

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

1. Acceptance. This order is deemed accepted by Supplier if not rejected in writing within five (5) days of the order date or if Supplier commences service under this order. Acceptance is limited to the terms and conditions of this order and supersedes all prior communications, representations, or orders whether oral or written with respect to the goods or services. This order, with any attachments, constitutes the entire agreement of the parties except for any non-disclosure agreement which shall survive under its own terms. No waiver, modification or additions to the terms of this order shall be valid unless in a writing signed by the parties. Customer rejects any preprinted terms and conditions on Supplier issued documents.
2. Prices. Customer shall not be billed at prices higher than those stated on this order. Unless otherwise specified, the price includes all charges for packing, hauling, storage and transportation to point of delivery. The price stated includes all taxes except state or local sales or use tax or similar taxes, which Supplier is required by law to collect from Customer. Taxes, if any, shall be separately stated in Supplier's invoice and paid by Customer unless an exemption is available. Supplier agrees that any price reduction made with respect to the items covered by this order subsequent to its placement but prior to payment will be applicable to this order.
3. Delivery. Substitutions will not be accepted. The goods must be shipped by the date requested but may not be shipped more than one week in advance. Customer shall not be obligated to accept untimely, excess or under shipments and such shipments in whole or in part may be returned to Supplier, or held for disposition at Supplier's expense and risk. Supplier's invoice shall describe the items, state the purchase order number and Customer shall upon request be provided with the original bill of lading or other shipping receipt.
4. Changes. Customer may make changes in drawings, specifications, quantities, delivery schedules, or methods of shipment or packaging on any goods at any time. If changes result in an increase or decrease in cost, an equitable adjustment of price and delivery schedules may be made, or Customer may, at its option, terminate the order if agreement on an adjustment cannot be reached. Claims for any adjustment must be made by Supplier within ten days of the change order.
5. Warranties. Supplier warrants that the goods will conform to Customer specifications, will be merchantable, of good material and workmanship, free from defects and will be fit and sufficient for the purpose intended. Supplier warrants that the services will be performed in a good and workmanlike manner. These warranties shall be in addition to all other warranties, express, implied or statutory and shall run to Customer and its customers.
6. Inspection Tests and Reviews. Supplier agrees to permit access to Supplier's facilities at all reasonable times for inspection of goods by Customer's agents or employees and will provide all tools, facilities and assistance reasonably necessary for such inspection at no additional cost to Customer. Goods are subject to final inspection and acceptance by Customer after delivery to Customer. If Customer's representatives review drawings, specifications, samples or the goods it shall not relieve Supplier of any responsibility for the performance or any other requirements of this order and shall not constitute acceptance. If the goods delivered do not meet the specifications, or otherwise do not conform with the requirements of this order, Customer has the right to reject the goods. Goods which have been delivered and rejected in whole or in part may be returned to Supplier or held for disposition at Supplier's risk and expense.
7. Audits. Customer or its representatives will have the right, but not the obligation to examine Supplier's records for the purpose of determining compliance with this order. Customer or its representatives will provide reasonable notice to Supplier. Customer will bear all costs of audit. The right to audit will expire 18 months after the expiration or termination of this order.
8. Private Labeling. At Customer's request and at no additional cost to Customer, the goods will be packaged by Supplier using the name(s), addresses and/or artwork provided by Customer, as may be modified from time to time by Customer ("Private Label"). Supplier's name, address or part number shall not appear on any labeling or packaging except to the extent required by law, as otherwise agreed in writing by the parties, or as set forth in section nine (9) below. Customer will provide the proposed labeling to Supplier for review and approval. Supplier may not use the Private Label except as specifically provided in this order and only for goods sold to Customer.
9. Labeling Requirements. Supplier is solely responsible for compliance with all labeling regulations for the goods and to advise Customer of the same. Supplier hereby warrants and represents that it is and shall remain in compliance with any regulations regarding the labeling of packaging including but not limited to compliance with any Globally Harmonized System of Classification and Labelling of Chemicals requirements.
10. Customer's Property. Title to and right of immediate possession of any property, including without limitation, patterns, tools, jigs, dies, equipment or materials furnished or paid for by the Customer shall remain in Customer. No articles made therefrom shall be furnished by Supplier to any other party without Customer's prior written consent. Supplier may not use Customer's property for any purpose outside the scope of Customer's orders. Supplier shall keep adequate records of such property, which shall be made available to Customer upon request, and shall store, protect, preserve, repair and maintain such Customer's property in accordance with sound industrial practice, all at Supplier's expense. Unless otherwise agreed to by Customer, Supplier shall insure Customer's interest in such the property against all risks of theft, loss or damage (including extended coverage). Copies of certificates of insurance evidencing this coverage will be furnished to Customer on demand. In the event that Customer's property becomes lost or damaged Supplier agrees to pay for or replace the property, at Supplier's expense, at Customer's request. Supplier shall upon Customer's request return the property at Supplier's expense.
11. Confidentiality of Customer Information. Any information (written, oral, or observed) received by Supplier, or any person working on behalf of Supplier, while providing services to Customer will be deemed to be confidential. This information may only be used to provide goods or services under this order and may not be revealed to any third parties without the prior written consent of Customer. Any proprietary information concerning Customer, its products, data, or manufacturing processes which are disclosed to the Supplier shall remain the property of Customer and shall be returned upon request. Supplier, and any of its representatives assigned to perform services for Customer, shall, upon request of Customer, execute a Non-Disclosure Agreement in a format satisfactory to Customer.
12. Use of Supplier Information. Supplier agrees that all information furnished or disclosed to Customer by Supplier in connection with this order is not, unless otherwise agreed to by Customer in writing, confidential or proprietary and Customer may freely use such information.

