

**TERMS AND CONDITIONS**  
**ROSTI US CORP.**

**1. Acceptance.** No terms and conditions other than the terms and conditions contained herein (the "Agreement") shall be binding upon ROSTI US CORP. and its affiliated companies (collectively, "ROSTI") unless accepted by it in a writing signed by ROSTI. All terms and conditions contained in any other oral or written communication which are different from or in addition to the terms and conditions herein are hereby rejected and this document is the complete and exclusive statement of the terms, save for purchase orders submitted by Buyer for the purchase of the items contemplated by this Agreement (the "Products") which are consistent with this document and which are accepted by ROSTI (a "PO").

**2. Shipment and Inspection.** Subject to any contrary terms contained in a PO which are accepted by ROSTI, in writing, all Products are shipped FOB/FCA ROSTI's facility and Buyer shall be responsible for arranging for and paying the carrier. Risk of loss and title shall pass to Buyer upon delivery to the shipping carrier. The cost of any special packing or handling required by Buyer or the nature of the Products shall be borne by Buyer. Claims for damage, shortage, or errors in shipping must be reported within five (5) days following delivery to Buyer. Buyer shall have thirty (30) days from the date Buyer receives any products to inspect such products and services for defects and nonconformance which are not due to damage, shortage or errors in shipping and notify ROSTI, in writing, of any defects, nonconformance, or rejection of such Products. Buyer hereby agrees that such period is a reasonable amount of time for such inspection. After such thirty (30) day period, Buyer shall be deemed to have accepted the products, if not previously accepted. After such acceptance, Buyer agrees that ROSTI may overship Products in any delivery in an amount not to exceed ten percent (10%) of the total order quantity without penalty and with the right to bill for the entirety of such order. Absent gross negligence or willful misconduct on the part of ROSTI, expedited freight will not be the responsibility of ROSTI.

**3. Force Majeure.** Neither party shall be in default of its obligations hereunder to the extent that its performance is delayed or prevented by causes beyond its reasonable control, including but not limited to acts of God, civil disorders, acts of any civil or military authority, stay at home orders, pandemics, epidemics, judicial action, terrorist acts, natural disasters, shortage or allocation of raw materials or power, power failures, freight embargoes or unavailability, strikes and other labor problems or shortages, and shipping and logistic disruptions and shortages.

**4. Molds, Dies, Tools, and Other Equipment.** Molds, tools, dies, and other equipment (collectively, the "Molds") furnished to ROSTI by Buyer shall be at Buyer's risk and expense. Changes in Molds made necessary by changes in specifications already accepted by ROSTI shall be at Buyer's expense and Buyer shall assume all risk, including any required adjustments in the price or timing of delivery of the Products necessitated by the changes in the specifications. Other than transfer tooling, and so long as the Molds are not inactive for twelve (12) consecutive months, ROSTI agrees to maintain (via normal preventative maintenance) all Molds in operation during their normal productive life, with such normal productive life solely determined by ROSTI or as set forth in writing in ROSTI's tooling quotations. ROSTI shall in no way be liable for the continued existence or availability of any such Molds after expiration of such period. ROSTI makes no warranty as to productive life of, nor shall it be responsible for maintenance of transfer tooling. If ROSTI recommends repairs to Molds used to manufacture the Products and Buyer refuses to pay the cost of such repairs, or if ROSTI recommends replacement of a Mold that has exceeded its productive life and Buyer refuses to replace the Mold at Buyer's cost, then any further Products made from such Molds shall be provided "AS IS", without warranty. Buyer shall pay any unpaid costs of any Molds furnished by ROSTI upon Buyer's demand for delivery thereof. A removal fee may be charged upon removal of any tool by Buyer. ROSTI shall also have a lien upon and a security interest in any of Buyer's Molds or property in the possession of ROSTI to secure all unpaid balances due and owing from Buyer to ROSTI. If Buyer fails to remove any Molds or other property from ROSTI's facility within a reasonable period (but in no event longer than thirty (30) days) after notice from ROSTI, then ROSTI shall be entitled to assess a reasonable storage fee and/or dispose of or return such Molds or property to Buyer at

Buyer's sole expense. If ROSTI has purchased any equipment or specialty or unique raw materials or components to service Buyer, and has not recouped its cost for such items because of the termination of the parties' relationship or otherwise, then ROSTI may invoice Buyer for such equipment, materials, or components at its cost and subject to the further payment terms set forth herein, including ROSTI's molders lien rights.

