



## PURCHASE ORDER TERMS AND CONDITIONS

**1. Acknowledgement/Acceptance/Authorization:** Seller must acknowledge receipt of this purchase order to Focal Point, LLC, an affiliate of Legrand North America, ("Focal Point") within (5) five days after receipt or prior to shipment, whichever is first. This is to ensure that Seller is in receipt of order, and terms and conditions of quantity, price, description, specifications and shipping date and other conditions are understood. Failure to submit said acknowledgement within five (5) days, or upon shipment of the goods, shall constitute acceptance of this purchase order in its entirety. Any terms and conditions proposed in Seller's acknowledgement, acceptance, invoice or other form that add to, vary from, or conflict with the terms herein are hereby rejected. If this order is an acceptance of a prior offer by Seller, such acceptance is limited to the express terms set forth in this order. Seller acknowledges and agrees that Focal Point shall not be bound by any document, agreement or contract with Seller that is not on Focal Point's Terms and Conditions, unless such document, agreement or contract is executed by a Vice President, Chief Financial Officer or President of Focal Point.

**2. Order of Precedence:** If there are any inconsistencies or conflicts in the provisions applicable to the order, precedence shall apply as follows: (i) first, the face of the purchase order, with regard to price, quantity and shipping; (ii) next, the terms of any master terms agreement or other agreement between Seller and Focal Point that references these terms and conditions pursuant to which orders are issued to Seller; (iii) finally, these terms and conditions.

**3. Price:** Prices, charges or extra costs shall not be in excess of those listed on the face side of this order. If price is listed incorrect, or is not listed, Seller must notify Focal Point within three (3) days of receipt of PO and prior to fabrication or shipment. All price increases must be authorized by Focal Point in writing prior to shipment.

**4. Quantity:** The quantity(s) indicated, either total or per each schedule release, when indicated shall be adhered to by Seller. Overruns will not be accepted or Focal Point held liable, and will be returned to Seller at Seller's expense. On blanket orders or multi scheduled shipments the quantity listed or 5% less will be acceptable or satisfactory through completion of this order. Any changes to the above must be authorized in writing by Focal Point prior to implementation.

**5. Delivery:** The time specified for delivery shall be of the essence of this order. Seller must notify Focal Point a reasonable time in advance in writing of any delays or non-performance, to insure continuity of Focal Point's production schedule or supply requirements. Failure to ship on the dates(s) and quantity(s) specified will, at Focal Point's option, relieve Focal Point of any obligation to accept or pay for undelivered goods, whether completed or in any state of fabrication, and Focal Point may at its option cancel or terminate this order or any remaining unshipped balance at no cost or charges or any further obligation to Seller.

**6. Delivery Schedule(s):** Shipment or delivery of goods in advance of shipping schedule, (date(s) and quantity(s) as indicated) and considered unreasonable by Focal Point, except with the prior written authorization of Focal Point, may be returned to Seller, at Focal Point's option and Seller's expense.

**7. Fabrication:** All goods ordered and furnished to Focal Point requirements specifically, as indicated by drawings, specifications or

other technical data furnished with or included on the face of this order by Focal Point, will not be fabricated by the Seller in excess of 30 days in advance of the shipping schedule(s) and quantity(s) indicated. Any fabrication in advance of these instructions will be at the Seller's risk. In the event of specification or schedule changes, Focal Point will not be liable or responsible beyond such 30-day period, except in such cases where compliance to quantity(s) or shipping schedule otherwise mandates or warrants, and advance notice is supplied to and agreed to by Focal Point. In the event of cancellation or termination, Focal Point will only be responsible as set forth in Section 13.

**8. Packaging and Shipment:** Unless otherwise specified, all goods to be delivered hereunder shall be stored, boxed or packaged without charge, so as to ensure safe arrival at their ultimate destination and to comply with requirements or standards of common carriers. Packing list must accompany goods, listing contents, quantity, part number, and P.O. number. Goods must be routed in accordance with Focal Point's instructions. In the event the method of shipment is not indicated or the term "Best Way" is used, the most economical and practical method will be secured by the Seller and shipped, prepaid. Discrepancies encountered with count or quantity will rest on the Seller. Focal Point will notify Seller in writing when such discrepancies occur or are encountered. All goods must be packaged and shipped in accordance with all environmental, health and safety laws, including, but not limited to, the Hazardous Materials Transportation Act of 1975, as amended.

**9. Title and Risk of Loss:** Seller shall bear all risk of loss or damage for all goods until such time as the goods are received and accepted by Focal Point. Title to, and risk of loss for, the goods shall pass only after such receipt and acceptance have occurred.

