



## TERMS AND CONDITIONS OF PURCHASE (Revised January 2023)

As used herein, “**Buyer**” means CPP INCORPORATED, or any of its affiliates or subsidiaries, as the case may be, and “**Seller**” means the seller of the goods and/or services (“**Products**” or “**Services**” as the case may be) to Buyer that are the subject of Buyer’s purchase order (“**PO**”). THE PO IS AN OFFER TO PURCHASE THE PRODUCTS AND/OR SERVICES FROM YOU AS SELLER ON THE TERMS AND CONDITIONS SET FORTH HEREIN (“**Terms**”). **To the extent of any inconsistency between the PO, the contract and these Terms, these Terms shall control.** Acceptance of this offer shall occur upon the earlier of Seller’s shipment of Products or rendering of Services or by Seller’s submission to Buyer of its written order confirmation, invoice for such Products or Services, or other written manifestation of acceptance of these Terms. **No change, modification, or revision of these Terms will be effective unless agreed in writing and hand signed by a duly authorized representative of Buyer.** The PO (including these Terms) constitutes the entire agreement between the parties with respect to, and supersedes any other agreements or contracts on this subject, and Buyer hereby rejects any additional or different terms on any document submitted by Seller.

**1. DELIVERY AND CANCELLATION.** Time is of the essence in the performance under the PO. Delivery of Products or the rendering of Services shall be strictly in accordance with the schedule set forth in the PO, or if not specified therein, as otherwise specified by Buyer, and Seller will report any Product delivery delays or Service delays to Buyer immediately. Receipt of such report shall not operate as a waiver of any of Buyer’s rights hereunder. **With respect to Services, Seller hereby agrees to provide Buyer with a budget and timeline for Services to be rendered, and progress reports on a weekly basis (showing progress and amounts owed through such date) unless another timeframe is agreed to by Buyer in writing.** Buyer shall have the right to cancel the PO, in whole or in part, upon written notice at any time prior to shipment of Products or the rendering of Services thereunder. Any partial cancellation shall not affect Seller’s obligations with respect to the portions of the PO not cancelled. Buyer shall have no liability for

cancellation of the PO for standard Products. Buyer shall have no liability for cancellation of Services not rendered. Any claim for cancellation charges for nonstandard Products shall be submitted to Buyer in writing, accompanied by reasonable supporting documentation, within thirty (30) days after receipt of Buyer’s cancellation notice and shall be subject to Buyer’s reasonable approval and considered liquidated damages. Seller’s claim for such Product cancellation charges shall be limited to the cost of unique work in process which cannot reasonably be sold to third parties, or which contains proprietary information of Buyer, and the cost of paying reasonable claims of Seller’s vendors for such work, in accordance with Seller’s written agreements with such vendors. In no event shall any such claim for nonstandard Products exceed the total price for Products cancelled under such PO. Upon payment of such a claim, Seller shall promptly deliver to Buyer all associated work in process, which shall be deemed to be the sole property of Buyer.

**2. PACKING AND SHIPMENT.** All Products shall be prepared for shipment according to Buyer’s instructions, in a manner that follows good commercial practice, acceptable to common carriers for shipment at the lowest rate, and adequate to ensure safe arrival. In the absence of specific instructions from Buyer, Seller shall ship and package the Product using reasonable methods. All shipments shall be accompanied by an itemized packing list. Seller shall not make, and Buyer shall have no obligation to accept, any partial shipments or shipments that arrive before the date specified herein. Delivery of Products shall be made **FOB Buyer’s delivery location.** Risk of loss shall immediately transfer to Seller as to any Products which are not accepted by Buyer, which are rejected by Buyer, or as to which Buyer’s acceptance has been revoked. Compliance with the laws and regulations of the country of origin and the country of destination must be strictly adhered to with respect to international shipments. Buyer and Seller will cooperate in obtaining all necessary approvals, licenses, and other documentation required for such international shipments.

**3. CHANGES.** Buyer may at any time, upon written notice, increase or decrease Product quantities, change delivery dates, or make changes with respect to Product drawings,

designs or specifications, the method of Product shipment or packing, or the place of Product delivery. If any such change causes an increase in the cost or the time required by Seller for performance of this PO, and Seller so notifies Buyer in writing within three (3) business days from Seller's receipt of such change, then a reasonable adjustment to the Product price or delivery schedule, or both, will be made and this PO shall be modified in writing to reflect such changes.

**4. INVOICES.** Seller shall submit each invoice with a bill of lading or express receipt, in duplicate, and include, without limitation, the PO number, the Product number, a Product description, Product size, quantities and unit prices. With regard to Services, Seller shall submit each invoice with sufficient detail in terms of time involved, the applicable rates and confirmation that the Service was performed in accordance with the budget and timeframe. **Payment of undisputed invoiced amounts is due 60 days from Buyer's acceptance of Products or Services (as applicable) for which the invoice was issued.** With respect to Services, Seller shall comply with the agreed upon budget, timeline and not-to-exceed amount instruction from the Buyer. Payment of invoice will be subject to adjustment for errors, shortages, defects in the goods or unsatisfactory or non-compliant performance of Services or other failure of Seller to meet the requirements of this PO or instructions provided by Buyer. Seller agrees not to impose a price adder or surcharge to any Product or Service as a result of increased costs and expenses, including but not limited to, costs associated with supply chain shortages, shipment, COVID-19 or other unanticipated costs and expenses.

