

**1. ACCEPTANCE AGREEMENT.** Supplier's commencement of services or shipment of the goods, whichever occurs first, constitutes acceptance of this purchase order ("order") and all of its terms and conditions. In the event of any inconsistency between the provisions of this order and any other signed written contract between BUYER and Supplier ("written contract"), the latter shall prevail. If this order is for goods, BUYER hereby objects to any terms proposed by Supplier in Supplier's acceptance or acknowledgment of BUYER's offer which add to, vary from, or conflict with the terms of this order or written contract (as the case may be). Any such proposed terms shall not operate as a rejection of this offer but are deemed a material alteration, and this offer shall be deemed accepted by the Supplier without said additional or different terms. If this order shall be deemed an acceptance of a prior offer by Supplier, such acceptance is expressly limited to the terms contained within this order.

**2. PRICE.** The goods shipped or services performed against this order must not be invoiced at a higher price than shown on the face of this order without the prior written consent of BUYER. The invoice must itemize transportation charges, including foreign inland freight and insurance and taxes separately, if applicable. If the price is omitted from the order, the price shall be the lowest prevailing market price. No charge will be allowed for packing, labeling, commissions, customs duties, storage, crating, express handling or travel unless indicated on this order. Unless otherwise expressly stated on the order, payment terms are net ninety (90) calendar days from the date of a proper invoice unless there is a valid dispute. Electronic payment is permitted if agreed by the parties.

**3. CONFIDENTIAL PROPRIETARY INFORMATION.** The existence and terms of this order and any and all information or data furnished by BUYER to Supplier under this order in whatever form shall be deemed BUYER Confidential Proprietary Information; shall remain BUYER's property; shall be kept confidential; and shall be promptly returned to BUYER at BUYER's request. Supplier shall not disclose to any other person or use, without BUYER's prior written permission, any BUYER Confidential Proprietary Information for any purpose other than performing this order. No press releases or other publicity regarding this order may be issued without BUYER's prior written consent. Unless otherwise agreed in writing, information in whatever form disclosed in any manner or at any time by Supplier to BUYER shall not be deemed secret or confidential.

**4. WARRANTIES.** Supplier shall provide all labour, materials, tools, equipment, personnel, supervision, and facilities necessary to provide the goods or perform the services described in this order, in strict accordance with its terms and any schedules, specifications, drawings, BUYER manuals, and other documents specifically attached to or referenced herein. Supplier expressly warrants that all goods or services provided under this order shall be merchantable, free from defects in material and workmanship, of the highest quality, and shall conform to all applicable specifications and appropriate industry standards. If Supplier knows or has reason to know the particular purpose for which BUYER intends to use the goods or services, Supplier warrants that such goods or services shall be fit for such particular purpose. Supplier further warrants that the goods are wholly new. Supplier further warrants that services will be performed by qualified persons utilizing, if applicable, BUYER components or components of equal quality. Supplier agrees to re-perform at Supplier's cost and expense any service not in compliance with the foregoing warranty. Supplier shall indemnify and hold BUYER harmless for all damage arising out of any breach of these warranties. In addition to the warranties above, Supplier shall extend all warranties it receives from its vendors to BUYER. Breach of the warranties set forth in this provision, or any other term of this order, shall entitle BUYER to all available remedies.

