

## SECURITY CHIMNEYS INT. LTD. TERMS AND CONDITIONS OF PURCHASE

### 1. Applicability.

(a) These Security Chimneys Int. Ltd. Terms and Conditions of Purchase (these “**Terms and Conditions**”), together with (i) any additional terms or conditions set forth in the purchase order issued by Buyer to Seller (as those terms are defined below) (the “**Purchase Order**”), (ii) any written supply or master agreement entered into by Buyer and Seller relating to the Goods (as defined below) (the “**Supply Agreement**”); (iii) any other document in which these Terms and Conditions are attached or are incorporated in by reference, and (iv) any attachments, instructions or requirements furnished to Seller by Buyer (collectively, this “**Contract**”) apply to the purchase by Security Chimneys Int. Ltd. or one of its affiliates or subsidiaries that is party to the Contract (each, as applicable, the “**Buyer**”) of the goods and related services described in this Contract (the “**Goods**”) from the seller party to whom the Purchase Order is addressed or who is otherwise a party to a Supply Agreement with Buyer for the Goods (“**Seller**”).

(b) Unless otherwise agreed in writing with Buyer, Seller’s acceptance is expressly limited to the terms of this Contract. Any additional or different terms proposed by Seller (whether in Seller’s quotation, proposal, acknowledgement, invoice or otherwise and whether or not delivered prior to or after entry into this Contract) are expressly rejected by Buyer, are not part of this Contract, and are not binding on Buyer without the express prior written acceptance of such terms by Buyer’s authorized representative. The parties have agreed and it is their intent that the “battle of the forms” described in Section 2-207 of the Uniform Commercial Code will not apply to this Contract or to any invoice or acceptance form of Seller relating to this Contract. If there is a conflict in any of the documents making up this Contract, the documents will prevail over each other in the following order of precedence: (i) any document specifically agreed to in writing and signed by the parties (including the Supply Agreement); (ii) the terms of any Purchase Order (excluding these Terms and Conditions); (iii) these Terms and Conditions; and (iv) any other requirements or documents that make up this Contract.

2. Quantity; Delivery; Transfer of Title. Unless the Purchase Order, the Supply Agreement, or a separate written agreement executed by Buyer’s authorized representative requires Seller to manufacture, ship, and/or provide all or a percentage of Buyer’s requirements for the Goods, this Contract is not a requirements contract and Seller will provide Buyer the quantity of Goods set forth in the Purchase Order or Supply Agreement, as applicable. Buyer may provide Seller with estimates, forecasts, or projection of its anticipated future needs for the Goods (“**Forecasts**”). The parties agree that all Forecasts, whether delivered prior to or during the Term, are for informational purposes only, are based on information provided to Buyer by Buyer’s customers, do not express an intent by Buyer to purchase any minimum quantity or volume of Goods, are not a commitment by Buyer to purchase any particular quantity of Goods, and are not binding on either Buyer or Seller. Time of delivery, quantity, and quality are of the essence. Deliveries must be made in the quantities and at the times specified in this Contract or otherwise in accordance with Buyer’s written directions delivered by Buyer to Seller from time to time. Seller agrees to accept each Purchase Order or other written direction issued by Buyer that is consistent with the terms of this Contract. Unless otherwise specified on a Purchase Order, the Supply Agreement, or otherwise agreed to in writing by the parties, Seller must deliver the Goods DDP to Buyer’s designated delivery location (Incoterms 2020). Title and risk of loss to the Goods passes to Buyer upon Buyer’s or its customer’s receipt of the Goods. If requested by Buyer, Seller will fully cooperate with and coordinate with Buyer’s customers regarding the shipment and delivery of the Goods.

3. Packing; Marking; Shipping. Seller must (a) properly mark, pack, and ship all Goods in accordance with the requirements of Buyer, Buyer’s customers, the involved carriers, and any applicable Law (as defined below); and (b) label and/or tag each package according to Buyer instructions or, if no instructions are provided, in accordance with the prevailing standards of the industry. Seller will also (i) promptly fulfill and respond to information requests regarding verification of country of origin for each shipment of Goods (including supplier declarations and certificates of origin); (ii) issue invoices that meet the requirements of the origin and destination countries; and (iii) promptly notify Buyer of any errors or omissions in sub clauses (i) and (ii). Unless otherwise agreed in writing by Buyer or set forth in a Purchase Order, Seller shall bear all costs and expenses of marking, packing, and shipping the Goods.