**10. Inspection:** All materials and goods supplied hereunder as specified are subject to test and inspection and approval or acceptance after receipt by Focal Point. Inspection may be performed at Focal Point's option on a statistical sampling basis, in accordance with ANSI/ASQ Z1.4-2003 (R2013). Focal Point shall have a reasonable time after delivery or performance to inspect the items delivered or services performed.

**11. Rejection:** Focal Point will notify Seller of any rejection by either notice in writing or by the return to the Seller of the rejected goods at Seller's expense. Focal Point reserves the right to reject and return the entire lot or any portion thereof. Focal Point may, at its option, supply QC and inspection data of any non-conforming lot as requested by Seller. At Focal Point's sole option, Seller may be allowed to replace defective goods with conforming goods within a reasonable amount of time by issuing a Rejection Replacement Order, without invalidating any remainder of unshipped balance of this order.

**12. Changes:** Focal Point shall have the right to make changes to this order or any part thereof at any time through issuance of a written change notice. Such change notice may cancel this order in part or in whole if performance becomes impracticable due to an Act of God or any event(s) beyond Focal Point's control. If any such change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment shall be made in price or delivery schedule or both ("Adjustment Claim"), and Focal Point shall modify this order accordingly. Seller must submit an Adjustment Claim in writing in



the form of a complete change proposal, fully supported by factual information, to Focal Point no later than fifteen (15) days after Seller's receipt of the change notice.

**13. Termination:** Focal Point may terminate this order or any remaining unshipped portion thereof at any time, for any reason. In the event of termination, Focal Point will notify Seller in writing. Subject to the requirements set forth in this order, Focal Point will be responsible to Seller for (1) all goods received and accepted prior to cancellation date; (2) all goods in transit, and in accordance with Focal Point's shipping schedule, provided they meet with applicable QC and specifications; (3) any goods fabricated or in process and scheduled for shipment within (30) thirty days of the termination date. Focal Point will not be liable for costs or cancellation charges on any goods manufactured, fabricated or considered work in process in excess of (30) thirty days beyond the cancellation date, unless otherwise agreed to in writing by Focal Point prior to termination. Focal Point may cancel this order at no cost or cancellation charges or further liability, at any time, for Seller's non-performance, non-compliance with Section 16, or failure to deliver conforming goods as scheduled or within reasonable time thereof, at Focal Point's option.

**14. Warranty:** No disclaimer of implied warranties shall be effective. Seller warrants to Focal Point that all goods provided hereunder shall be and shall continue to be: (i) merchantable and fit for the ordinary purposes for which such goods are used; (ii) new; (iii) free from defects in material and workmanship; and (iv) free from liens or encumbrances on title. Seller agrees that the foregoing warranties are transferrable to Focal Point's customers and the users of Focal Point's products. Seller acknowledges that the good hereunder are purchased for resale, alone or in combination with other products, and that the failure of Seller to provide conforming goods will subject Focal Point to consequential damages due to use by the customers or end users. Seller shall indemnify and hold Focal Point harmless from all costs or expenses arising from Seller's nonconforming goods.

**15. Indemnity:** Seller shall indemnify and hold harmless Focal Point and Focal Point's parent and affiliated companies, as well as the officers, directors, and employees of Focal Point and Focal Point's parents and affiliated companies, from and against any loss, damage or liability arising, directly or indirectly, from or relating to (i) the imposition of any tax, duty, assessment, fine or penalty of any kind relating to the chemical content of Seller's products/goods, including without limitation whether such content is properly disclosed, labelled or otherwise required to be accounted for, or (ii) the actual or alleged infringement of any patent or other intellectual property right, or the release of hazardous materials by reason of the sale, distribution and/or use of the Seller's products/goods, or (iii) failure to comply with Section 16 hereof.

**16. Tooling:** Seller acknowledges that its performance may require it to create or purchase tooling. All tooling, gauges, material, dies and other process equipment furnished to or created by Seller shall be the property of Focal Point, shall be identified clearly by Seller as "Property of Focal Point, LLC, Chicago, IL", shall be stored and maintained safely, and shall not be used except in performance pursuant to this agreement. If Focal Point has assigned an asset number or other means of identification to any of its property in Seller's possession, that property shall also be clearly identified with that asset number. Property which can be engraved or stamped without damaging or detracting from its function or usefulness (for example, tooling, tools dies) shall be marked by that method. Property not suited to engraving or stamping shall be

marked either permanently or temporarily by a method suited to the particular property. All such property shall be insured by Seller in an amount equal to its replacement cost with loss payable to Focal Point. Focal Point may remove any such property from Seller's premises at any time upon ten days' notice. Seller waives all rights it has or may acquire to retain possession of such property or to claim a lien thereon, whether pursuant to statute or common law.