**5. TERMINATION.** BUYER may terminate all or any part of this order at any time without cause upon written notice to Supplier. BUYER will pay a reasonable termination charge based on a percentage of the order price reflecting the percentage of work performed by Supplier prior to termination. Any claim for payment of such termination charges must be submitted in writing to BUYER within thirty (30) calendar days of receipt of written notice of termination. BUYER shall have the right to audit all elements of the termination claim, and Supplier shall make available to BUYER on request all books, records and papers relating thereto. For the avoidance of doubt and notwithstanding the foregoing, BUYER shall not by reason of its lawful termination of this order be liable to Supplier for compensation, reimbursement or damages on account of the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business or goodwill of Supplier. Late deliveries, deliveries of goods which are defective or which do not conform to this order, failure to perform as agreed, and failure to provide reasonable assurances of future performance upon request, appointment of a receiver, or an assignee for the benefit of creditors, insolvency or inability to pay debts as they become due, except as may be prohibited by applicable bankruptcy laws, shall entitle BUYER to terminate this order for cause. In such event, Supplier shall be liable to BUYER for any damages (or at BUYER's option, specific performance) incurred as a result of Supplier's breach or default. Neither party will be liable to the other for any delay or failure to perform if that delay or failure results from an unforeseeable cause beyond its reasonable control, except that BUYER may terminate all or any portion of this order without liability to Supplier if such delay or failure to perform by Supplier or on behalf of Supplier extends beyond thirty (30) calendar days of BUYER's specified delivery date. The representations, warranties, indemnities and other obligations which by their nature or context are intended to survive payment and/or termination of this order shall survive, including but not limited to the obligations in paragraphs 3, 4, 5, 6, 7 and 12 of this order. BUYER'S TOTAL LIABILITY FOR DAMAGES UNDER THIS ORDER SHALL NOT EXCEED THE PRICE ALLOCABLE TO THE GOODS OR SERVICES GIVING RISE TO THE CLAIM.

**6. INDEMNIFICATION.** By acceptance of this order, Supplier agrees to indemnify BUYER against all claims, judgments, decrees, costs and expenses, and attorney's fees incident to any proceeding which may be brought against BUYER or its agents, distributors, customers, or other vendors based on a claim of alleged copyright, trademark, or patent infringement, as well as for an alleged claim of unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished under this order, unless the goods or services are of BUYER design or formula. Supplier also agrees to indemnify BUYER against all claims, judgments, decrees, costs and expenses arising out of or resulting in any way from any obvious or apparent defects or latent defects in the goods or services purchased under this order, or from any act or omission of Supplier, its agents, employees or subcontractors. Supplier agrees that it will, upon request of BUYER and at Supplier's own expense, defend or assist in the defense of any action which may be brought against

BUYER or its agents, distributors, customers, or other vendors for such infringement or claimed infringement or alleged claim of unfair competition. BUYER agrees to notify Supplier promptly upon receipt of notice of infringement or information of such a suit having been filed. This indemnification shall be in addition to all other obligations under this order.

**7. TRADEMARKS AND TRADENAMES.** If any goods are rightfully rejected or not purchased by BUYER which utilize BUYER's name, trademarks, trade names, insignia, symbols, or decorative designs, Supplier agrees to remove same prior to any sale, use or disposition thereof. Supplier shall not have the right under this order to use the name, trademarks, or trade names of BUYER, unless prior written approval has been obtained, and Supplier acknowledges that all trademarks, service marks, and trade names of BUYER are the sole property of BUYER. Supplier warrants that it will take no action which might derogate from BUYER's rights in, or the goodwill associated with, such marks and names.

**8. MATERIALS, TOOLS AND EQUIPMENT.** All tools, equipment, dies, gauges, models, drawings or other materials paid for or furnished by BUYER for the purpose of this order shall be and remain the sole property of BUYER. Further, title to all work, whether completed or in the course of construction and to all materials on account of which any payment has been made by BUYER, shall be vested in BUYER. Supplier shall safeguard all such property while it is in Supplier's custody or control; be liable for any loss or damage thereto; at BUYER's option, procure adequate insurance therefore; use it only for BUYER orders; and return it to BUYER upon request. Any such property described above, whether furnished or ordered by BUYER, and which may be in an unfinished state, may be removed from Supplier's premises or the premises of subcontractors upon request without further action or bond. In the event that BUYER removes such property that is not finished, BUYER will pay Supplier a percentage of the order price that corresponds to the percentage of completion. Supplier represents and warrants that it shall keep all property upon which it works free from all liens and/or charges during the performance of services, and shall immediately notify BUYER of any and all liens, claims or other similar charges asserted by those furnishing labour, material, services or equipment in connection therewith, and shall promptly pay all undisputed claims and all undisputed portions of disputed claims. Supplier agrees to waive and hereby does waive any lien it may have in regard to such property and ensure that subcontractors do the same. Supplier authorizes BUYER to withhold from any payments due Supplier hereunder amounts equal to the amounts of all outstanding claims. Supplier shall present to BUYER releases and lien waivers from all such subcontractors, material suppliers and other claimants prior to final payment by BUYER. If any stop notices, liens, attachments or levies are filed in connection with the work or any portion thereof, then in addition to any amounts withheld hereunder, Supplier authorizes BUYER to withhold from any payments due Supplier, under this or any other contract, amounts equal to one hundred twenty-five percent (125%) of the amounts of such stop notices, liens, attachments or levies. BUYER shall have the right to pay any such funds withheld in order to satisfy, discharge and/or release claims or liens, and any such payments shall be deemed payments of such amounts to Supplier.

