

GOJO INDUSTRIES, INC.
PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance. This purchase order, which includes the following terms and conditions (together, this "Purchase Order") is the offer of GOJO Industries, Inc., including its subsidiaries and affiliates (collectively, "Purchaser") to purchase from the party to whom it is sent ("Seller") the goods described herein. This Purchase Order may be accepted by any reasonable indication of acceptance by Seller, including, but not limited to, acknowledgement or commencement of performance by Seller. Acceptance of this Purchase Order by Seller, however made, is limited to these terms and conditions. Any modification of this Purchase Order must be in writing and signed by Purchaser. Any additional or contrary terms and conditions contained in any form of Seller not specifically accepted in writing by Purchaser are hereby rejected. Seller shall not ship any goods or perform any work or service under this Purchase Order unless the terms and conditions of this Purchase Order are acceptable to Seller.

2. Quality, Quantity, Deliveries, and Packing. In the event no quality is specified on the face hereof, the goods delivered hereunder must be of the best quality. The quantity of goods indicated on the face hereof must not vary from the Purchase Order by plus or minus 5% without written approval of Purchaser. From time to time, Purchaser may not be able to count the goods when received. Upon count, Purchaser may adjust the invoiced price for any over or under shipment. Purchaser is not liable for the cost of packing, boxing, or cartage, unless specified on the face hereof. Risk of loss of or damage to any goods not packed in such a manner as to insure proper protection to the goods shall be borne by Seller. Each package of goods must comply with the receiving document requirements as provided by Purchaser. In the event receiving documents are not provided, each package of goods shipped must externally show shipper's name, contents of package, quantity, Purchaser's part number(s), and Purchase Order number on the face thereof. Seller shall ship and deliver goods hereunder on the date or dates specified on the face hereof unless prior approval of any change in such date or dates is given by Purchaser.

No tender of delivery of goods or any document, data, or other items pursuant to this Purchase Order shall be deemed made to purchaser and no liability or obligation to inspect such goods, documents, data, or other items shall be imposed on Purchaser, unless and until they are tendered in precise conformity to the specifications and instructions of this Purchase Order (including, but not limited to, specifications and instructions relating to kind, quantity, quality, assortment, labeling and packaging, delivery, shipping, routing, and conformity to specifications, designs, and samples).

If Seller fails to meet a delivery date applicable to this Purchase Order, Purchaser may issue an amended purchase order with Seller's updated delivery date. The issuance of such an amended purchase order and/or the acceptance of late delivery do not by themselves represent a waiver or release of any rights or remedies Purchaser may have resulting from Seller's failure to meet the original delivery date. Any such waiver or release must be specifically described in a separate writing.

3. Inspection. Notwithstanding prior payment and/or inspection by Purchaser, all shipments of goods hereunder shall be subject to inspection by and approval of Purchaser after arrival of such goods at the delivery point specified on the face hereof.

4. Title and Encumbrances. Seller represents to Purchaser that it has good and marketable title to the goods purchased hereunder free and clear of all encumbrances. Unless otherwise specified in this Purchase Order, title to the goods purchased hereunder passes to Purchaser at the time they are received and accepted by Purchaser in accordance with these terms and conditions.

5. Warranty. By accepting this Purchase Order, Seller hereby warrants that the items to be furnished hereunder will be in full conformity with Purchaser's specifications, drawings and data, or Seller's samples, and that items furnished hereunder will be merchantable and fit for their intended purposes or the use intended by Purchaser. This warranty will survive acceptance of the items or services. Said warranties are in addition to any warranties of additional scope given to Purchaser by Seller. Seller shall be liable for incidental and consequential damages arising from any breach of warranty. All warranties set out herein and other warranties as may be prescribed by law extend to Purchaser, its successors, assigns, and customers, and to users of the goods furnished hereunder and will run through any expiration date stated in Seller's warranty.

6. Mistakes in Information. Seller represents and warrants that the information supplied to Purchaser under this Purchase Order or any related agreement, is free from any discrepancies, errors, or omissions. Review and prior approval of such information by Purchaser in no case shall relieve Seller of its indemnification obligations herein, which shall remain absolute. Seller shall, at Seller's expense, be liable and responsible for any remediation arising out of or relating to any such discrepancies, errors or omissions.

7. Rejected Shipments and Purchaser's Remedies. If the goods shipped or to be shipped hereunder are rejected, in whole or in part, by Purchaser by reason of Seller's failure to comply with any of the representations, warranties, terms, conditions and/or specifications contained herein or in any related agreement, Purchaser, after so notifying Seller, may: (a) return the rejected portion of such goods to Seller at Seller's expense; or (b) hold the same for such disposal as Seller shall indicate, without invalidating the remainder of this Purchase Order; or (c) rework the goods at Seller's expense so that they comply with the representations, warranties, terms, conditions and specifications contained herein and in any related agreement ; or (d) reject the entire shipment of such goods and cancel this Purchase Order for any undelivered balances of goods. When any goods are returned, disposed of, or reworked, Purchaser will invoice Seller \$500.00 (US) for administrative handling.