**5. Mold Storage/Removal.** ROSTI shall store molds in its possession at its facilities and shall insure the Molds insured against any loss or damage while such Molds are in ROSTI's possession and so long as the Molds are not inactive for twelve (12) consecutive months. ROSTI shall only be responsible for any damage to the Molds caused by ROSTI's gross negligence or willful misconduct. Before removal of Molds from ROSTI, any costs incurred by ROSTI for mold maintenance and repair not otherwise recovered by ROSTI shall be paid by Buyer to ROSTI along with all other costs and amounts due from Buyer to ROSTI. Mold or maintenance charges may be waived at ROSTI's discretion. Buyer acknowledges ROSTI's right to a molder's lien with respect to all amounts due ROSTI, as provided by applicable law. ROSTI reserves the right to invoice Buyer for all costs and expenses incurred by ROSTI (including labor costs) in the maintenance and repair of any of Buyer's Molds upon termination of the supply relationship between the parties.

**6. Payment.** Terms are net thirty (30) days unless otherwise noted. Terms are upon receipt for all invoices. ROSTI reserves the right at any time to suspend, limit or otherwise modify the terms of such credit whenever, in ROSTI's opinion, Buyer's financial condition so warrants (including requiring Buyer to make cash payment or provide other security prior to or upon tender by ROSTI of delivery of Products). A monthly charge of one and one-half percent (1.5%) on all sums outstanding will be added to each past due amount and ROSTI shall be entitled to all costs of collection (including reasonable attorneys' fees). Payment terms for Molds are per the payment terms set forth in ROSTI's quotation for such Molds..

**7. Taxes.** Unless otherwise agreed to in writing by ROSTI, all prices quoted are exclusive of transportation and insurance costs, duties, tariffs, and all taxes including, but not limited to, federal, state, provincial and local sales, excise value added goods and services taxes, and any other taxes. All such taxes will be paid by the Buyer or it will provide ROSTI with a proper tax exemption certificate.

**8. PO Modification/Cancellation.** Buyer shall have no right to order any change or modification to any PO or otherwise cancel any PO without ROSTI's written consent and payment to ROSTI of all charges, expenses and reasonable profits owed to or anticipated by ROSTI from the cancelled or modified POI.

**9. PPAP or FI:** All costs associated with production part approval process (PPAP) or first article inspection (FAI), including any annual revalidation thereof, shall be paid for by Buyer.

**10. Lead Time.** Delivery lead time will be communicated at the time of order confirmation. Lead times are dependent on part validation or approval (e.g. PPAP), machine availability, machine capacity, and material availability.

**11. Limited Warranty.** The exclusive and limited warranty provided by ROSTI hereunder is that the Products will conform to those specifications provided by Buyer and accepted in writing by ROSTI for a period of six (6) months after delivery (the "Warranty"); provided, however, that the Warranty does not extend to any ordinary wear and tear the Products may experience, nor any damage or change to the Products caused by Buyer's or Buyer's customer's modification or augmentation of the Products or where Buyer's or Buyer's customer's integration of the Products into other components causes or contributes to any defect in the Products. The Warranty also only applies to the extent that any nonconforming Products have been properly handled, stored, used, installed, and/or maintained

by Buyer or Buyer's customers. **OTHER THAN THE WARRANTY, ROSTI MAKES NO WARRANTY WITH RESPECT TO THE PRODUCTS, AND THE BUYER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE.** Any Products made from Molds that have exceeded their productive life, as solely determined by ROSTI, are provided "AS IS". ROSTI recommends that Buyer independently test the Products to determine suitability, durability, and performance for the intended use and of any materials used in the manufacture of the Products (and Buyer is not relying upon ROSTI to determine such suitability, durability, and performance). If any model or sample was shown to Buyer by ROSTI, such model or sample was used merely to illustrate the general type and quality of the Products and not to represent that the Products would necessarily conform to the model or sample. If upon Buyer's request ROSTI assists in submitting suggestions concerning design, construction, or composition of molded parts, ROSTI shall not be liable for any suggestions adopted by Buyer in whole or in part nor shall any such assistance or suggestion be deemed to modify or supplement the Warranty.

**12. Warranty Service:** Any claims for breach of warranty shall be made by notifying ROSTI's Quality Department in writing and obtaining a Return Material Authorization ("RMA") Number for the return of the parts (which is to be referenced on all return shipping documents). The warranty service shall be performed at ROSTI's facility. In order to receive the warranty service, Buyer must return the defective part within thirty (30) days of notification from Buyer hereunder. All warranty claims will be handled pursuant to ROSTI's standard RMA procedures. If ROSTI determines that the original parts were not defective, Buyer shall reimburse ROSTI all costs of handling, transportation, and rework at ROSTI's prevailing rates. All defective parts returned under this warranty which are replaced or for which a refund is given to Buyer shall become ROSTI's property.