4. Quality; Nonconforming Goods. Seller must meet or exceed all quality requirements of Buyer (including without limitation the ISO 9000 series of standards), including, without limitation, those set forth in any specifications, drawings or designs provided by Buyer. If a quality standard is not provided in this Contract or otherwise provided to Seller, Seller must manufacture the Goods in accordance with prevailing industry standards for products that are substantially similar to the Goods. All Goods are subject to Buyer’s inspection and approval at the destination; provided, however, Seller agrees that Buyer may not perform inspections of incoming Goods and waives any right to require Buyer to conduct such inspections. Buyer’s inspection, testing or failure to inspect or test the Goods does not constitute acceptance of the Goods, effect any right of Buyer, or relieve Seller of any of its responsibilities for testing, inspection, and quality control. Buyer may, at its option, reject any Goods that fail to conform strictly to the requirements of this Contract. If Buyer rejects any Goods, Buyer may elect to, without any liability to Seller, and at Seller’s cost and expense (a) require Seller to promptly remediate or replace the Goods; (b) require Seller to refund the price of the non-conforming Goods in full and/or (c) exercise any other right(s) provided to Buyer in this Contract or available at Law. Buyer’s rights and remedies to reject non-conforming Goods shall, without limiting such right, extend to Goods returned by Buyer’s customers. Without limiting the foregoing, Seller shall maintain a traceability program for components and material incorporated into all Goods, for both serialized and non-serialized materials and components. Seller shall ensure that all Goods are identified by a lot number, country of origin, and, if serialized, by a serial number. Seller shall provide traceability records, including written certification of the country of origin of all Goods (including any raw materials

and components incorporated into the Goods), within two days of Buyer's request. Lot information must be traceable to the individual Good, including the manufacturing location, country of origin, manufacturing line number, specific production shift, and day the Goods were manufactured.

5. **Disclosure; Special Warnings or Instructions.** Seller will provide Buyer with the following Goods information, in a form that would satisfy the requirements of the Sustainability Directives (as defined below), or as otherwise requested by Buyer: (i) a list of all elements, minerals, compounds, and other ingredients that comprise the Goods ("**Required Minerals**") and are the subject of, or addressed by, the Sustainability Directives or as otherwise requested by Buyer; (ii) the manufacturing location of Goods; (iii) the amount and, as applicable, the percentage of each Required Mineral in Goods, and (iv) information concerning any changes in or additions to Required Minerals in these Goods. Seller will provide the aforementioned information to Buyer as expeditiously as possible prior to the shipment of such Goods by Seller, but in any event, in sufficient time to afford Buyer reasonable time to a) determine Buyer's disclosure requirements and b) reject any Goods, cancel any Purchase Order, or pursue all other remedies, including, but not limited to, legal and equitable remedies, in the event Seller either fails to meet applicable Sustainability Directives or Buyer's disclosure requirements as provided herein. Additionally, before and at the time Goods are shipped, Seller will give Buyer sufficient warning in writing (including all required labels on all Goods, containers, and packing, including without limitation disposal and recycling instructions, material safety data sheets and certificates of analysis) of any hazardous or restricted material that is an ingredient or part of the Goods. Seller agrees to comply with (1) all of Buyer's published policies on sustainability as they exist from time to time; and (2) all current, and subsequently enacted laws and regulations applicable to Buyer, Buyer's customers, Seller, or any combination of (1) and (2), pertaining to content of Goods and warning labels ("**Sustainability Directives**"), including without limitation the U.S. Toxic Substances Control Act and European Union Directive 2012/19/EU and 2011/65/EU regarding restrictions of certain hazardous substances, Dodd-Frank Act regarding conflict minerals and European Union Regulation 1907/2006/EC regarding Registration, Evaluation, Authorization and Restriction of Chemicals. Link to Registration, Evaluation, and Authorization of Chemicals (REACH) Regulation: [http://ec.europa.eu/environment/chemicals/reach/reach\\_intro.htm](http://ec.europa.eu/environment/chemicals/reach/reach_intro.htm) Link to RoHS Directive: [http://ec.europa.eu/environment/waste/weee/index\\_en.htm](http://ec.europa.eu/environment/waste/weee/index_en.htm). Seller will reimburse Buyer for any expenses incurred as a result of improper or incomplete disclosure, packing, marking, routing, or shipping of Goods. Seller will also completely, accurately, and timely, respond to Buyer's surveys and requests related to the Sustainability Directives and Required Minerals.