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

13. Advertisements. Supplier shall not disclose the existence or any details of this order without Customer's prior written permission.
14. Default - Cancellation. Customer reserves the right, by written notice of default, to cancel this order, without liability to Customer, in the event of the happening of any of the following: insolvency of Supplier, the filing of a voluntary petition in bankruptcy by Supplier, the filing of an involuntary petition to have Supplier declared bankrupt, the appointment of a Receiver or Trustee for Supplier, or the execution by Supplier of an assignment for the benefit of creditors. If Supplier breaches any of the terms of this order, Customer reserves the right, without any liability to Customer, to (i) cancel this order in whole or in part, and Supplier shall be liable to Customer for all damages, losses and liability incurred by Customer resulting from Supplier's breach, or (ii) obtain the goods or services ordered from another source and charge Supplier the cost of cover. Customer's remedies are cumulative and in addition to any other remedies provided at law or in equity.
15. Termination for Convenience. Customer may terminate this order for its convenience on thirty (30) days' notice. If Customer terminates this order for its convenience, Supplier shall be compensated for all approved expenses incurred prior to the date of termination.
16. Force Majeure. Neither party shall be liable for defaults or delays due to Acts of God or the public enemy, acts or demands of any Government, strikes, fires, floods, accidents, pandemic or epidemic, or other unforeseeable causes beyond its control and not due to its fault or negligence. The party experiencing the delay will provide written notice of the delay within five days and outline the cause and anticipated duration of the delay.
17. Government Procurement Provisions; Legal Compliance.
- 17.1. Clauses Applicable To All Suppliers. Supplier agrees to fully observe and comply with all applicable federal, state and local laws, rules, regulations and orders pertaining to the production and sale of the Products ordered, and, upon request Supplier shall furnish HYG certificates of compliance with such laws, rules, regulations, and orders, including, but not limited to:
- 17.1.1. Fair Labor Standards Act Compliance: Supplier agrees and certifies that the Products to be manufactured or furnished hereunder have been or will be produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Federal Fair Labor Standards Act, as amended, and those regulations and orders of the U. S. Department of Labor issued under Section 14 thereof;
- 17.1.2. Government Procurement Provisions: Supplier shall, at all times during the term of this Agreement, comply with all applicable laws, rules, regulations, and orders, and shall refrain from engaging in any illegal, unethical, or deceptive practices. Without limiting the foregoing, Supplier agrees to comply with the following Federal Acquisition Regulation ("FAR") clauses, which are incorporated by reference and apply to this Agreement with the same force and effect as if the text of the clauses was fully set forth. For purposes of this Agreement, the following clauses shall operate, impose the obligations and responsibilities of the parties and be interpreted as if "Government" means "HYG," "Contracting Officer" means HYG's Division Buyer, "Contract" means this "Agreement," "Offeror" means "Supplier," "Contractor" means "Supplier," and "Disputes clause" means the disputes clause of this Agreement. Supplier shall also include these FAR and DFARS clauses into each lower-tier subcontract it issues, as applicable.
- (i) FAR 52.202-1, Definitions (NOV 2013);
 - (ii) FAR 52.203-6, Restrictions on Subcontractor Sales to the Government (SEP 2006) (ALTERNATE I – OCT 1995) (if the Agreement exceeds \$150,000)
 - (iii) FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions (OCT 2010) (if the Agreement exceeds \$150,000)
 - (iv) FAR 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010) (if the Agreement exceeds \$5,000,000 and has a performance period of more than 120 days);
 - (v) FAR 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (if the Agreement is funded by the American Recovery and Reinvestment Act of 2009)
 - (vi) FAR 52.203-17, Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (SEP 2013) (if the Agreement exceeds \$150,000);
 - (vii) FAR 52.208-9, Contractor Use of Mandatory Sources of Supply or Services (OCT 2008);
 - (viii) FAR 52.209-6, Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (DEC 2010) (if the Agreement exceeds \$30,000)
 - (ix) FAR 52.211-15, Defense Priority and Allocation Requirements (APR 2008) (if the Agreement is a rated order certified for national defense use);
 - (x) FAR 52.219-8, Utilization of Small Business Concerns (JAN 2011);
 - (xi) FAR 52.219-28, Post-Award Small Business Program Representation (JUL 2013);
 - (xii) FAR 52.222-3, Convict Labor (JUNE 2003);
 - (xiii) FAR 52.222-17, Nondisplacement of Qualified Workers (JAN 2013) (if the Agreement exceeds \$150,000 and includes the performance of services);
 - (xiv) FAR 52.222-19, Child Labor – Cooperation with Authorities and Remedies (JAN 2014);
 - (xv) FAR 52.222-21, Prohibition of Segregated Facilities (FEB 1999);
 - (xvi) FAR 52.222-26, Equal Opportunity (MAR 2007);
 - (xvii) FAR 52.222-35, Equal Opportunity for Veterans (SEP 2010);

