom in performing services or providing goods for any other customer of Seller, or any other person or entity.

18. Remedies of Buyer Upon Seller's Default.

(a) Seller shall, without limitation, be in default if Seller becomes insolvent, or if at any time the property of the Seller is seized or otherwise in the possession of a sheriff, receiver or trustee, or if Seller shall fail to perform under the Purchase Order, or if Seller breaches any term of the Purchase Order and/or these Terms and Conditions including Seller's warranties, or if Seller shall fail to ship Products or deliver Services to Buyer within the time specified in the Purchase Order; however Seller shall not be in default for non-performance due to fire, natural disaster, strike, riot, federal or state laws or regulations, acts or defaults of common carriers or other causes beyond the reasonable control of Seller provided Seller provides Buyer prompt written notice thereof.

(b) In the event of Seller's default, Buyer may exercise the following remedies: (a) terminate this Purchase Order; or (b) terminate this Purchase Order as to the portion of the Products or Services in default only and purchase an equal quantity of Products or level of Services from another source of the same kind and grade (or character) and recover from Seller the excess of the price so paid over the purchase price set forth in the Purchase Order, plus any incidental loss or expenses; or (c) terminate this Purchase Order as to any unshipped balance and recover from the Seller twenty percent (20%) of the purchase price of the unshipped balance as liquidated damages. In addition, Buyer shall also have all of the remedies provided by the Uniform Commercial Code as enacted in the State of Michigan.

19. Miscellaneous.

(a) The Purchase Order, these Terms and Conditions, and any proposals, quotations, forms, documents, instruments, writings, correspondence, communications and purchases between or involving Buyer and Seller regarding the Products or Services, shall be governed by the laws of the State of Michigan without regard to conflict of law provisions. Any dispute arising under, relating to or in connection with any of the foregoing shall be subject to the exclusive jurisdiction

and venue of the Circuit Court of Oakland County, Michigan, or the United States District Court for the Eastern District of Michigan, Southern Division.

(b) Neither course of performance or dealing, nor usage of trade, nor prior writings or agreements shall be used to qualify, explain or supplement any of these Terms and Conditions.

(c) These Terms and Conditions do not and are not intended to confer any rights or remedies upon any person or entity other than Seller.

(d) Failure by Buyer to enforce any rights under or to insist upon strict performance of any provision in these Terms and Conditions shall not constitute a waiver of any breach or a waiver of such provision, irrespective of the length of time for which such failure continues.

## 20. Definitions.

(a) “Buyer” means Rhe-Tech, LLC, a Michigan limited liability company, Thermocolor LLC d/b/a RheTech Colors, a Michigan limited liability company, or Rhe-Tech Engineered Plastics, LLC, a Michigan limited liability company, as the context requires, and their respective Affiliates, successors or assigns.

(b) “Seller” means any person, firm, party, company, corporation or entity selling any Products or Services to Buyer.

(c) “Products or Services” means any products, goods or services sold by Seller to Buyer including, but not limited to, labor, production and service parts, raw materials, equipment, materials, tooling, components, intermediate assemblies, work in process and end products.

(d) “Affiliates” means any person or entity now or hereafter in control, controlled by or in common control with Buyer. “Control” means the power to direct the management and policies of such person or entity, directly or indirectly, whether through the ownership of voting equity, by contract or otherwise.

(e) “FCA [named place]” or “Free Carrier [named place]” means that Seller shall deliver the goods, cleared for export, to the carrier nominated by Buyer at the named place. If the named place of delivery is Seller’s premises, Seller is responsible for loading the goods on the carrier’s mode of transport, and delivery is complete when Seller loads the goods. If the named place of delivery occurs at any other place, Seller is not responsible for unloading the goods from Seller’s mode of transport and delivery is complete when Seller places the goods at the carrier’s disposal. Buyer may permit Seller to contract for carriage at Buyer’s risk and expense. If applicable, Seller shall arrange for export clearance and shall be responsible for export expenses, including but not limited to any export duties, taxes, licenses, official authorizations, customs formalities and other charges payable upon export, if any. Seller’s completed delivery to the carrier nominated by Buyer transfers title and the risk of loss or damage to the goods from Seller to Buyer. Buyer shall be responsible for and assume all responsibility and costs relating to the goods from the time Seller’s delivery is complete, including but not limited to any carriage of the

goods, import costs, transit and insurance, if any. Buyer shall pay the costs of any pre-shipment inspections except when such inspections are mandated by the authorities of the country of export.