6. **Private Labeled Goods.** Per the Purchase Order, Goods may be private labeled finished goods (hardware or software) that ship directly to Buyer's Customers or pass through a staging center without entering Buyer's factory or other internal quality systems. Private Labeled Goods may be designed and manufactured to specifications different from other Goods. If Buyer has requested "**Private Labeled Goods**", the Buyer shall provide the Seller with the necessary materials and licenses needed to badge the Goods with the Buyer's markings. Upon Buyer's request, Seller shall label the Goods and Goods Documentation with Buyer's trademarks and trade names ("**Buyer Trademarks**") at no additional charge to Buyer ("**Private Labeling**"). All use of Buyer Trademarks by Seller in connection with any Private Labeling hereunder shall be subject to a limited, personal, non-exclusive, non-transferable, non-assignable license or sublicense (in each case, without right of sublicense) granted by Buyer to Seller to use the Buyer Trademarks during the Term solely and exclusively for Seller's performance of Private Labeling as described herein and for such other purposes as Buyer may expressly authorize in advance in writing (the "**Limited Trademark License**"). All Private Labeling shall be submitted to Buyer for review in advance and specific written consent prior to use of Buyer Trademarks. For every place where Buyer Trademark appears, a prominent legend shall be displayed stating that Buyer Trademarks are registered trademarks of Buyer or Buyer's affiliates. The registered symbol "®" appearing each time as part of the Buyer Trademark will constitute a sufficient legend. Seller acknowledges that Buyer is, and shall at all times remain, the sole and exclusive owner of the Buyer Trademarks and all goodwill contained therein, and that neither the Limited Trademark License, nor any Private Labeling, shall convey any right, title, or interest in or to any of the Buyer Trademarks or such goodwill to Seller. All goodwill arising from Seller's use of the Buyer Trademarks shall inure solely to the benefit of Buyer, and Seller shall not assert any claim to any right, title, or interest in or to the Buyer Trademarks or the goodwill associated therewith, nor shall Seller at any time take any action that could be detrimental to the goodwill associated with any Buyer Trademark, either during the Term or after the termination or expiration of this Agreement. Buyer may revoke the Limited Trademark License as to any Goods or Goods Documentation not then in production upon written notice to Seller at any time with or without cause. Upon any such revocation, or any termination or expiration of this Agreement for any reason whatsoever, including any termination resulting from the material breach of either party hereto, the Limited Trademark License shall automatically terminate, and Seller shall immediately cease all further use of the Buyer Trademarks.

7. **Hardware; Software/Firmware.**

(a) **Hardware.** As used herein, "**Hardware**" means tangible items which may include both hardware and compiled and embedded versions of software needed for the Goods to function (such software being referred to as "**Firmware**").

(b) **Software.** If the Goods include or incorporate software developed, owned or licensed by Seller ("**Software**"), Seller hereby authorizes Buyer to sell, resell and/or license the Software to Buyer's customers ("**Buyer's Customers**"). Use of the Software by Buyer's Customers shall be subject to the condition that such Buyer's Customers enter into the Seller's End User License Agreement, if applicable, which shall be subject to Buyer's standard end user license agreement terms.

(c) Software Warranty. Seller warrants to Buyer and to Buyer's Customers that Goods comprised of Software shall perform in conformance with the specifications and other documentation provided by Seller describing the functionality of the Software ("**Software Specifications**") for a period of sixty (60) months after Goods installation (the "**Software Warranty**" and "**Software Warranty Period**", respectively). If there is a conflict between the terms of the EULA and this Contract, this Contract shall prevail. If the Software has a defect or fails to conform to the Software Warranty during the Software Warranty Period, at Buyer's option, Seller shall promptly repair or replace the Software. If Seller fails or is unable to promptly repair or replace the Software, Buyer or Buyer's Customer, as applicable, shall be entitled to a full refund of the license and other fees paid with respect to the Software.

(d) Software Support Services. If Seller provides Software as part of the Goods, then both during and following the expiration of the Software Warranty Period, Seller shall provide the following support services for Buyer and Buyer's Customers with respect to the Software. The support services shall be provided at no additional charge, unless otherwise agreed in writing. Seller agrees to: (a) correct any failure of the Software to perform in accordance with the Software Specifications, including without limitation, defect repair, programming corrections, and remedial programming, and provide such services and repairs required to maintain the Software so that it operates properly and in accordance with the Software Specifications; (b) provide telephone support for the Software Monday through Friday, 8:00 AM to 9:00 PM EST; (c) provide online access to technical support bulletins and other user support information and forums; (d) respond to Priority One Issues (as defined below) within thirty (30) minutes of Buyer's service request and initiate work on such issues within two (2) hours thereafter, regardless of time of day or day of week. "**Priority One Issues**" involve substantial failure of the Software, or those which are critical to the User's operations. Seller shall initiate work on all other support issues within four (4) hours from receipt of a service request. In the event Seller fails to achieve the foregoing response times, Seller shall issue to the User a credit in the amount of \$250.00 for each (i) additional thirty (30) minutes, in the case of call response time; and (ii) additional hour, in the case of repair initiation time; and (e) provide all updates, modification, bug fixes and releases that Seller provides to its customers generally at no additional charge, or if applicable, in exchange for the support fees to be paid to Seller as mutually agreed to by the Buyer's Customers.

