

WELLS LAMONT LLC

TERMS AND CONDITIONS OF PURCHASE

1. **ACCEPTANCE:** These Terms and Conditions of Purchase and all documents referenced herein (collectively, the "Order") is an offer by Wells Lamont LLC ("Buyer") to purchase the goods ("Goods") and/or services ("Services" and together with the Goods, the "Deliverables") described in Buyer's purchase order from the person or entity to whom the purchase order is addressed ("Seller"). Acceptance is limited to the terms of the Order. This Order expressly limits acceptance to the terms and conditions on the face and -reverse side here of, and any additional or different terms proposed by Seller are rejected unless expressly assented to in writing by an authorized representative of Buyer. The Order supersedes all prior and contemporaneous terms and conditions, oral or written, and all other communications between the parties suggesting additional or different terms. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the provisions of the Order is hereby deemed material and objected to and rejected. Unless otherwise stated herein, Seller's acknowledgment of this Order, shipment of the Goods or commencement of Services hereunder shall constitute acceptance by Seller of this Order and all its terms and conditions.
2. **PRICES:** The prices as stated on the Order and are otherwise fixed, firm and not subject to increase. Unless otherwise expressly agreed by Buyer in writing, the price includes all taxes (sales, use, excise, privilege, ad valorem, and other taxes, now or hereafter imposed or levied) and charges for packing, hauling, storage and transportation to Buyer's designated point of delivery. Unless otherwise mutually agreed by the parties in writing, Buyer is not obligated to any minimum purchase or future purchase obligations under this Order. Forecasts, estimates and similar projections of Buyer are not purchase commitments. Buyer shall have no obligation to purchase or otherwise compensate Seller for any of Seller's finished products, work in process or raw materials, not expressly covered by an Order issued by Buyer.
3. **DELIVERY:** Time is of the essence of this contract, and if delivery of the Goods or rendering of the Services covered hereby is not completed within the time specified herein, Buyer reserves the right to terminate this contract without liability, in addition to its other rights and remedies. Unless otherwise agreed by Buyer in writing, all shipments are FOB Seller port (Incoterms 2020) and title and risk of loss/damage shall pass to Buyer at such time and place. The Order must be shipped complete for delivery by the date requested. Seller shall deliver Goods in the quantities and on the date(s) specified in the Order. Buyer shall not be obligated to accept untimely, excess or under shipments and such shipments in whole or in part may, at Buyer's option, be returned to Seller, or held for disposition, at Seller's expense and risk.
4. **WARRANTY:** Seller warrants that the Goods or Services to be furnished hereunder (a) will be in full conformity with the specifications, drawings, quantities, descriptions or samples furnished or specified by Buyer, (b) will be free from defects in material, workmanship and design, (c) will be of good merchantable quality and fit and sufficient for the purposes intended, (d) free and clear of all liens, claims, security interests or other encumbrances; (e) free of claims of infringement or misappropriation of any third party's intellectual property rights; and (f) produced or provided in compliance all applicable foreign, federal, provincial, state, and local laws and regulations as well as requirements and standards applicable to the Goods and Services, including without limitation REACH, RoHS and Prop. 65 ("Laws"). Seller shall comply with all applicable Laws and refrain from engaging in any illegal, unethical, or deceptive practices. All warranties shall survive inspection, testing, delivery, acceptance, termination and payment and failure to inspect, test or discover any defect or other nonconformance. Seller agrees that if Buyer is buying any Goods covered hereby for resale, Buyer's customers shall have the full benefit of all such warranties. Seller shall defend, indemnify and hold harmless Buyer from and against all claims, losses, damages and settlement expenses (including reasonable attorneys' fees) resulting from or arising out of a breach of Seller's warranties. These warranties shall be in addition to all other warranties, express, implied or statutory. NO ATTEMPT BY SELLER TO DISCLAIM, EXCLUDE, LIMIT, OR MODIFY ANY WARRANTIES OR SELLER'S LIABILITY FOR DIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SHALL BE OF ANY FORCE OR EFFECT.
5. **INSPECTION:** All items covered hereby shall be subject to inspection by an authorized representative of Buyer at all reasonable times and places, including during production and at Buyer's ultimate destination. Buyer reserves the right to reject and refuse acceptance of any items which fail to meet any requirement of this Order, notwithstanding payment or any prior inspection or test. Buyer may return the same to Seller at Seller's expense and Seller shall repay all amounts theretofore paid by Buyer together with any costs incurred by Buyer. Buyer and its designees shall have the right to audit and inspect Seller and Seller's supplier records and facilities to determine Seller's and its supplier's compliance with the Order.
6. **CORRECTION OF DEFECTS:** If any Goods or Services furnished hereunder fail to meet all of the requirements of this Order or do not comply with the product warranty, Seller, upon receipt of notification thereof from Buyer, shall promptly repair, replace or correct the same at Seller's expense. If Seller shall fail to do so in a timely manner, Buyer may reject such defective Goods and return them to Seller at Seller's expense, cancel this Order as to all such items, and, in addition, also may cancel the then remaining undelivered or unperformed balance of this Order. All such Goods shall be held at Seller's risk and all transportation charges to and from the original destination shall be paid by Seller. Any payment for such Goods or Services shall be refunded by Seller unless Seller promptly repairs, replaces or corrects the same at its expense.