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

- | | |
|--|---|
| <ul style="list-style-type: none"> (xviii) FAR 52.222-36, Affirmative Action for Workers with Disabilities (OCT 2010); (xix) FAR 52.222-37, Employment Reports on Veterans (SEP 2010) (if the Agreement exceeds \$100,000); (xx) FAR 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010); (xxi) FAR 52.222-41, Service Contract Act of 1965 (NOV 2007); (xxii) FAR 52.222-50, Combating Trafficking in Persons (FEB 2009); (xxiii) FAR 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (NOV 2007); (xxiv) FAR 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (FEB 2009); (xxv) FAR 52.222-54, Employment Eligibility Verification (JUL 2012); (xxvi) FAR 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007); (xxvii) FAR 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011); (xxviii) FAR 52.225-13, Restrictions on Certain Foreign Purchases (JUNE 2008); (xxix) FAR 52.227-2,* Notice and Assistance Regarding Patent and Copyright Infringement (DEC 2007) (if the Agreement exceeds \$150,000); (xxx) FAR 52.232-40, Providing Accelerated Payments to Small Business Subcontractors (DEC 2013) (if Supplier is a small business concern under the Small Business Administration’s regulations, 13 CFR 121); (xxxi) FAR 52.233-3, Protest After Award (AUG 1996) (in paragraph (b)(2), the term “30 days” is changed to “15 days”); (xxxii) FAR 52.242-15, Stop-Work Order (AUG 1989) (in paragraph (b)(2), the term “30 days” is changed to “15 days”); and (xxxiii) FAR 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006). | <ul style="list-style-type: none"> (i) DFARS 252.203-7000, Requirements Relating to Compensation of Former DoD Officials (JAN 2009); (ii) DFARS 252.205-7000, Provision of Information to Cooperative Agreement Holders (DEC 1991); (iii) DFARS 252.209-7004, Subcontracting with Firms that are Owned or Controlled by the Government of a Terrorist Country (DEC 2006); (iv) DFARS 252.211-7003, Item Identification and Valuation (JUN 2011); (v) DFARS 252.211-7007, Reporting on Government-Furnished Equipment in the DoD Item Unique Identification (IUID) Registry (NOV 2008); (vi) DFARS, 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals (JAN 2011); (vii) DFARS 252.225-7039, Contractors Performing Private Security Functions (AUG 2011); (viii) DFARS 252.227-7013,* Rights in Technical Data--Noncommercial Items (SEP 2011); (ix) DFARS 252.227-7015,* Technical Data—Commercial Items (DEC 2011); (x) DFARS 252.227-7037,* Validation of Restrictive Markings on Technical Data (SEP 2011); (xi) DFARS 252.237-7010 Prohibition on Interrogation of Detainees by Contractor Personnel (NOV 2010); (xii) DFARS 252.237-7019, Training for Contractor Personnel Interacting with Detainees (SEP 2006); (xiii) DFARS 252.243-7002, Requests for Equitable Adjustment (MAR 1998); (xiv) DFARS 252.247-7003, Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer (SEP 2010); (xv) DFARS 252.247-7023, Transportation of Supplies by Sea (MAY 2002); and (xvi) DFARS 252.247-7024, Notification of Transportation of Supplies by Sea (MAR 2000). |
|--|---|

*No substitution of parties for the “government” applies to this clause. References in the clause to the “government” shall mean the U.S. Government.

In addition to the above FAR and DFARS clauses incorporated by reference, Supplier acknowledges that HYG may be required by its U.S. Government prime contract or subcontract to include additional FAR, DFARS, or other agency supplemental clauses in this Agreement. Supplier shall comply with any such additional clauses identified by HYG.