**13. Limitation of Liability.** In the event that it is determined that the Warranty has been breached, the liability of ROSTI and the exclusive remedies available to Buyer will be limited to the repair or replacement of the Product by ROSTI or the return of the purchase price of such Product, as determined by ROSTI in its sole discretion. **SUBJECT TO THE FOREGOING LIMITATIONS, ROSTI'S LIABILITY FOR ANY OTHER CLAIM RELATING TO THE PRODUCTS OR ANY SERVICE PROVIDED BY IT TO BUYER, WHETHER BASED ON BREACH OF CONTRACT, NEGLIGENCE, PRODUCT LIABILITY OR OTHERWISE, SHALL NOT EXCEED THE NET INCOME EARNED BY ROSTI FROM THE PRODUCTS IN THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE SALE OF THE PRODUCT GIVING RISE TO THE CLAIM. IN ADDITION, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS SAVINGS, BUSINESS INTERRUPTION, OR LOSS OF ANTICIPATED BENEFITS, ARISING OUT OF THE USE OR INABILITY TO USE THE SERVICES AND/OR PRODUCT(S), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.** Buyer shall not be permitted to assess any form of chargeback/restocking or administrative fees in connection with the return or rejection of any Products for any reason.

**14. Indemnification.** Subject to the limitations on liability set forth in Section 11, the parties shall indemnify and hold each other and their respective affiliates, shareholders, members, directors, officers, employees, and agents ("Indemnified Parties") harmless from and against any loss, liability, damage, or expense, including reasonable attorneys' fees ("Losses"), such Indemnified Parties may incur as a result or, arising out of or by reason of any breach, misrepresentation, or nonfulfillment on the part of such party of this Agreement. Buyer shall further hold the ROSTI Indemnified Parties harmless from and against Losses resulting from or relating to Buyer's or Buyer's customers' design, use, marketing, distribution, or sale of the Products, including all infringement or misappropriation (or claimed infringement or misappropriation) of patents, trademarks, or other intellectual property rights.

**15. Representations.** Buyer represents and warrants that: (a) the Products, their specifications and their sale or use do not and will not infringe any intellectual property rights of any third party, including, but not limited to, any trade secret, trademark, copyright, or patent (except to the extent designed by ROSTI), and (b) the marketing, sale, distribution, and use of the Products by Buyer comply and will comply with applicable laws and regulations.

**16. Improvements.** Unless otherwise agreed to in writing by ROSTI, any and all Process Improvements shall be the exclusive property of ROSTI and Buyer agrees to perform all actions necessary or desirable to vest and confirm ownership of Process Improvements in ROSTI. "Process Improvements" shall mean any inventions, developments, enhancements, adaptations, advancements, and other intellectual property, whether or not patented or patentable, derived from, associated with, or relating to the manufacturing, molding, or production process, technique, or procedure used to make the Products which may be discovered, developed, invented, or acquired by ROSTI, in whole or in part.

**17. Development Costs.** Buyer acknowledges that ROSTI expends and provides considerable time, resources, and expertise in connection with the intake and preparation of Products for production, including, but not limited to, molding process optimization, capital expenditures, engineering costs, and other development and application of proprietary practices ("Development Costs"), and that ROSTI undertakes those efforts with the reasonable expectation that it will be retained to provide significant production of the Products. Should the supply relationship between Buyer and ROSTI embodied in these terms and conditions and/or applicable PO terminate prior to purchase of a total quantity of Products equal to three (3) full years of production volume as indicated in the original project information provided to Buyer, ROSTI shall be entitled to issue Buyer an invoice for the unrecovered portion of the Development Costs based upon the actual purchases of Products relative to this forecasted amount, as determined by ROSTI in its reasonably exercised sole discretion. Buyer further acknowledges that any amounts due in connection with Development Costs shall be subject to ROSTI's molders' lien rights pursuant to applicable law.

**18. Termination.** ROSTI and Buyer shall have the right to terminate this Agreement and any applicable PO upon or after the material breach of any provision of this Agreement by the other party if the breaching party has not cured such breach within the thirty (30) day period following written notice of termination by the non-breaching party or, if cured, the breach repeats itself more than four (4) times in a calendar year. ROSTI shall have the right to terminate this Agreement and any applicable PO for any reason or no reason at all with ninety (90) days advance written notice to Buyer. Termination of this Agreement or any applicable PO shall not: (a) affect any other rights of either party which may have accrued up to the date of such termination or expiration; or (b) relieve Buyer of its obligation to pay to ROSTI sums due for Products ordered under POs, all inventory and work in process produced, all raw materials and packaging obtained or held in inventory for, in transit to, or on order for the benefit of Buyer, and any and all Molds or components purchased for Buyer by ROSTI for which ROSTI has not been reimbursed. The obligations and rights of the parties under this section shall survive termination of this Agreement and any applicable PO.