(e) Availability. The following shall apply if the Seller provides Software and/or Software services via the Internet or other wide area network connectivity ("**Hosted Software**"). Seller will make the Hosted Software available, as measured over the course of each calendar month, 99.5% of the time, excluding unavailability as a result of the Exceptions described below (the "**Availability Percentage**"). "**Available**" means the Hosted Software is available for access and use by Buyer or Buyer's Customer, as applicable (the "**User**") over the Internet and operating in material accordance with the Software Specifications. In the event the Hosted Software is not available 99.5% of the time, but is available at least 98% of the time, the User shall be entitled to a credit in the amount of fifteen percent (15%) of the monthly fee for the Hosted Software due in the month the failure occurred. If the Hosted Software is not available at least 98% of the time, the User shall be entitled to a credit in the amount of thirty percent (30%) of the monthly fee for the Hosted Software due in the month the failure occurred. In the event the Hosted Software is not available at least 70% of the time, the User shall be entitled to a credit in the amount of one hundred percent (100%) of the monthly fee for the Hosted Software due in the month the failure occurred. For purposes of calculating the Availability Percentage, the following are "**Exceptions**" to the service level requirement, and the Hosted Software shall not be considered unavailable, even if not actually accessible to a User, if any such inaccessibility is due to: (i) the User's acts or omissions; (ii) the User's Internet connectivity; (iii) Internet traffic problems not under Seller's reasonable control; (iv) the User's failure to meet minimum hardware and/or software requirements, if any; (v) the User's hardware, software, or other equipment; (vi) any hardware, software, service, or other equipment used by a User to access the Hosted Software or (vii) regularly scheduled maintenance for which Seller provides at least seven (7) days advance written notice.

(f) Open Source Software. Except as expressly set forth in the Purchase Order, no Open Source Software is incorporated (either directly by Seller, or indirectly, by the incorporation of third-party software that itself incorporates Open Source Software) into or required for the intended use or operation of any of the Goods. Seller is and shall continue to be in full compliance with the terms of all licenses relating to the Open Source Software incorporated into or required for the operation of any of the Goods ("**Open Source Licenses**"). None of the Open Source Licenses obligate or will obligate Buyer or Buyer's Customers to make any source or object code available to third parties or to include any license agreement, copyright notice or other attribution when distributing any Goods, except for any such items that Seller has included in or with such Goods. None of the Open Source Licenses obligate or will obligate Buyer to (a) distribute or disclose any other software combined, distributed or otherwise made commercially available with such Open Source Software in source code form, or (b) license or otherwise make available such Open Source Software and/or other software combined, distributed or otherwise made commercially available with such Open Source Software or any associated Intellectual Property on a royalty free basis. As used herein, the term "**Open Source Software**" means any software, program, module, code, library, database, driver or similar component (or portion thereof) the use of which requires any contractual obligations by the user such as, without limitation, that software that is subject to, distributed, transmitted, licensed or otherwise made available under any of the following licenses: GNU General Public License, GNU Library or "Lesser" Public License, Berkeley Software Design (BSD) license, MIT license, Apache Software License, or any substantially similar license, or any license that has been approved by the Open Source Initiative, Free Software Foundation or similar group.

(g) Software Claims. In addition to Seller's indemnification obligations, for claims involving software, including but not limited to Open Source Software, Seller shall provide Buyer with all necessary assistance in addressing such claim. Such assistance may include promptly providing Buyer (or a Buyer's designee) with access to the source code for such software and/or related information for the purpose of assessing and remediating such claim.

(h) Escrow. If Buyer requests information needed for the manufacture of the Goods, including but not limited to source code for any Firmware, Software, and/or information related to the manufacture of spare parts and any and all other actions necessary to support such Goods be placed into escrow, then Seller agrees to deposit the foregoing into escrow upon terms mutually agreeable to the parties.

(i) Security by Design. Seller represents and warrants a commercially reasonable program consistent with industry standards to ensure that all such Software and Firmware is free from material vulnerabilities (whether in proprietary software code or third party software code (including Open Source Software) will be established and maintained for any Software and Firmware, including when used in, or incorporated the Goods, or Software used in the installation, maintenance, configuration, or support of the Goods ("**Security Protocol**"). The Security Protocol will include a testing regime designed to model threats and detect security and design bugs, defects, and flaws through: (a) static code analysis; (b) penetration testing (ethical hacking); (c) open source software scanning; and (d) any other testing and verification necessary to ensure adherence to industry standard "Security by Design" principles (collectively, a "**Security by Design Program**"). Seller further represents and warrants that it will reasonably assist with and participate in any similar Security by Design Program established by Buyer, including providing Buyer documentation regarding Seller's compliance with these requirements reasonably requested by Buyer. Seller shall implement any improvements to Seller's Security by Design Program as reasonably requested by Buyer to address existing or future threats, vulnerabilities, or design flaws.

(j) Threat and Vulnerability Notice and Remediation. During the Goods life (i.e., until the formal end-of-life of any Goods) in commercial use, Seller shall monitor and address all Software and Firmware material threats and vulnerabilities by: (a) issuing necessary patches or updates; (b) providing prompt notice to Buyer of said threats and vulnerabilities, prior to any public disclosure, except where such notice would be impossible or impracticable; and (c) developing fixes, workarounds, and/or compensating security controls and documentation ("**Compensating Controls**") to address any unmitigated material threats and vulnerabilities while Seller undertakes the process of issuing patches or updates, and providing Buyer notice of said Compensating Controls as soon as reasonably practicable.

(k) Mandatory Flow Down. Seller shall flow the requirements of this section to its subcontractors and suppliers at any tier for the performance of this Agreement.