**5. ACCEPTANCE.** Buyer's payment for Products or Services shall not constitute acceptance thereof. All Products and Services are subject to Buyer's inspection, test and review (as applicable) at Buyer's premises before acceptance. Products or Services not rejected by written notification to Seller within thirty (30) days of receipt shall be deemed accepted. Buyer shall have the right to reject or require the replacement or repair of any Product found to be defective which Product shall be promptly replaced or repaired by Seller, or accept such Product with a reasonable reduction in price. If Buyer returns any Products to Seller pursuant to this Section 5, Seller shall bear the entire risk of loss for, and shall pay all costs

associated with the shipment of, such Products. Buyer shall have the right to have any Services redone or reject such Service if it is found to be deficient and non-compliant with Buyer's prior instructions.

**6. WARRANTY.** In addition to any warranty provided by Seller, Seller additionally warrants that for one (1) year following the date the Products are accepted, all Products provided hereunder shall be new and not refurbished, free from defects in workmanship, materials and design (except where such design has been provided solely by Buyer), shall conform to this PO, their published specifications and samples and shall be free from claims or liens of third parties, including without limitation any mechanics liens or other encumbrances. With respect to any Products that fail to comply with the foregoing warranties, Seller shall accept return of such Products from Buyer and, at Buyer's option (and Seller's expense), promptly: (a) repair such Products to make them conforming and return them; (b) replace such Products with conforming Products and ship to Buyer under the terms set forth herein; or (c) refund all amounts paid to Seller for such non-conforming Products. Buyer has no liability for any returned Products, and Seller bears all liability, responsibility and expenses therefore. In addition to any warranty provided by Seller, Seller additionally warrants for a one-year period that the Services provided comply with industry standards, are of good workmanship, and comply with the requirements, specifications and instructions of Buyer. If such Services fail to comply with the Seller's warranties and the foregoing warranties, at Buyer's option (and Seller's expense), Seller shall promptly: (a) reperform such Services or (b) provide a refund to Buyer for such non-conforming Services.

**7. INDEMNITY.** Seller shall indemnify Buyer and Buyer's customers and hold them harmless from and against any costs, expenses, losses, damages or liabilities (including attorneys' fees) arising from or related to any claim, demand, threat, suit or proceeding regarding (i) any personal injury (including death) or property damage and (ii) any actual or alleged infringement of any patent, copyright, trade secret, trademark, registered design, maskwork or other third party right arising from or related to the use or sale by Buyer of any Products furnished hereunder (a "Claim"). Buyer shall notify Seller of any such Claim and Seller

shall defend or settle, at its own expense, every Claim. If an injunction restricting Buyer's or its customer's rights with respect to any Product or Service is issued or appears reasonably likely to be issued as a result of any such Claim, Seller agrees at its expense, and at Buyer's sole option, to promptly either: (a) procure for Buyer the right to continue using such Products or Services; (b) replace such Products or reperform such Services with non-infringing Products or Services; (c) modify the Products or Services so that they are non-infringing; or (d) refund to Buyer the amount paid for such Products or Services.

**8. OTHER.** Any notice, approval or consent required or permitted hereunder shall be in writing, effective only upon receipt by the party being served, and deemed to have been duly given if sent by confirmed telecopy, mailed by registered or certified mail, postage prepaid, or delivered by overnight courier service with tracking capabilities to the respective address of the parties as set forth in this PO (or such other addresses a party may designate by ten (10) days prior written notice. If any part of the PO or these Terms are found by any competent authority to be invalid or unenforceable, that part will be amended to achieve as nearly as possible the same economic effect as the original provision and the remainder of the PO and Terms will remain in full force and effect. No delay or omission by Buyer exercising any right or remedy shall constitute a waiver of such right or remedy, or prejudice the right of Buyer to enforce such right or remedy at any subsequent time. The rights and remedies provided to Buyer herein shall be cumulative and in addition to any other rights and remedies available to it at law or in equity. These terms and the sale of the Products and Services hereunder are governed by the laws of the State of Colorado without reference to any conflict of laws principles that may require the application of the laws of a different jurisdiction. The parties expressly disclaim application of the United Nations Convention on the International Sale of Goods. All disputes arising out of this Agreement shall be subject to the exclusive jurisdiction of the state and federal courts having within their jurisdiction Buyer's principal place of business, and the parties agree and submit to the personal and exclusive jurisdiction and venue of these courts. These terms may only be amended by an explicit and formal written document, hand signed by the authorized representatives of both parties.