7. **RECALLS:** In the event that Buyer determines, in its sole discretion, or Seller or a governmental entity determines, that any defect, nonconformance or deficiency in any of the Goods requires a field campaign, recall, similar or other action ("Recall") to repair, replace or remediate any Goods or any of Buyer's products in which Goods are incorporated, Seller shall be liable to Buyer and its customers for all damages, costs and expenses with regard to the foregoing including, without limitation, attorneys' fees and court costs.
8. **CHANGES.** Seller shall not make any changes to Goods that are the subject of an Order without the prior written consent of Buyer. No change to any Order is binding upon Buyer unless it is in a signed writing executed by both parties, and specifically states that it amends such Order. Buyer shall have the right at any time to make changes in drawings, specifications, quantities, materials, packaging, time and place of delivery, and method of transportation, and cancel an Order, in whole or in part, without liability. If any such changes result in an increase or decrease in the cost or the time required for performance, an equitable adjustment may be made by Buyer or Buyer may, at its option, terminate an Order if agreement on an adjustment cannot be reached. Claims for adjustment must be asserted by Seller within ten days of the change order. Seller agrees to accept any such changes.
9. **PATENTS:** Seller warrants that the manufacture, sale or use of any Goods covered by this Order will not infringe any patent, copyright, trademark, trade secret, know how or other intellectual property or proprietary right ("IP Right"). If all or any portion of the Goods are held to constitute an infringement of a patent and/or their use is enjoined for any reason, Seller shall promptly, and at its own expense, either procure for Buyer the right to continue using such Goods royalty-free or replace such Goods to Buyer's satisfaction with non-infringing goods of equal quality and performance. Seller shall defend at Seller's expense any claim, action, suit or proceeding brought against Buyer or Buyer's customers on account of any such infringement or alleged infringement and shall indemnify and hold Buyer and its customers harmless from and against all judgments, damages, losses, liabilities, costs and expenses resulting from such infringement or alleged infringement.
10. **CANCELLATION:** If (i) Seller fails to deliver the Goods or to perform the Services covered hereby at the time specified herein or any extension thereof authorized by Buyer in writing, (ii) a petition initiating a proceeding under any applicable law relating to bankruptcy, insolvency or reorganization is filed by or against Seller, (iii) Seller executes an assignment for the benefit of creditors, (iv) a receiver is appointed for Seller or any substantial part of its assets, Buyer may cancel this Order without liability.
11. **COMPLIANCE WITH LAWS:** Seller warrants that all goods and services furnished pursuant to this order will be provided in compliance with all applicable laws and regulations, including the Fair Labor Standards Act of 1938 as amended.
12. **INSURANCE:** If this Order covers the furnishing of Services, Seller shall furnish certificates of insurance evidencing adequate workmen's compensation, public liability and property damage insurance coverage when requested by Buyer, such coverage to be in amounts and with carriers reasonably acceptable to Buyer. Seller shall indemnify and hold harmless Buyer, its agents and employees, from and against all claims, losses, damages, costs and expenses (including reasonable attorneys' fees) arising from any actual or alleged injury or death to any person, whether caused by Buyer's negligence or otherwise, in connection with the activities of Seller or any subcontractor or their respective officers, agents or employees in the performance of the Services to be provided hereunder.
13. **INFORMATION.** All information, documents, specifications, suggestions, comments and data ("Information") heretofore or hereafter furnished or disclosed by Buyer to Seller is and shall remain the confidential and proprietary information of Buyer and shall be maintained in strict confidence and only used for purposes of fulfilling an Order. Further, Seller shall not in any manner advertise or publish the fact that it has furnished Buyer, or contracted to furnish Buyer, any Deliverables without the prior written consent of Buyer. BUYER MAKES NO WARRANTY WITH RESPECT TO INFORMATION.
14. **REMEDIES:** Buyer shall have all rights and remedies allowed at law, in equity or otherwise, and all remedies provided herein are cumulative and not exclusive.
15. **MODIFICATION:** No waiver or modification of any of the provisions hereof shall be binding upon Buyer unless in writing and signed by Buyer's authorized agent.
16. **ASSIGNMENT:** Seller shall not assign this Order, nor any monies due or to become due hereunder, without Buyer's prior written consent, and any attempted assignment without Buyer's consent shall render this Order voidable at Buyer's option.
17. **GOVERNING LAW:** The Order shall be governed by and construed in accordance with the laws of the State of Illinois without regard to any rules on conflicts of laws and exclusively litigated in either (i) a state or federal court located in Cook County, Illinois, or (ii) a state or federal court located in the state of Seller's principal place of business, at Seller's sole discretion, provided that with respect to any Order placed by Buyer with a Seller organized outside of North America, the Order shall be governed by the laws of England and finally settled by arbitration in accordance with the rules of the Singapore International Arbitration Centre (SIAC) by a single arbitrator who shall be experienced in the gear industry and who shall be appointed in accordance with such rules. The place of arbitration shall be Singapore.