**17. Confidentiality/Infringement:** Seller acknowledges that it has or will receive from Focal Point confidential information, including but not limited to Focal Point's know how, techniques, research, pricing, customer lists, specifications, drawings, designs, inventions, tooling, and the like, which is not generally available, whether or not the underlying details are generally known. Seller shall hold all such confidential information in strictest confidence, shall use it solely for the production hereunder, and shall not disclose this information to others without Focal Point's prior written consent. Seller may disclose such information to its own representatives, or to subcontractors, only to the extent necessary to perform under this agreement, and only to those persons who agree in writing to be bound to the confidentiality provision of this agreement. On completion of this order, Seller and its affiliates and subcontractors shall return all such items and copies made by Seller to Focal Point or make other disposition as Focal Point directs or approves. Seller shall promptly disclose to Focal Point all improvements or inventions it conceives or makes to the product or goods. Focal Point shall own all rights to such improvements or inventions without additional payment to Seller. Seller covenants that any processes, designs or the like used in performance of this contract will not infringe on any rights of others, including patents or copyrights, and agrees in indemnify and hold Focal Point, its affiliates, agents, customers, and users harmless from all damages or expenses, including attorney's fees, in connection with the foregoing or any threatened or actual claim thereon.

**18. Compliance:**

**a) General Compliance:** Seller shall be responsible and liable for compliance with any and all laws, rules and regulations applicable to the performance of its obligations hereunder, including, but not limited to (i) the actions of its employees and the conduct and operation of its business, (ii) laws and regulations governing data privacy, and (iii) compliance with all anti-corruption laws and regulations applicable wherever Seller conducts business, including, but not limited to the False Claims Act (or successor legislation) and the Foreign Corrupt Practices Act (or successor legislation). Seller's policies and practices shall explicitly prohibit the improper payment or provision of anything of value, directly or indirectly, to any public official or to any agent or consultant of any public entity or official, foreign or domestic. Seller shall also have in place policies to ensure that normal and customary business entertainment and expenses or the provision of other things of nominal value are bona fide and legitimate under applicable law. Seller will use all commercially reasonable efforts to comply with Focal Point's Corporate Social Responsibility commitments, in particular regarding the UN Global Compact, including without limitation, to:

- Support and respect the protection of internationally proclaimed human rights
- Make sure the Seller is not complicit in human rights abuses
- Uphold the freedom of association and the effective recognition of the right to collective bargaining
- Eliminate all forms of forced and compulsory labor



- Abolish child labor
- Eliminate employment discrimination (race, sex, religion, etc.)
- Support a precautionary approach to environmental challenges
- Undertake initiatives to promote greater environmental responsibility
- Encourage the development and diffusion of environmentally friendly technologies
- Work against corruption in all its forms, including extortion and bribery

Seller and its subcontractors also undertake to comply with the conventions for the International Labor Organization as well as with any regulation applicable to their activities in the countries in which they operate.

Seller undertakes to require its suppliers and subcontractors, to comply with the same laws, regulations, rules, etc., as Seller must comply with pursuant to this Agreement.

Focal Point reserves the right to conduct at any time audits in order to make sure that Seller and any related subcontractors(s) are in compliance with the foregoing requirements. To this end, Seller shall grant Focal Point's internal or external auditors, as the case may be, full access to its production and administrative sites.

Focal Point reserves the right to require any information or document necessary to verify compliance with these obligations

**b) Environmental Compliance:** Seller is responsible for the care, control and management of its products, materials and wastes, including the proper off-site disposal of all waste materials in accordance with all applicable legal requirements. Material Safety Data Sheets (MSDS) must be provided to the Focal Point Environmental Coordinator for all oils, lubricants, chemicals, cleaners, paints, or adhesives prior to being brought to Focal Point's site.

All liquid product or waste material must be stored in compatible and secure containers, adequately labeled with environmental and safety information, and remain covered at all times when not in use. All product and waste materials must be properly segregated.

Product or waste material must not be placed in drains, sumps or trenches or outside of the facility unless authorized in writing by the Focal Point Environmental Coordinator.

In the event of an environmental emergency, or incident pertaining to the transportation of goods to and from the local Focal Point site, Seller must immediately contact the local Focal Point Environmental Coordinator and indicate:

- What was spilled
- Location of spill
- Quantity spilled

Seller shall obtain and comply with all applicable permits required by Focal Point, local, state and federal regulations.

Seller must follow all appropriate environmental, health and safety rules

and regulations while on Focal Point property.