**9. CHANGES.** BUYER shall have the right to make changes in this order at any time at its sole discretion upon written notice to Supplier. Such changes shall be subject to an equitable adjustment in the performance schedule and/or purchase price, based on reasonable and unavoidable costs incurred by the Supplier as a result of such change. Any claim of Supplier for an adjustment must be submitted in writing to BUYER within thirty (30) calendar days of BUYER's change notice. For the avoidance of doubt, all quantities or forecasts of goods to be ordered are purely indicative and BUYER will have no liability if actual orders placed with the Seller do not meet such quantities or forecasts. Any discrepancy between actual orders and forecasts shall not be construed as an order change.

**10. INSPECTION.** Supplier's facilities, equipment, and the goods and services purchased and to be purchased under this order are subject to BUYER's inspection and acceptance. Payment for the goods shipped and services performed shall not constitute acceptance. Goods and services shall only be deemed accepted when they have actually been counted, inspected, and tested by BUYER and found to be in conformance with this order. Goods rejected and/or goods supplied in excess of those ordered or delivered in advance of the delivery schedule may, in addition to BUYER's other rights, be returned to Supplier at its expense, including all expenses of unpacking, examining, repacking and reshipping. If BUYER receives goods or services with defects or nonconformities, whether or not apparent on inspection, BUYER reserves the right to require re-performance or a refund or replacement, as well as transportation costs and payment of damages. Nothing contained in this order shall relieve Supplier from its obligations of testing, inspection and quality control.

**11. PACKING, DELIVERY AND SHIPMENT.** All goods shall be packed and shipped in accordance with instructions or specifications contained in this order. In the absence of any such instructions, Supplier shall comply with best commercial practices to ensure safe arrival at destination at the lowest transportation cost. TIME IS OF THE ESSENCE ON THIS ORDER. If goods are not delivered nor services provided by the date specified, BUYER shall be entitled to terminate, without liability, this order as to items not yet shipped or services not yet rendered, by written notice effective upon receipt by Supplier. In such instance, BUYER may purchase substitute goods or services elsewhere and charge Supplier for any loss incurred. If, in order to comply with BUYER's required delivery date, it becomes necessary for Supplier to ship by a more expensive method than specified in this purchase order, Supplier shall pay any increased transportation costs, unless the necessity for such rerouting or expedited handling has been caused by BUYER.

**12. COMPLIANCE WITH LAWS.** Supplier warrants that all goods and services supplied pursuant to this order will have been performed, produced and supplied in compliance with all applicable federal, state and local laws, orders, rules and regulations; and all applicable jurisdictions' rules and regulations concerning wages and working hours, safety and health, anti-discrimination and humane treatment of workers. Supplier shall indemnify BUYER against any liability caused by any non-compliance with this provision. To the extent that any regulatory approvals are needed in any country for the goods or the products into which they will be incorporated, the Seller will provide all reasonable assistance, documentation and information for the purpose of obtaining regulatory approvals. The Seller agrees that failure to do so may result in a change of volume of goods being ordered and it will not be possible for the affected goods to be utilized by BUYER, and as such BUYER shall not be liable for the consequences, directly or indirectly, of any change or orders or total volumes of goods purchased.