For work performed or Products delivered in support of HYG’s U.S. Department of Defense prime contracts or subcontracts, the following U.S. Department of Defense FAR Supplement (“DFARS”) clauses are incorporated by reference with the same force and effect as if the text of the clauses was fully set forth in the Agreement and are incorporated by reference herein:

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

17.1.3 Termination for Convenience: When directed by the U.S. Government, HYG may terminate this Agreement, or any part hereof, for convenience. In the event of such termination, the Supplier shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this Agreement, the Supplier shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Supplier can demonstrate to the satisfaction of HYG using its standard record keeping system, have resulted from the termination. The Supplier shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. The Supplier shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

17.1.4 Service Contract Reporting: If the Agreement is for the performance of services and has a value of \$500,000 or more, within five (5) calendar days of HYG's request, Supplier shall provide the following detailed information to HYG: (i) Subcontract number (including subcontractor name and DUNS number); and (ii) the number of Supplier direct-labor hours expended on the services performed during the previous Government fiscal year. This information will be made available to the public as required by section 743 of Division C of the Consolidated Appropriations Act, 2010.

17.1.5 Reporting Executive Compensation and First-Tier Subcontract Awards:

- (i) If the Agreement has a value of \$25,000 or more, within five (5) calendar days of HYG's request, Supplier shall provide HYG with the following information: (i) the unique identifier (DUNS Number) for both Supplier and, if applicable, its parent company; (ii) a description of the products or services provided under the Agreement; (iii) Supplier's physical address including street address, city, state, country, and nine-digit zip code and congressional district; and (iv) Supplier's primary performance location including street address, city, state, country, and nine-digit zip code and congressional district.
- (ii) Supplier shall report to HYG within five (5) calendar days of Supplier's request, the names and total compensation of each of Supplier's five most highly compensated executives for Supplier's preceding completed fiscal year if in Supplier's preceding fiscal year, Supplier received:
 - a. 80 percent or more of its annual gross revenues from Federal contracts, subcontracts, loans, grants, subgrants, and cooperative agreements;
 - b. \$25,000,000 or more in annual gross revenues from Federal contracts, subcontracts, loans, grants, subgrants, and cooperative agreements; and;
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a),

78o(d)) or section 6104 of the Internal Revenue Code of 1986.

- (iii) The terms "executive" and "total compensation" are defined in FAR 52.204-10, "Reporting Executive Compensation and First-Tier Subcontract Awards."
- (iv) This Section 15.1.5 shall not apply if Supplier, in the previous tax year, had gross income from all sources under \$300,000.

17.1.6 Certifications:

- (i) By performing this Agreement, Supplier certifies that:
 - a) Neither Supplier nor any of its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency. "Principal" means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).
 - b) If it has participated in a previous prime contract or subcontract subject to FAR 52.222-26, "Equal Opportunity," that Supplier has filed all required compliance reports.
 - c) To the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or an employee of a Member of Congress on its behalf in connection with the awarding of this Agreement. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of Supplier with respect to this Agreement, Supplier shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Supplier need not report regularly employed officers or employees of Supplier to whom payments of reasonable compensation were made. Submission of this certification and disclosure is a prerequisite for making or entering into this Agreement imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure. As used in this Certification, "Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8) and the remaining terms are defined in FAR 52.203-12, "Limitation on Payments to Influence Certain Federal Transactions."

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

- (ii) By submitting an offer, Supplier verifies that, if Supplier is registered in the System for Award Management (“SAM”), the size or socioeconomic representations and certifications in SAM (or any other successor system) are current, accurate and complete as of the date of Supplier’s offer.

17.1.7 Comptroller General Examination of Record: The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), the Administrator of General Services, or an authorized representative of the foregoing officials shall have access to and right to examine any of Supplier’s or any of Supplier’s subcontractors’ records that pertain to, and involve transactions relating to, this Agreement. Supplier shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after HYG’s receipt of final payment under its prime contract or higher-tiered subcontract, or for any longer period specified in FAR Subpart 4.7, Contractor Records Retention, or the other clauses of this Agreement. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals or to litigation or the settlement of claims arising under or relating to this Agreement shall be made available until such appeals, litigation, or claims are finally resolved. As used in this Section 15.1.7, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require Supplier to create or maintain any record that Supplier does not maintain in the ordinary course of business or pursuant to a provision of law.