If goods shipped or to be shipped hereunder are rejected, as hereinabove provided, Purchaser may purchase like goods elsewhere, and charge Seller with any loss or damage (either direct or indirect) sustained by Purchaser (including, but not limited to, any difference between the price paid by Purchaser for such like goods and the price specified on the face hereof) plus all costs of collecting the same (including, but not limited to, reasonable legal fees and court costs). Purchaser is not obligated to pay for any goods that it rejects.

In addition to the other remedies described in this Purchase Order, in the event Seller breaches its obligations hereunder, Purchaser may pursue all legal and equitable remedies available to it.

8. Price. Unless otherwise specified, the prices stated in this Purchase Order include all charges for packing, hauling, storage, transportation to point of delivery, and taxes. Sales and use taxes not subject to exemption shall be stated separately in Seller's invoice. Seller may not increase prices on the goods ordered after the acceptance of this Purchase Order.

9. Set-Off. Any Counterclaim against Seller or any of Seller's related entities by Purchaser which arises out of this or any other transaction may be set-off against any money due to Seller under this Purchase Order.

10. Specification Change. From time to time, Purchaser may revise, supplement, or otherwise amend the Specifications. These revised Specifications shall become effective as specified in the Purchase Order after Seller's receipt of such revision, supplement, or amendment unless Seller provides Purchaser with written notification of objection. Said notification of objection must be received by Purchaser within fifteen (15) days prior to the effective day. If Seller provides a written notification of objection, then both parties shall promptly and in good faith attempt to resolve the objection. If the objection cannot be resolved within thirty (30) calendar days, then Purchaser, in its sole discretion, may: (a) purchase the goods from a third-party

supplier, in which case the obligations including, but not limited to, any purchase requirements and/or commitments of Purchaser shall be reduced accordingly; or (b) terminate this Purchase Order and any related agreement with Seller without penalty, liability or further obligation.

Seller shall not make any change to any raw material, package material, feedstock, portion or any components of any product, the production process, the production equipment, any documentation or information related in any way to Purchaser's products or production or the production location(s) without Purchaser's prior written consent. Purchaser, in its sole discretion, is entitled to reject any such change. Seller shall be liable for any costs or damages incurred by Purchaser as a result of any change made by Seller without obtaining Purchaser's prior written consent, including, without limitation, costs and damages incurred as a result of any product recall.

For the Purpose of this Section 10, "Specifications" means, finished goods and packaging specifications, manufacturing instructions, processing instructions, quality control procedures, finished goods and component performance tests, and other information relating to the manufacture of the goods.

11. Invoices. No invoice will be paid by Purchaser unless it carries the following certification: "Seller represents that, with respect to the production of the goods and/or performance of the services covered by this invoice, it has fully complied with Section 12 of the Fair Labor Standards Act, as amended."

12. Meet or Release. If during the term of this Purchase Order or any related agreement, Purchaser can purchase goods of like kind and quality to the goods specified hereunder from a third-party supplier at a cost that is lower than the cost of the goods purchased hereunder from Seller, Purchaser may notify Seller of such cost and Seller shall have the opportunity, within thirty (30) calendar days of such notice, to price the goods purchased hereunder as to result in the same cost to Purchaser. If Seller timely fails to do so or cannot legally adjust the price, Purchaser may: (a) purchase the goods from the third-party supplier, in which case Purchaser's obligations, including but not limited to, any purchase requirements and/or commitments, if any, of Purchaser hereunder shall be reduced accordingly; (b) terminate this Purchase Order and any related agreement without any penalty or further obligation; or (c) continue purchases under this Purchase Order and any related agreement.

13. Most Favored Customer. If, during the term of this Purchase Order or any related agreement, Seller sells any goods which are the same as, or equivalent to or substantially similar to the goods specified hereunder, at a lower cost to a third party than the cost to Purchaser then in effect, then Seller shall have an opportunity, within thirty (30) calendar days, to price the goods purchased hereunder so that it is the same as or lower than the cost to such third party. If Seller timely fails to do so or cannot legally adjust the price, Purchaser may: (a) purchase the goods from any third-party supplier, in which case the obligations, including, but not limited to, any purchase and sale requirement and/or commitments, if any, of Purchaser hereunder shall be reduced accordingly; or (b) terminate this Purchase Order and/or any related agreement, without any penalty, liability or further obligation. Within thirty (30) calendar days of the effective date of this Purchase Order or at any time Purchaser so requests, Seller shall certify in writing to Purchaser that Seller is in compliance with this section and shall provide all information that Purchaser reasonably requires in order to verify such compliance.