## 8. Price and Payment.

(a) Price and Invoices. Unless otherwise provided in this Contract or agreed to in writing by Buyer, the prices for the Goods as set forth in this Contract (i) are fixed, (ii) constitute the total amount payable to Seller for performance of all of Seller's obligations in connection with the Goods, (iii) are not subject to increase for any reason, and (iv) include, and Seller is solely responsible for, all other costs and expenses relating to manufacture, supply, packaging, and shipment of the Goods (including any taxes, duties, tariffs, and insurance). All invoices must be sent to the address or electronic mail address provided by Buyer in order to be processed for payment. The currency in the invoice must be in U.S. dollars.

(b) Payment. Unless otherwise agreed by Buyer in writing or set forth elsewhere in this Contract, Buyer will pay to Seller the undisputed portion of each conforming invoice within ninety (90) days following the date that is the later of: (i) Buyer's receipt of a complete and verifiable invoice or (ii) Buyer's receipt of the Goods. Seller agrees to accept payment by check or other cash equivalent including electronic funds transfer. Payment of an invoice shall not constitute acceptance of Goods or otherwise be deemed a waiver of any breach of this Contract by Seller (including a breach of any warranty) or any amount otherwise due to Buyer and does not limit or impair Buyer's right to assert any legal or equitable remedy. Regardless of the items listed on Seller's invoice, Buyer will only be obligated to pay for the Goods and in the quantity ordered by Buyer. Buyer may, at Buyer's sole discretion, accept overages or shortages to the quantity ordered, and be obligated to pay or deduct for such accepted variances to the quantity. In addition to any right of setoff, deduction or recoupment provided or allowed by Law, Buyer may, without notice to Seller, set off against, and deduct and/or recoup from any amounts due or to become due from Buyer or its affiliates to Seller or its affiliates or any amounts due or to become due from Seller or its affiliates to Buyer or its affiliates.

(c) Tax Credits. To the extent the Goods qualify for any tax credits or incentives under applicable Law (as defined below), the Parties agree that (i) Buyer retains the exclusive right to claim such tax credits and incentives resulting from the production and sale of the Goods, and (ii) Seller will retain all documentation required to substantiate eligibility for any tax credits or incentives under applicable Law and, upon request, will promptly provide Buyer with such documentation and any other documentation required to claim any tax credits or incentives under applicable Law.

9. **Audit.** Upon reasonable request by Buyer, Seller will provide Buyer or its authorized representatives copies of all of Seller's books, records and accounts, in any way related to (a) Seller's performance under this Contract (including Sellers' processes and procedures), (b) the Goods, or (c) any payment or other transaction occurring in connection with this Contract, in each case, for the purpose of auditing Seller's compliance with the terms of this Contract, including Seller's charges for the Goods.

10. **Subcontracting.** Seller will not subcontract any of its obligations under this Contract without the prior written consent of Buyer. Any such consent of Buyer will not release Seller from, or limit any of, Seller's obligations, responsibilities, or warranties under this Contract. Notwithstanding Buyer's approval of a subcontractor, Seller's is solely responsible and liable for a subcontractor's compliance or non-compliance with the terms of this Contract and for all payments due to that subcontractor. The direction and supervision of Seller's and any permitted subcontractor employees rest exclusively with Seller or such subcontractor.

11. **Changes.** To the extent applicable, Buyer may at any time in writing, make changes in or addition to any one or more of the following: (a) drawings, designs, or specifications; (b) method of shipment or packaging; (c) time and place of delivery; or (d) quantity of the Goods. Seller will promptly make any such changes. If any such change affects the cost or time of performance, Seller must provide Buyer with a written notice of a claim for adjustment, along with all sufficient information and documentation in such form and detail as Buyer may direct, regarding the effect on Seller's costs or time of performance resulting from such change within five (5) business days after Buyer's notice to Seller of such change. To the extent necessary under the circumstances, the parties will agree on an equitable adjustment (up or down) to the price or delivery terms of this Contract.

12. **Proprietary Rights.**

(a) **Ownership of Work Goods; Assignment and Transfer.** Unless otherwise agreed in a signed writing by Buyer, all concepts, documents, reports, ideas, designs, drafts, models, patterns, packaging, samples and any other results produced in connection with Seller's performance of this Contract ("***Work Goods***") is solely owned by Buyer. Seller agrees that all copyrightable materials of the Work Goods will be deemed a "work made for hire" for the purposes of Title 17 of the United States Code, Section 101 et seq. In the event that (i) any of the Work Goods may not be considered "work made for hire," or (ii) ownership of all right, title and interest to the legal rights in and to the Work Goods, does not vest automatically and exclusively in Buyer, then, without further consideration, Seller agrees to, and hereby does, irrevocably, assign, convey, and otherwise transfer to Buyer all such right, title and interest, in and to all Work Goods and any derivative works thereof.