17.1.8 Disputes: If HYG elects to prosecute any dispute involving this Agreement under the disputes procedure applicable to the U.S. Government prime contract or higher-tier subcontract, Supplier shall cooperate fully with HYG in prosecuting the dispute. Supplier shall be bound by the final outcome of the disputes procedure if: (i) HYG has afforded Supplier an opportunity to participate in HYG’s prosecution of the dispute; or (ii) HYG, having decided to discontinue its own prosecution of the dispute, has afforded Supplier an opportunity to continue to prosecute the dispute in HYG’s name. HYG and Supplier shall each bear their own costs of prosecuting any dispute. Pending the final resolution of any dispute arising out of or relating to this Agreement, Supplier shall proceed diligently with performance of this Agreement, including the delivery of Products.

17.1.9 Environmental Compliance: Supplier shall label the goods in compliance with 40 CFR 82, subpart E, or certify that the goods are neither manufactured with nor contain a controlled ozone depleting substance.

17.1.10 Customs and Border Protection: Supplier shall complete any security chain questionnaire or other document reasonably requested by HYG relating to its import/export activities and shall provide written notice if it is CTPAT certified.

17.1.11 Export Compliance: Supplier shall comply with all applicable export and re-export control laws and

regulations, including but not limited to the Export Administration Regulations (EAR) maintained by the U.S. Department of Commerce, the International Traffic in Arms Regulations (ITAR) maintained by the Department of State, and trade and economic sanctions regulations maintained by the Department of Treasury’s Office of Foreign Assets Control (OFAC regulations) or the Department of State’s Office of Economic Sanctions Policy and Implementation, and any export controls or economic sanctions maintained by the European Union or any other government. Supplier agrees to indemnify HYG for any fines, penalties, claims, losses, damages, costs (including legal costs), expenses and liabilities (including costs of investigation of potential export controls or economic sanctions violations) that may arise as a result of Supplier’s breach of any of the export control or economic sanctions provisions within this Section 15.1.11.

17.1.12 HYG and Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). **These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Supplier shall include this paragraph in each lower-tier subcontract it issues.**

17.2 Additional Clauses Applicable To U.S. Suppliers. If Supplier is based in or produces Product in or performs services in the United States, Puerto Rico, the northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, or Wake Island, the following additional provisions apply:

17.2.1 Without limiting Supplier’s obligations under Section 15.1.5 above, Supplier agrees to comply with:

- (i) the Procurement Integrity Act (41 U.S.C. § 423) and associated regulations in the Federal Acquisition Regulation (“FAR”) (currently at FAR 3.104),
- (ii) the Anti-Kickback Act (41 U.S.C. §§ 51-58) and associated regulations in the FAR (currently at FAR 3.502),
- (iii) the prohibitions on bribery and gratuities set forth in 18 U.S.C. § 201 and associated regulations in the FAR (currently at FAR Subpart 3.2),
- (iv) the Organizational and Consultant Conflicts of Interest prohibitions and requirements in the FAR (currently at Subpart FAR 9.5), and
- (v) the independent pricing requirements in the FAR (currently at FAR 3.103).

17.2.2 Occupational Safety and Health Act: Supplier hereby certifies that the Products meet or exceed all applicable requirements of the occupational safety and health standards adopted pursuant to the Williams-Steiger Occupational Safety and Health Act of 1970 and that the use by HYG and its customer of the Products, if used by any of them in the manner prescribed in such

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

standards, will not cause HYG or its customer to be in violation of such standards; and

17.2.3 **Environmental Compliance:** With respect to transactions under this Agreement and facilities of Supplier to which U.S. Executive Order 11738 applies, Supplier certifies: (i) no facility used by Supplier, in the performance of this Agreement is included on the U.S. Environmental Protection Agency ("EPA") list of violating facilities, and (ii) prompt written notification shall be given by Supplier to HYG of any communication indicating that any facility is under consideration to be included on or has been placed on the EPA list of violating facilities.

17.2.4 HYG and Supplier shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Supplier shall include this paragraph in each lower-tier subcontract it issues.

Upon request, Supplier shall furnish HYG certificates of compliance with such laws, rules, regulations, and orders.

18. **Code of Conduct.** Supplier shall comply with Customer's "Business Partner Code of Conduct" available at www.hyster-yale.com, and shall refrain from engaging in any illegal, unethical, or deceptive practices.
19. **Insurance.** If Supplier is providing goods under this order, Supplier shall maintain and keep in force at its own expense, Commercial General Liability Insurance, including products and contractual liability, with a combined single limit of \$5 million per occurrence. Supplier shall provide a Certificate of Insurance to Customer upon request.
20. **Indemnification.** Supplier shall indemnify, defend, and hold Customer and its officers, directors, employees, agents, parent, subsidiaries, and other affiliates, harmless from and against any and all damages, costs, liability, and expense whatsoever (including attorneys' fees and costs) arising from (a) the death of or injury to any individual or damage to or loss of property due to the negligence and/or willful acts or omissions of Supplier or Supplier's agents, employees or representatives; or (b) any breach by Supplier or its employees, agents, or representatives of any representation, warranty, or covenant under this order. Customer shall have the right of offset against payments due under this order in the amount of any indemnification which Customer is entitled under this Section, provided the Supplier's indemnity and hold harmless order shall not be applicable to the extent such liability is based on the sole negligence of Customer.
21. **Intellectual Property Indemnification.** Supplier shall indemnify, hold harmless and defend (at Customer's option) Customer, its successors, assigns, customers or users of its products, from and against all loss, liability and damage, including costs and expenses (including reasonable attorney's fees), resulting from any action or claim brought or threatened alleging that the manufacture, use, sale or resale of any goods or the services supplied under this order infringes any patent or patent rights,