**13. IMPORT/CUSTOMS.** For each shipment where the Supplier sources goods covered by this order outside the country in which BUYER is incorporated, BUYER shall have the option of being the Importer of Record. In such case, Supplier shall furnish BUYER with a commercial invoice containing the following information: (a) port of entry; (b) name and address of Supplier and BUYER entity purchasing the merchandise; (c) name of shipper (if different from Supplier); (d) country of export; (e) detailed description of merchandise in English; (f) quantities and weights; (g) actual purchase price, including all elements of the amount paid or payable by BUYER; (h) the currency in which the sale was made; (i) all charges, costs and expenses associated with the merchandise, including freight, insurance, commission, containerization and packing, unless the cost of packing, containerization and inland freight are already included in the invoice price; (j) all rebates or discounts; (k) the country of origin (manufacture) of the goods; and (l) all goods or services furnished for the production of the merchandise (e.g., "assists") not included in the invoice price for the first shipment of goods unless BUYER directs otherwise in writing. All goods, unless specifically exempted, shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit, with the country of manufacture of the goods. Supplier agrees to comply with all laws and regulations governing the importation of goods into the country designated by BUYER. Supplier agrees to hold harmless and indemnify BUYER, its directors, officers and employees against all losses, claims, penalties, judgments, liabilities and expenses which any of them may pay or incur arising out of this order, including but not limited to all representations made by the Supplier with respect to documentation or other Customs or Governmental requirements with regard to entry requirements, classification, valuation, preferential treatment, duty drawback or trade terms (INCOTERMS).

**14. GOVERNING LAW AND DISPUTE RESOLUTION.** This order shall be governed by and interpreted under the laws of the country where BUYER is domiciled as a legal entity and the parties hereby consent and submit to the jurisdiction of the country where BUYER is domiciled as a legal entity for the purposes of any dispute from or out of this order.

**15. GENERAL.** (a) This order and any documents attached to or referred to on this order constitute the entire agreement between the parties and can only be modified by a writing signed by authorized representatives of both parties. (b) The invalidity in whole or in part of any provision herein shall not affect the validity of other provisions, unless such invalidity would frustrate the purpose of these terms and conditions. (c) Supplier is an independent contractor in the performance of its obligations under this order, and BUYER is to have no control over the methods and means Supplier uses to fulfill its obligations. Neither Supplier nor its employees shall be considered employees of BUYER or entitled to participate in any BUYER employee benefits or plans of any kind. (d) No part of this order may be assigned or subcontracted without the prior written approval of BUYER. No approval of assignment or subcontract shall be granted by BUYER unless the Supplier shall include provisions in each assignment or subcontract that subjects the assignee or subcontractor to obligations identical to Supplier's obligations under this order. BUYER's written approval of such assignment or subcontract shall not affect the provisions of this order, and Supplier shall not in any manner be released or discharged from its obligations and liabilities, and shall remain liable for all acts and negligence of such assignees and subcontractor(s), and their officers, agents and employees as if they were the employees of the Supplier. (e) All claims for money due or to become due from BUYER shall be subject to deduction or set off by BUYER for any counterclaims arising out of this order or any other transaction with Supplier. (f) BUYER's failure to enforce or insist on performance of any of the terms or conditions in this order shall not operate as a waiver of that or any other right. (g) In the event of any inconsistency between the English language version of this order and any other language version that may be issued (where applicable), the former shall prevail.

**16. TAXES.** Sales tax applies to taxable orders. Sales tax does not apply to tax-exempt orders (i.e. items purchased for resale or items exempt by law).

**17. ANTI-BRIBERY.** The Supplier shall comply and ensure compliance of its third party suppliers and/or sub-contractors and agents with the principles of the BUYER's Code of Business Conduct and Anti-Bribery Policy as amended from time to time ("**Policies**"). The Supplier shall promptly report to BUYER any violation of the Policies. The Policies are available at <http://www.rb.com/Our-responsibility/Our-policies-reports>. Breach of this clause shall be deemed a material breach of this order.