14. Intellectual Property. Seller warrants that the goods furnished hereunder do not infringe any United States or foreign patent, trademark, trade secret or copyright; that it will defend any suit that may arise in respect thereto; and that it will defend, indemnify and hold Purchaser harmless from and against any and all loss which Purchaser may incur (including, but not limited to, reasonable legal fees and court costs) by reason of the assertion of any rights with respect to the goods furnished hereunder whether by reason of Purchaser's purchase, use, or otherwise.

Seller and Purchaser agree that the work resulting from Seller's services shall be considered as a work-made-for-hire as contemplated and defined in the United States Copyright Act. To the extent any such work does not qualify as a work-made-for-hire under any applicable law, including, but not limited to, the United States Copyright Act, 17 U.S.C. §101 et seq., Seller hereby assigns to Purchaser or its designee the entire right, title, and interest for the entire world in and to all work produced and performed including, but not limited to writing(s), formula(s), design(s), model(s), mold(s), drawing(s), photograph(s), design invention(s), and other invention(s) (collectively, "Inventions") made, conceived, or reduced to practice or authored by Seller, Seller's employees, agent or any other person or entity acting on behalf or for the benefit of Seller, either solely or jointly with others, during the performance of this Purchase Order or with the use of information, materials, or facilities furnished by Purchaser or developed by Seller, under this Purchase Order.

Seller shall promptly and fully disclose to Purchaser all Inventions made, conceived, or reduced to practice or authored by Seller or Seller's employees, agents, or any other persons or entity acting on behalf or for the benefit of Seller as set forth above. Seller shall sign, execute and acknowledge or cause to be signed, executed, and acknowledged, without cost, but at the expense of Purchaser, any and all documents and perform such acts as may be necessary, useful or convenient for the purpose of securing to Purchaser or its nominees, patent, trademark, or copyright protection throughout the world upon all such Inventions, title to which Purchaser may acquire in accordance with the performance of this Purchase Order.

Seller has acquired or shall acquire from each of its employees, agents, or other persons or entities acting in behalf of or for the benefit of Seller, the necessary rights to all such Inventions made by such employees within the scope of their employment by Seller in performing services under this Purchase Order. Seller shall obtain the cooperation of each such employee, agent, or other person or entity acting on behalf or for the benefit of Seller, to secure to Purchaser or its nominees the rights to such Inventions as Purchaser may acquire in accordance with the performance of this Purchase Order.

Seller does hereby acknowledge that under the terms of this Purchase Order, all writing(s), formula(s), design(s), model(s), mold(s), drawing(s), photograph(s), design invention(s), and other invention(s) made and all rights appertaining thereto are entirely the property of Purchaser or its designee, its successors, and assigns, absolutely and forever, and for all uses and purposes whatsoever and free from payment of any royalty or compensation whatsoever except that contemplated by this Purchase Order.

15. Responsibility and Indemnification. If a claim is made against Purchaser that goods furnished by Seller are defective in any respect or infringe on the intellectual or other rights of any other person, and bodily injury, property damage or economic loss is alleged to have resulted, Seller agrees to indemnify, hold harmless, and defend Purchaser, its agents, directors, officers, and employees, from any and all claims, expenses, costs (including legal fees), settlements, and judgments arising out of or due to such bodily injury, property damage or economic loss, as are caused or result from such claim, except where such bodily injury, property damage, or economic loss is due to the sole negligence of the Purchaser.

All work to be performed by Seller hereunder shall be performed entirely at the risk of Seller and Seller shall defend, indemnify, and hold harmless Purchaser, its agents, servants, representatives, independent contractors, and employees from and against any and all loss (including, without limitation, loss of use), liability, damage, claims, demands, actions, and/or proceedings and all costs and expenses connected with any thereof (including, without limitation, legal fees) of whatsoever nature on account of any and all damage to or loss or destruction of any property (including, without limitation, property of Purchaser), or injury to or death of any person (including, without limitation, employees of Seller and Purchaser) arising directly or indirectly out of or in connection with the performance of Seller of such work. Without limiting the generality of the foregoing, Seller agrees to indemnify and hold

Purchaser harmless from and against all claims and liens of any and all persons based upon the furnishing of labor and/or materials in connection with the goods furnished here.

16. Insurance. Prior to furnishing any goods, Seller shall furnish to Purchaser certificates from insurance companies approved by Purchaser evidencing that Seller is covered by insurance of the following kinds in at least the following amounts for at least the period during which work hereunder shall be performed:

<u>KIND OF INSURANCE</u>	<u>MINIMUM AMOUNT</u>
A. GENERAL LIABILITY (including, without limitation, coverage of operations of sub-contractors, liability for injury and damage following completion of work and contractual liability). Bodily injury and property damage	Minimum of \$1,000,000 combined single limit
B. TRUCK AND AUTOMOBILE Bodily injury and property damage	Minimum of \$1,000,000 combined single limit
C. PRODUCT LIABILITY	Minimum of \$1,000,000
D. WORKERS' COMPENSATION	As required by law

Said insurance policies shall contain a provision or endorsement that no cancellation in coverage shall be made without giving Purchaser thirty (30) days prior written notice thereof. Without limiting the generality of the foregoing, such insurance shall fully insure Seller against all liability imposed by law and all liability assumed hereunder.