trademark, trade secret, copyright or other intellectual property right of a third party and Supplier shall when notified, defend any action or claim of such infringement at its own expense. Supplier shall, at its expense, and approval of Customer, either (i) obtain for Customer the right to continue to use the goods or Work Product which resulted from the services as intended, (ii) modify the goods or Work Product which resulted from the services so that it becomes non-infringing, without materially altering the functionality, or (iii) replace the goods or Work Product which resulted from the services with a functionally equivalent non-infringing good or Work Product. .

22. **Assignment.** Neither this order nor any rights or obligations herein may be assigned by Supplier nor may Supplier delegate or subcontract the performance of any of its duties without Customer's prior written consent.
23. **Anti-Bribery and International Trade.** (a) Customer shall comply with all applicable anti-bribery, anti-corruption, and anti-kickback laws, including the U.S. Foreign Corrupt Practices Act, the United Kingdom Bribery Act, and any laws of similar effect applicable in the jurisdictions where the Customer conducts business ((collectively 'Anti-Corruption Laws'). Customer acknowledges that these laws may govern conduct occurring outside the United States and United Kingdom. (b) Customer shall comply with all applicable anti-money laundering laws, including the U.S. Currency and Foreign Transactions Reporting Act of 1970 as amended by Title III of the USA PATRIOT Act, the U.S. Trading with the Enemy Act, U.S. Executive Order No. 13224 on Terrorist Financing, 2017 United Kingdom Money Laundering Regulations, and any other law of similar effect applicable in the jurisdictions where it conducts business (collectively 'Anti-Money Laundering Laws'). (c) Customer shall comply with all applicable economic sanctions, export controls, and other restrictive trade measures imposed by the United States, European Union, and United Kingdom, including the U.S. Export Administration Regulations, the U.S. International Traffic in Arms Regulations, the economic sanctions programs administered by the U.S. Treasury Department's Office of Foreign Assets Control ('OFAC'), the laws and regulations enforced by the United Kingdom's Export Control Office ('ECO') and Office of Financial Sanctions Implementation ('OFSI'), and any other laws of similar effect applicable in the United States or other jurisdictions where Vendor operates (collectively 'Export Control Laws') (d) Each of the foregoing restrictions with respect to Anti-Corruption Laws, Anti-Money Laundering Laws, and Export Control Laws shall be in addition to any other restrictions on the Customer's sale or transfer of the Products that may exist in any separate written agreement between the Vendor and the Customer and shall be subject to any provisions that may exist in any such separate written agreement regarding receipt of a license from the government of the United States of America to consent to such sale or transfer.
24. **Forced Labor and Human Rights.** If Supplier is providing goods under this order (the "Goods"), Supplier shall not, and shall ensure that its suppliers, subcontractors, and other business partners ("Subcontractors") do not, use any form of convict, indentured, or forced labor, including forced or indentured child labor ("Forced Labor") at any stage of the production or manufacturing process for the Goods or any of the components of the Goods. Additionally, by providing the Goods to Customer, Supplier certifies that Forced Labor was not used at any stage to produce or manufacture the Goods or any of the Goods' components. Supplier shall maintain effective procedures, internal controls and audit procedures necessary to comply with this Section 24 and affirms that it is in

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

compliance with all laws and Customer policies concerning Forced Labor and human rights including, but not limited to, (i) the U.K. Modern Slavery Act 2015, (ii) the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA), (iii) Customer's Forced Labor Statement, (iv) Customer's Code of Conduct for Business Partners, and (v) Customer's Human Rights Policy. Customer's Forced Labor Statement, Code of Conduct for Business Partners, and Human Rights Policy are available at www.hyster-yale.com in the Suppliers and Corporate Responsibility sections of the website.