**19. Product Pricing.** Prices quoted in ROSTI's quotations are only for the quantities set forth in the quotation and do not apply to an PO for different quantities. Prices quoted are based upon continuous production of the quality or quantities specified and the price from small runs shall be subject to a reasonable increase in price. Prices quoted will be valid for a period of thirty (30) days. Prices are based on current material costs. Fluctuations in material costs and availability may affect price. No finishing operations of any type are included unless specifically stated. Packing is bulk packed only unless otherwise stated. Product pricing is quoted based on the variables identified below at time of quotation and is subject to change if any of the variables identified below change between

issuance of ROSTI's quotation and receipt of Buyer's PO. Product pricing will also be reviewed at ROSTI's discretion, but no less than on a quarterly basis. Pricing is subject to change and adjustment upon written notice from ROSTI based on changes to the variables and costs, including, but not limited to:

- **Resin and Purchased Component Price:** Increase in the cost of resin or purchased components will result in an adjustment of the Product price. Substitution of an alternate resin due to obsolescence or availability may also trigger price adjustment, along with limits on applicable warranties.
- **Production Scrap:** Scrap over the initial estimate may be assessed on future orders by an increase in part price. Examples include mold-caused defects where the Buyer does not wish to pay for the repairs necessary to repair the Mold. In such a circumstance, ROSTI will continue to run in a higher scrap condition yet adjust the part price accordingly.
- **Cycle Time and Mold Cavitation:** Cycle times that deviate from the estimate will result in an equitable adjustment to the Product price. Similarly, if the number of Mold cavities change from those quoted, the Product price may be adjusted.
- **Design or engineering changes:** When such changes require modifications to form, fit, function, or handling, a requote of the price will result.
- **Part Weight:** When weights are estimated, the Product price will be adjusted after actual weight is established through approved sample parts.
- **Labor:** Changes in the applicable minimum or prevailing wage will result in an equitable adjustment to the Product price.

**20. Tolerances and Gauges.** Unless otherwise specified herein, tolerances are subject to commercial variations as set out in the *Plastics Engineering Handbook of the Society of The Plastics Industry, Inc.: Standard of Tolerances on Molded Articles*. If special gauges are required, Buyer will furnish them at its expense.

**21. Molded-In Inserts/Packaging.** Unless otherwise specified herein, inserts and packaging furnished by Buyer shall exceed by ten percent (10%) the number required to fill the order for Products. Inserts furnished by Buyer must conform to requirements and shall be subject to ROSTI's approval as respects suitability for the molding process. ROSTI shall not be liable for damages to Molds caused by inserts furnished by Buyer, nor shall ROSTI be liable for defects in Products caused by defective inserts or packaging furnished by Buyer.

**22. Confidentiality.** In addition to any confidentiality agreement signed by Buyer and ROSTI, which shall remain in full force and effect except for those terms inconsistent with this Agreement, Buyer will maintain the confidentiality of all information identified as such by ROSTI or which would generally be understood by a reasonable person to be confidential, based on the manner and circumstances in which it is disclosed. Buyer will not disclose any such confidential information to any third party or use such confidential information other than in support of this Agreement, the Products, or a PO.

**23. Forecast commitment.** If the Buyer has submitted forecasts as to its upcoming purchase of Products and its actual orders do not correspond to the forecasts, then Buyer must reimburse Rosti for the costs for raw materials, components, and other expenses that ROSTI incurs (or has incurred) due to such forecasts.

**24. Miscellaneous.** This Agreement shall be governed by and construed in accordance with the laws of the Wisconsin (regardless of the laws that might be applicable under principles of conflicts of laws) as to all matters, including, but not limited to, matters of validity, construction, effect, and performance. The parties hereby irrevocably consent to the exclusive jurisdiction of the courts of the State of Wisconsin in Washington County, and the federal courts for such jurisdiction, and waive any contention that any such court is an improper venue for enforceability of this Agreement. The prevailing party in any action seeking to enforce this Agreement or applicable PO shall be entitled to recover its reasonable attorneys' fees and costs. The failure of ROSTI to insist upon performance of any provision or to exercise any right or privilege granted to ROSTI in this Agreement or applicable PO shall not be

construed as waiving such provision or privilege. The invalidity of any terms or provisions hereof shall not affect the validity of the remaining terms or provisions, and this Agreement shall be construed as if such invalid terms or provisions had been omitted. Buyer may not assign this Agreement or PO without the written consent of ROSTI, which shall not be unreasonably withheld. Other than the signatory for ROSTI to ROSTI's quotations, no agent, employee or representative of ROSTI has any authority to bind ROSTI to any affirmation, representation, or warranty concerning Products or services sold under any quotation, and any other affirmation, representation, or warranty shall not in any way be enforceable by the Buyer.