(f) “CIP [named place of destination]” or “Carriage and Insurance Paid To [named place of destination]” means that Seller shall deliver the goods, cleared for export, to the carrier nominated by Seller at the named place. Seller shall contract for carriage and pay the cost of carriage necessary to bring the goods to the named destination. If applicable, Seller shall arrange for export clearance and shall be responsible for export expenses, including but not limited to any export duties, taxes, licenses, official authorizations, customs formalities and other charges payable upon export, if any. Seller shall contract and pay for minimum-cover insurance against Buyer’s risk of loss or damage to the goods during the carriage to the named place of destination. Buyer shall bear all risks and any additional costs occurring after the goods have been delivered to the carrier nominated by Seller. Buyer shall be responsible for and assume all responsibility and costs relating to the goods from the time Seller’s delivery is complete, except that Seller shall pay the cost of carriage to the named place of destination. If applicable, Buyer shall obtain import licenses and shall bear the cost of all customs formalities, duties, and taxes for the import of the goods and for their transit from the named place of destination. Buyer shall pay the costs of any pre-shipment inspections except when such inspections are mandated by the authorities of the country of export. If multiple carriers are used for the carriage to the agreed destination, Seller’s duties and responsibilities are complete when Seller delivers the goods to the first carrier. Title and risk of loss or damage to the goods passes from Seller to Buyer when Seller completes delivery to the first carrier nominated by Seller.

(g) “DAP [named place of destination]” or “Delivered At Place [named place of destination]” means that Seller shall deliver the goods to the named place of destination. Seller shall contract for carriage and pay the cost of carriage necessary to bring the goods to the named destination. If applicable, Seller shall arrange for export clearance and shall be responsible for export expenses, including but not limited to any export duties, taxes, licenses, official authorizations, customs formalities and other charges payable upon export, if any. Seller’s delivery shall be complete when the goods are placed at the disposal of the Buyer or party nominated by Buyer on the arriving means of transport ready for unloading at the named place of destination. Seller shall bear all risks of loss and of damage to the goods in bringing the goods to the named place. Title and risk of loss or damage to the goods transfers from Seller to Buyer when the goods are delivered at the named place of destination. If applicable, Buyer shall obtain import licenses and shall bear the cost of all customs formalities for the import of the goods and for their transit from the named place of destination. Buyer shall pay the costs of any pre-shipment inspections except when such inspections are mandated by the authorities of the country of export.

(h) “DDP [named place of destination]” or “Delivered Duty Paid [named place of destination]” means that Seller shall deliver the goods to the named place of destination. Seller shall contract for carriage and pay the cost of carriage necessary to bring the goods to the named destination. If applicable, Seller shall arrange for export and import clearance and shall be responsible for export and import expenses, including but not limited to any export and import duties, taxes, licenses, official authorizations, customs formalities and other charges payable upon export and import, if any. Seller’s delivery shall be complete when the goods are placed at the

disposal of Buyer on the arriving means of transport ready for unloading at the named place of destination. Seller shall bear all risks of loss and of damage to the goods in bringing the goods to the named place of destination. Title and risk of loss or damage to the goods transfers from Seller to Buyer when the goods are delivered at the named place of destination. Buyer shall pay the costs of any pre-shipment inspections except when such inspections are mandated by the authorities of the country of export.

(i) “Fowlerville” means Buyer’s premises located at 9201 West Grand River, Fowlerville, Michigan, USA 48836, when used on a purchase order or other similar document as part of a shipping or delivery term.

(j) “Sandusky” means Buyer’s premises located at 2901 W. Monroe Street, Sandusky, Ohio, USA 44870, when used on a purchase order or other similar document as part of a shipping or delivery term.

(k) “Whitmore Lake” means Buyer’s premises located at 1500 E. North Territorial Road, Whitmore Lake, Michigan, USA 48189, when used on a purchase order or other similar document as part of a shipping or delivery term.