Supplier shall comply with the U.K. Modern Slavery Act 2015 as follows: if Supplier (i) conducts business supplying goods, services, or both, in the U.K., and (ii) has annual turnover over £36m, Supplier (a) affirms that it is in compliance with the U.K. Modern Slavery Act 2015, (b) has an anti-slavery and anti-trafficking in persons policy applicable to its supply chain, and (c) produces a slavery and human trafficking statement linked on a prominent place on its website; otherwise, Supplier shall (i) comply with Company's anti-slavery and anti-trafficking in persons policy, (ii) use reasonable due diligence to completely and accurately respond to Company's slavery and human trafficking questionnaire, and (iii) implement due diligence procedures for its own suppliers, subcontractors and other participants in its supply chain to ensure that there is no slavery or human trafficking in its supply chain. Supplier consents to periodic audits by Customer of Supplier (or Supplier's Subcontractors, where applicable) to ensure it is in compliance with this Section 24.

25. Applicable Law and Jurisdiction. This order agreement shall be construed in accordance with the laws of the State of Ohio without regard to its conflict of law rules. Any action or claim arising out of or relating to this order may only be brought in the state or federal district court for Cuyahoga County, Ohio. The parties each expressly consent to suit in such forum and waive any objections as to personal jurisdiction, venue, or inconvenient forum.
26. Attorney's Fees. The prevailing party in any action brought to enforce any provision or breach of this agreement, shall be entitled to its reasonable costs and attorney's fees.
27. Invoices and Notices. All correspondence and invoices covering this order must be addressed to Customer's Purchasing Department at the address indicated on the purchase order. The parties agree that for any transactions subject to this purchase order, facsimile signatures shall be accepted as original signatures, orders may be transmitted electronically and any document created pursuant to this order may be maintained in an electronic document storage and retrieval system, a copy of which shall be considered an original. Neither party shall raise any objection to the authenticity of this purchase order or any document created, based on the use of a facsimile signature, electronic order or the use of a copy retrieved from an electronic storage system.
28. Severability. In case any one or more provisions contained in this purchase order shall be invalid, illegal, or unenforceable in any respect, such provision may be modified to the extent necessary to make it valid and enforceable. The validity, legality, or enforceability of the remaining provisions contained in this order shall not in any way be affected or impaired by an invalid or unenforceable clause.

ADDITIONAL TERMS FOR SERVICE ONLY

29. Supplier Compliance with Customer Safety / Training Requirements/Background Checks. In the event Supplier is required to perform services at a Customer designated location, the following terms shall apply: (a) Supplier shall, upon receipt

of request from Customer, complete Customer's training requirements prior to the commencement of services or entry onto Customer's property, at Supplier's expense. (b) Supplier certifies that each employee or agent of Supplier who will be providing services has been required to submit to, and pass, a drug screening test and a background check. This background investigation will include, but not be limited to, prior work history, education verification and criminal records search. Upon request by Customer, the scope of the background investigation for any Supplier employee or agent may be modified or expanded. Supplier will maintain the written report of the background investigation in compliance with FCRA and shall make the results of the report available to Customer upon request. Supplier shall report any negative information obtained from its investigation to Customer in writing, including, but not limited to, any misdemeanor or felony convictions, negative credit ratings, or discovery of falsification of information. Customer shall have the right, in its sole discretion, to determine whether or not such employee or agent will be permitted to perform services at its facilities. In the event Supplier learns of such information after placement at Customer, Supplier will immediately provide written notice thereof to Customer. Supplier represents and warrants that it follows all federal and state laws and regulations regarding such background investigations, including but not limited to, the requirements of FCRA and shall indemnify Customer in the event that it shall fail to do so.

30. Additional Representation and Warranties. a) Supplier represents and warrants Supplier is not a party to any order, nor subject to any order, which would prohibit or limit Supplier's ability to perform services under this order, or might expose Supplier or Customer to any proceeding for damages or injunctive relief in connection with the execution and performance of this order. b) Supplier warrants the professional quality of the services rendered by itself, its agents, employees and representatives, and that all work performed, and deliverables, shall be performed by qualified personnel in a professional and workmanlike manner, in accordance with the highest industry standards. Any services performed by Supplier, which are determined to be of less than professional quality, shall be corrected without charge. c) Supplier agrees that it will not and shall not cause Supplier or Customer to be in violation of any laws, decrees, rules, or regulations in effect in either the United States or foreign country, if services are performed outside the United States or it is reasonably anticipated that any deliverable will be used outside the United States. d) If Customer permits Supplier to subcontract any of the work under this order, Supplier represents and warrants that any party providing Services shall be bound, in writing, to comply with the terms of Indemnification, Property Rights, and Confidentiality clauses of this order. e) Supplier will comply with all policies and procedures of Customer including but not limited to security, safety, and use of or access to Customer's computer systems. f) Supplier shall, at the request of Customer, execute, acknowledge, and deliver, or cause to be done, executed, acknowledged, and delivered, all such further acts, documents, and instruments as may be required to affect any of the transactions contemplated by this order.
31. Removal of Supplier's Representatives. Customer may request the removal of any Supplier representative, at any time, and for any reason, without prior notice. Customer's request for removal of a Supplier representative shall be effective immediately upon

**PURCHASE ORDER TERMS AND CONDITIONS
(North America)**

notification (written or oral) to Supplier. Supplier shall immediately remove or have removed such person upon request of Customer.