(b) **License.** To the extent the Goods incorporate any copyrights, industrial design rights, trademarks, trade secrets, patents or other intellectual property rights (collectively, "***Intellectual Property***") that is owned, invented, authored, licensed to, or developed by Seller and necessary for Buyer to sell the Goods to its customers, Seller hereby grants Buyer and its customers a nonexclusive, royalty-free, irrevocable, worldwide right and license to use such Intellectual Property, and to sell, offer for sale, repair, export out of the United States, or import into the United States the Goods, for the sole purpose of fulfilling Buyer's requirements to its customers. The foregoing license does not permit Buyer to use Seller's Intellectual Property on a stand-alone basis and does not grant Buyer the right to separately exploit Seller's Intellectual Property.

13. **Confidentiality.** If a confidentiality agreement or non-disclosure agreement (the "***NDA***") exists between Buyer and Seller, the term of such NDA shall be and is hereby extended to be co-terminus with this Contract, and such NDA is incorporated herein by reference and shall govern the use and disclosure of any confidential or proprietary information exchanged between Buyer and Seller. If there is no NDA between Buyer and Seller covering this Contract, the following terms apply: all Intellectual Property and all other confidential and proprietary information provided by Buyer to Seller under this Contract including, without limitation, any technical, business, or financial information, whether provided orally, in writing, by demonstration, or otherwise (collectively, "***Confidential Information***"): (a) is owned by Buyer; (b) must be kept confidential by Seller and may not be disclosed by Seller to third parties without the express prior written consent of Buyer; *provided, however*, Seller may disclose Buyer's Confidential Information to Seller's employees, attorneys, agents, and subcontractors who have a "need to know" the Confidential Information for purposes of carrying out Seller's obligations under this Contract as long as such individual and entities are bound by confidentiality terms no less restrictive than those contained in this Contract; and (c) may not be used by Seller other than is required for Seller to perform its obligations under this Contract. The confidentiality restrictions in this Section do not apply to information which is (i) already known by Seller prior to the date of this Contract and without breach of the confidentiality restriction that Seller was subject; (ii) acquired by Seller from a third party which was not, to the knowledge of Seller, under an obligation to Buyer not to disclose such information; (iii) which is or becomes publicly available through no breach by Seller of confidentiality restrictions to which Seller is or was subject; or (iv) independently developed by Seller without the use of Buyer's Confidential Information. Notwithstanding the above, Seller may disclose Buyer's Confidential Information if required by a judicial or government request, requirement, or order as long as (x) to the extent not prohibited by law, Seller gives Buyer written notice prior to such disclosure and (y) Seller only discloses that portion of Confidential Information required to comply with such requirement, request, or order. Upon the termination or expiration of this Contract, Seller agrees to return, or destroy (to the extent feasible), Buyer's Confidential Information in Seller's possession.

14. **Warranty.** In addition to any warranties implied by law, Seller warrants that all Goods will: (a) conform, in all respects, to the specifications and quality requirements provided by Buyer for the Goods or otherwise agreed to between Buyer and Seller; (b) be useable and merchantable; (c) be of good quality and workmanship; (d) be free from defects in design (unless Buyer

provided the entire design), materials and workmanship; (e) comply with all applicable Laws and industry standards; (f) be new and conveyed by Seller to Buyer with good title, free and clear of all liens, claims, and encumbrances; and (g) not infringe upon, violate or misappropriate any intellectual property right of any third party. The warranties extend to the future performance of the Goods. The warranty period is the longer of (i) the warranty period provided by law and (ii) the warranty period provided by Buyer to its customers for the Goods or the products that incorporate the Goods. Any applicable statute of limitations on Buyer's claims for breach of warranty will commence no earlier than the date Buyer or its customer discovers the breach of the applicable warranty.

15. **Compliance with Laws.** Seller will perform all of its obligations under this Contract in accordance with, and ensure the Goods and any related packaging conform fully to, any applicable statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any federal, state or local government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court or tribunal of competent jurisdiction (collectively, "***Laws***"). Seller further represents and warrants that neither it nor any of its subcontractors will utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment or corrupt business practices, in the supply of the Goods under this Contract. To the extent applicable, Seller agrees to comply with all applicable U.S. export control Laws including, but not limited to, the requirements of the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq., the Export Administration Act, 50 U.S.C. app. 2401-2420, and the Export Administration Regulations, 15 C.F.R. 730-774, including the requirement for obtaining any export license or agreement, if applicable (collectively, "***Export Controls***"). Without in any way limiting the foregoing, Seller agrees that it will not transfer any Export Controlled item, data, or services, to include transfer to foreign persons employed by or associated with, or under contract to Seller or Seller's lower-tier suppliers, without authority of an export license, agreement or applicable exemption or exception.

16. **Insurance.** Seller shall, at its own expense, maintain and carry in full force and effect commercial general liability insurance (including product liability) in a sum no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, all-risk property insurance covering all Goods for the full replacement value, and an excess/umbrella insurance policy in the amount of \$5,000,000, including full products and completed operations coverage, with financially sound and reputable insurers. Seller shall also maintain workers' compensation coverage in the amounts mandated by Law. Upon Buyer's request, Seller shall provide Buyer with a certificate of insurance evidencing the insurance coverage specified in this Section. The certificate of insurance shall name Buyer as an additional insured and loss payee. Seller shall provide Buyer with thirty (30) days' advance written notice in the event of a cancellation or material change in such insurance policy. Seller waives and Seller shall cause its insurers to waive, any right of subrogation or other recovery against Buyer, its affiliates, and their insurers.