**c) Equal Opportunity:** Seller is responsible for compliance with all equal opportunity laws, regulations, ordinances and executive orders in the production and sale of its products. **Required contract laws relative to Equal Employment Opportunity/Affirmative Action are incorporated herein by specific reference to Executive Order 11246, as amended; 41 C.F.R. 60-1.4 (Equal Opportunity Clause); 41 C.F.R. 60-250.4 (Disabled Veterans/Vietnam Veterans); and 41 C.F.R. 60-741-4 (Disabled). Seller shall also comply with 29 C.F.R. part 470 (Notice of Employee Rights Concerning Payment of Union Dues), if applicable.**

**d) Import/Export Compliance:** Seller shall comply with all applicable national and international laws and regulations regarding the supply, sale, transfer, export, re-export of products and related services, as appropriate, including without limitation economic sanction, export control and trade embargos (hereafter referred to as "Export Control Regulations").

Seller undertakes to not sell, supply, transfer, export, re-export or make products available to Focal Point that could be originated, directly or indirectly, from a country that are subject to Export Control Regulations or from any company, entity, organization or individual covered by Export Control Regulations.

Seller acknowledges it is solely responsible for obtaining and maintaining the necessary export licenses.

Seller undertakes to:

- specify the P/N and the commercial designation of their products as well as the name and the country of the manufacturer, and
- specify whether or not the products are controlled under any Export Control Regulations

In addition, Seller undertakes, if necessary, to provide Focal Point with the following information:

- for the dual-use items, the Export Control Classification Number (ECCN) of the Commerce Control List. If no ECCN is relevant to the product, it must be considered as classified under ECCN "EAR99";
- If the product incorporates controlled components, the name and the country of the supplier and the manufacturer of such components;
- if a non US-origin product with integrated, EAR-classified US components (except EAR99), specify the value (in U.S. dollars) of those components (purchase price); and
- the export license number and date, where appropriate.

Seller also undertakes to provide Focal Point with the following accompanying documents:

- the invoice for the products, and
- the documents required under the regulations applicable to the products, such as documents justifying origin of the products, the EC declaration of conformity and/or the technical documents relating to the products.

When requested by Focal Point, Seller shall, promptly and without additional cost, furnish Focal Point with any documentation, including import certificates or end-user statements from Seller or Seller's



government, which are reasonably necessary to support Focal Point's application for import or export authorizations.

If any goods ordered hereunder are to be shipped into the United States, Seller agrees that it will either (i) be certified under the Customs Trade Partnership Against Terrorism ("C-TPAT") program by the U.S. Bureau of Customs and Border Protection or (ii) demonstrated to Focal Point's satisfaction that it meets the security requirements of C-TPAT. The security requirements of C-TPAT are available at [www.cbp.gov](http://www.cbp.gov). Upon five (5) days prior written notice, Focal Point, or its designee, may audit all pertinent books and records of Seller and its subcontractors, and make reasonable inspection of Seller's and its subcontractors' premises, in order to verify compliance with the requirement of this Section.

**e) Indemnification:** Seller shall indemnify and hold harmless Focal Point and Focal Point's parent and affiliated companies, as well as the officers, directors, and employees of Focal Point and Focal Point's parents and affiliated companies, from and against any loss, damage or liability arising, directly or indirectly, from or relating to (i) the imposition of any tax, duty, assessment, fine or penalty of any kind relating to the chemical content of Seller's products/goods, including without limitation whether such content is properly disclosed, labelled or otherwise required to be accounted for, or (ii) the actual or alleged infringement of any patent or other intellectual property right, (iii) the release of hazardous materials by reason of the sale, distribution and/or use of the Seller's products/goods, or (iv) from Seller's failure to comply with any compliance obligation set forth in this Section 18.

**19. Safety:** The goods to be provided and/or the services to be performed hereunder are each warranted by Seller to equal or surpass all Federal, State and local occupational safety and health standards applicable thereto, including without limitation, those set forth in Title 29, Labor, Chapter XVII, part 1910 of the Code of Federal Regulations, and all OSHA and EPA Regulations as indicated by current laws.

**20. Insurance:** Seller agrees to maintain insurance, in force as follows:

- General Liability including Products/Completed Operations and Contractual Liability coverages, in the minimum amount of (\$1,000,000) One Million Dollars
- All Risk Property and Boiler/Machinery coverage, as applicable, for all Focal Point furnished or Paid for Items.
- Statutory Worker's Compensation and Employer's Liability coverage.

ALL POLICIES SHALL BE ENDORSED TO WAIVE SUBROGATION AGAINST FOCAL POINT AND ITS AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, AND TO NAME FOCAL POINT AS AN ADDITIONAL INSURED. All policies shall provide that the coverage thereunder shall not be materially changed or cancelled without at least 30 days prior notice to Focal Point. Evidence of renewals of each such policy in acceptable format shall be delivered to the Focal Point not less than 20 days prior to the expiration of the original policy.

**21. Remedies:** The rights and remedies set forth herein are cumulative and in addition to any other rights or remedies that the parties may have at law or in equity.

**22. Governing Law:** The terms shall be governing by the laws of the

State of Illinois, excluding conflicts of laws provisions. Application of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.