32. Independent Contractor Status. Supplier is and shall remain an independent contractor and is not an employee, agent, partner, joint venturer, or representative of Customer. Customer will not incur any liability as the result of Supplier's actions. Any person employed by Supplier to perform services shall be Supplier's employee or agent and shall not be entitled to any benefits provided to Customer's employees. Supplier shall indemnify and hold Customer harmless against any claim to such benefits made by persons performing services on Supplier's behalf. Supplier shall be responsible for the payment of all federal, state and local income taxes, social security and unemployment excise taxes, and any other taxes required by law to be paid by independent contractors and shall indemnify Customer for any failure to do so. Supplier and Supplier's employees, agents, and independent contractors shall have no authority, nor shall they represent themselves as having any authority, to bind Customer in any manner whatsoever.
33. Property Rights.
- 33.1. Supplier agrees to disclose fully to Customer, and does hereby assign and transfer to Customer the right, title, and interest in and to any and all inventions, whether patentable or not, discoveries, improvements, innovations, copyrights, trade secrets, and/or designs ("Work Product") made, discovered, developed, or secured by Supplier, solely or jointly with others or otherwise, while performing services for Customer, if such Work Product is related, directly or indirectly, to the business of, or to the research or development work of Customer; or within one (1) year after providing services to Customer if conceived as a result of and is attributable to the performance of services and relates to a method, substance, machine, article or manufacture for improvements, procedure, product and/or process within the scope of the business of Customer, together with rights to all intellectual property rights which may be granted thereon.
- 33.2. Supplier shall cooperate with Customer at Customer's expense, in obtaining and maintaining any patent, copyright, trademark or other statutory protection for the Work Product. From time to time, when requested by Customer, Supplier shall, and shall cause its employees and any approved sub-contractors or other third parties to execute and deliver to Customer all documents required by the Customer to record, acknowledge or perfect Customer's rights associated in the Work Product and all components, elements, or materials of the work throughout the world, and shall fully cooperate with Customer in obtaining and maintaining such rights. Supplier shall execute and deliver such assignments and consents pertaining to the copyrights, trademarks, patents, and other protected rights within a reasonable period after Customer requests the same, but in no event later than thirty days from the date of request. The obligations in this section shall survive the termination, expiration or cancellation of this Agreement.
- 33.3. As the owner of the Work Product, Customer shall have the unrestricted rights, without further obligation to compensate Supplier, (a) to reproduce, use, manufacture, distribute, market and sell the Work Product, (b) to reproduce, decompile, debug, analyze, modify, and/or upgrade the Work Product, to address defects therein, and/or to enhance the work with additional features. Upon request, Supplier shall assist Customer in correcting any errors or malfunctions in the work that may arise in connection with the use or operation of the Work Product.

33.4. Supplier shall, upon request by Customer, physically deliver all tangible materials in Supplier's possession in relation to the Work Product and all Customer Property to any location pursuant to instructions given by Customer.

33.5. Supplier shall not manufacture or sell the Work Product, directly or indirectly, through any related or unrelated third party, or authorize others to manufacture or sell the Work Product, without the prior written consent of Customer. Supplier shall have no right to disclose or use any such inventions, works of authorship, proprietary data, or other materials for any purpose whatsoever and shall not communicate to any third party the nature of or details relating to such inventions, works of authorship, proprietary data, or other Work Product.

33.6. Upon completion of any development of the Work Product, or at such sooner time as may be deemed prudent by Customer, the parties shall use their best efforts and cooperate to obtain any necessary regulatory approvals for the unrestricted commercial manufacture, sale and use of any product based in whole or in part on the Work Product transferred pursuant to this order.

33.7. Supplier represents that any services provided to Customer and any Work Product delivered to Customer shall not infringe any intellectual property right of any third party.

34. Insurance. Supplier shall maintain a) Comprehensive General Liability Coverage, including Products and Contractual Liability, with a combined single limit of \$5 million per occurrence, for bodily injury and property damage; b) Commercial Automobile Liability Coverage with single limit for bodily injury and property damage with minimum primary limits of \$1 million; c) Statutory Worker's Compensation Coverage or a state approved Self-Insured Worker's Compensation Program, with statutory excess insurance coverage; and d) Employer's Liability Coverage with minimum limits of \$1 million. Supplier will provide an Insurance Certificate to Customer to verify coverage prior to the commencement of services under this Order and at any time upon request. Supplier will provide Customer with thirty (30) days' notice of any change in coverage and/or insurance carrier.