17. **Event of Default.** The following occurrences shall constitute events of default by Seller (each, an "***Event of Default***"): (a) Seller repudiates, breaches, or threatens to repudiate or breach any of the terms of this Contract or any of its obligations hereunder including, without limitation, Seller's warranties; (b) Seller becomes insolvent or there is filing of a voluntary or involuntary petition in bankruptcy by or against Seller, or there is an appointment of a receiver or trustee for Seller, or there is an execution of an assignment for the benefit of Seller's creditors, provided that such petition, appointment or assignment is not vacated or nullified within thirty (30) days of such event; or (c) Seller sells all or substantially all of its assets to, or fifty percent (50%) or more of its voting shares are sold (whether directly or indirectly) to, an entity that is a competitor of Buyer. Upon the occurrence of an Event of Default under subsections (a)-(c) of this Section, such occurrence shall not be deemed an Event of Default if Seller corrects such failure or cures such breach (to the extent correctable or curable) within a commercially reasonable time period (but in no case exceeding five (5) days). All Events of Default will be deemed to occur on the date the specific event occurs and any written notice from Buyer describing an Event of Default is only provided to Seller as a courtesy and will not be deemed to start any cure period unless expressly set forth in the written notice from Buyer.

18. **Buyer's Property.** The right, title and interest to all supplies, materials, tooling, jigs, dies, gauges, fixtures, molds, patterns, equipment, designs, drawings, specifications, spare parts, trial parts, ancillary products and other items owned by Buyer and other items furnished or paid in full by Buyer to Seller for use in its performance of this Contract, or for which Seller is reimbursed by Buyer or its customers ("***Buyer's Property***"), shall be owned by Buyer. Seller shall not purchase on the account of or charge Buyer for any Buyer's Property except as authorized by Buyer in a signed writing. Title to Buyer's Property that is not already owned by Buyer shall transfer to Buyer upon Buyer's payment in full for such property. All replacement parts, additions, improvements, and accessories to Buyer's Property shall become part of Buyer's Property. Seller shall: (a) properly maintain, at its expense, in good condition and repair, normal wear and tear excepted, the Buyer's Property; (b) not use the Buyer's Property for any purpose other than for performance under this Contract; (c) affix asset identification tags to the Buyer's Property identifying it as the Buyer's Property and displaying the asset identification information provided by the Buyer with respect to such asset; (d) permit Buyer to affix or remove any identification tags to and from the Buyer's Property at any time at Buyer's expense; (e) refrain from commingling the Buyer's Property with the property of Seller or with that of a third party; (f) adequately insure the Buyer's Property against loss or damage, including maintaining full fire and extended coverage insurance for re-placement value and naming Buyer's Property as an additional insured; and (g) not move the Buyer's Property to any other location whether owned by Seller or a third party, without the prior written consent of Buyer. Buyer has the right to the sole, unencumbered, unqualified, and absolute possession of Buyer's Property at any time as elected by Buyer and Seller will immediately release to Buyer upon request, and Buyer may retake immediate possession of Buyer's Property at any time

with or without cause and without payment of any kind. Upon conclusion of this Contract, Buyer's Property shall be promptly returned to Buyer, at Buyer's expense, in as good condition as when received, ordinary wear and tear accepted.

19. **Termination Rights.**

(a) **Termination.** In addition to any other rights or remedies of Buyer under this Contract or applicable Law, Buyer may terminate this Contract, in whole or in part (i) upon an Event of Default (subject to the provisions of Section 17) (a "***Termination for Cause***"), or (ii) at any time for any reason upon at-least thirty (30) days prior written notice to Seller (a "***Termination for Convenience***"). The effective date of any termination will be on the date of Buyer's written notice of termination or such later date as set forth in the notice. In the event Buyer did not have a right to a Termination for Cause, Seller agrees any termination notice by Buyer to Seller will be deemed a Termination for Convenience. Buyer shall have no obligation to Seller, Seller's subcontractors, Seller's suppliers, or any other entity of any kind upon a Termination for Cause other than as set forth in Section 19(b). Notwithstanding anything contained herein, and in recognition of Buyer's commitments to its customers are made in reliance of Seller's commitments under this Contract, Seller has no right to terminate all or any part of this Contract.

(b) **Obligations on Termination.** Upon any expiration or termination of the Agreement, (i) Seller will immediately return and deliver to Buyer (A) all Buyer's Property; (B) any or all drawings, designs and all other documents provided by Buyer, and (C) any other property of Buyer or Buyer's customer including, without limitation, all raw materials, packaging, and dunnage, (ii) Buyer shall have the right to inspect Seller's premises to confirm that Seller has returned all such materials to Buyer, and (iii) subject to these Terms and Conditions, Buyer will pay Seller any undisputed amounts for conforming Goods that have been delivered to Buyer as of the date of termination. Upon termination or expiration of this Contract, each and every section or provision that by its terms should survive and remain valid in this Contract (including the Terms and Conditions) shall survive and remain valid after the expiration or termination of this Contract.

20. **Indemnification.** In addition to any other indemnification set forth in this Contract or available under applicable Law, Seller will indemnify, defend, reimburse, and hold harmless Buyer, its current and former directors, officers, shareholders, members, employees, attorneys, agents, representatives, parents, affiliates, subsidiaries, customers, and their users (each an "***Indemnified Party***") from and against any and all claims, costs, demands, losses, damages, liabilities, judgments, fines, penalties, assessments, and expenses (including reasonable attorneys' fees) incurred by the Indemnified Parties or brought by any third party against an Indemnified Party arising out of, incidental to, or resulting from Seller's performance of this Contract including, without limitation (a) any negligent or willful act or omission of Seller or its respective subcontractors, agents, employees or other representatives; (b) Seller's, its subcontractors', agents', employees' or representatives' commission of any Event of Default or other breach of any provision of this Contract (including, without limitation, Seller's warranties); or (c) Seller's, its subcontractors', agents', employees' or representatives' violation of any Law.

21. **Remedies.** The rights and remedies reserved to Buyer in this Contract shall be cumulative, and in addition to all other or further remedies provided at Law. Without limiting any rights or remedies of Buyer under this Contract or at Law, in the event that Seller fails or refuses to deliver Goods, or otherwise repudiates or threatens to repudiate any provision of this Contract, Seller agrees that Buyer may seek specific performance of Seller's obligations under this Contract (including permanent or temporary injunctive relief) without the need to post a bond or any other type of security. In the event this Contract is issued or renewed after Seller becomes a debtor in bankruptcy, Buyer shall be entitled to all of its attorney's or other professional fees arising from or relating to the bankruptcy case, including for monitoring the case.

22. **General Terms.**

(a) **Assignment.** Seller may not assign this Contract (by operation of law or otherwise), whether whole or in part, or assign or delegate it rights or obligations under this Contract (by operation of law or otherwise), whether whole or in part, in each case, without Buyer's prior written consent, which may be withheld in Buyer's sole discretion. Any purported assignment in violation of this Section will be null and void and of no force or effect.

(b) **Governing Law; Venue.** This Contract, and all related documents and matters arising out of or relating to this Contract, are governed by, and will be construed in accordance with, the Laws of the State of Delaware, without regard to any conflict of law provisions. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Contract. Buyer and Seller each irrevocably and unconditionally agree that the sole and exclusive forum and venue for any legal or equitable action or proceeding arising out of or in connection with this Contract will lie in the United States District Court with jurisdiction in New Castle County, Delaware, the courts in the State of Delaware sitting in New Castle County, and any appellate court with jurisdiction over such courts.

(c) **Waiver; Severability.** Except as otherwise provided in this Contract, the failure of either party at any time to require performance by the other party of any provision of this Contract shall in no way affect the right to require performance at any time thereafter, nor shall the waiver of either party of a breach of any provision of this Contract constitute a waiver of any succeeding breach of the same or any other provision. If any clause in this Contract is determined by a court of competent jurisdiction to be invalid, the invalidity of such clause shall not affect the validity of the remainder of this Contract.

(d) Relationship of Parties; No Third Party Beneficiary. Seller and Buyer are independent contracting parties and nothing in this Contract will make either party the agent or legal representative of the other for any purpose, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Except as otherwise provided in this Contract, the parties acknowledge and agree that the rights and interests of the parties under this Contract are intended to solely benefit Buyer and Seller.

(e) **LIMITATION OF LIABILITY.** IN NO EVENT SHALL BUYER BE LIABLE TO SELLER OR ANY OTHER THIRD PARTY, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR UNDER ANY OTHER LEGAL OR EQUITABLE THEORY, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT THIS CONTRACT OR OTHERWISE RELATING TO THE GOODS OR SERVICES, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURY OR PROPERTY DAMAGES, ATTORNEY'S FEES OR ANY OTHER RELATED COSTS OR EXPENSES, ANY DIRECT OR INDIRECT LOSS OF PROFITS, REVENUE, OR BUSINESS OPPORTUNITY, DOWNTIME, DELAY DAMAGES OR ANY OTHER ECONOMIC LOSS, REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE BY BUYER OR BUYER WAS ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.

(f) Entire Agreement. This Contract, including any attachments, exhibits or supplements attached hereto or incorporated herein by specific reference, constitutes the entire agreement between Seller and Buyer with respect to the subject matter of this Contract and supersedes all prior or contemporaneous oral or written discussions, understandings, representations and agreements. This Contract is being entered into among competent persons who are experienced in business. Therefore, no provision in this Contract may be construed against any party as the drafter. This Contract may only be modified in writing signed by Buyer's authorized representative.

**\*\*\*End of Security Chimneys Int. Ltd. Terms and Conditions of Purchase \*\*\***