17. Events Not within Control of the Parties ("Force Majeure"). If, by reason of fire, earthquake, flood, explosion, accident, difference with or inability to secure workers, lack of material, lack of facilities, act of God, or of any public enemy, act of terrorism, civil strife, voluntary or involuntary compliance with any valid or invalid law, order, regulation, request, or recommendation of any government agency or authority, lack of transportation facilities, or other cause beyond the immediate and direct control of either party hereto or owing to impracticability whether or not of the kind or nature hereinbefore specified, either party shall be delayed in whole or in part in delivering or taking any delivery or deliveries of goods as herein specified, then without obligation the parties shall mutually agree on one of the following options:

- a) cancel this Purchase Order in whole or in part as to any undelivered portion of such goods; or
- b) suspend in whole or in part, deliveries of goods during the continuance of and to the extent of such cause.

18. Compliance with Law. The goods sold hereunder and any production, storage, distribution, or transportation of such goods by the Seller, its employees, or agents and any work performed by the Seller, its employees or agents, pursuant to this Purchase Order will comply with all applicable federal, state, and local laws and regulations, including but not limited to any applicable regional, country-specific and/or local laws, and/or US Export and Customs (including anti-boycott) regulations, and the Foreign Corrupt Practices Act, 15 U.S.C §§ 78dd-1, et seq. Award of this order is subject to the Seller's compliance, whenever applicable, with 41 CFR §§ 60-1.4(a); Executive Orders 13498 and 13465; the provisions and regulations of the Occupational Safety and Health Act; 29 CFR 471, Appendix A to Subpart A; 41 CFR §§ 60-741.5(a); and 41 CFR §§ 60-300.5(a), as same may be amended from time to time, and all of which are hereby incorporated by reference as though fully set-forth herein.

This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a). This regulation prohibits discrimination against qualified individuals on the basis of race, color, religion, sex or national origin and requires affirmative action by covered prime contractors and subcontractors to ensure applicants are employed and that employees are treated without regard to race, color, religion, sex or national origin.

19. Employment. Purchaser expects its suppliers, including Seller, to meet the following terms and conditions of employment, at minimum, for all of their employees:

- (A) Seller shall fairly compensate its employees by providing wages and benefits that are in compliance with national laws of the countries in which Seller is doing business or which are consistent with the prevailing local standard in the countries in which Seller does business, if the prevailing local standards are higher. Seller shall fully comply with wage and hour provisions of the Fair Labor Standards Act, if applicable, and shall use only subcontractors who comply with this law, if applicable.
- (B) Seller shall maintain reasonable work hours in compliance with local standards and applicable national laws of the countries in which Seller is doing business. Employees shall not work more hours in one week than allowable under applicable law, and shall be properly compensated for overtime work.
- (C) Forced or prison labor will not be tolerated. Seller shall maintain employees on a voluntary basis. Purchaser will not accept products from Seller if Seller utilizes forced labor or prison labor in any manner in the manufacture and/or contracting, subcontracting or other relationships for manufacture of their products.
- (D) Child labor will not be tolerated. Purchaser will not accept products from Seller if Seller utilizes child labor in any manner in the manufacture and/or contracting, subcontracting or other relationships for manufacture of their products. No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

- (E) Seller shall furnish employees with safe and healthy working conditions. Factories working on Purchaser's Products shall provide adequate medical facilities, fire exits and safety equipment, well lighted and comfortable work stations, clean restrooms, and adequate living quarters where necessary or required by law. Workers should be adequately trained to perform their jobs safely.

20. Complete Agreement - Waiver. This Purchase Order, (and if applicable, any Contract Manufacturing Agreement or Confidential Nondisclosure Agreement ("CNA")), constitutes the entire agreement between the parties hereto; all terms, conditions, and specifications are set forth on the face and back hereof or on attachments thereto; And there are no warranties, agreements, or understandings either express or implied, affecting it, except as set forth on the face and back hereof or on attachments hereto. No failure of Purchaser to require Seller's strict performance of or authorization by Purchaser permitting Seller to deviate from any term, condition, or specification set forth in this Purchase Order shall be construed as a waiver of Purchaser's right to require strict performance of the same or any other term, condition, or specification in the future.

21. Applicable Law; Legal Fees; Assignment. This Purchase Order shall be construed and performed in accordance with the laws of the State of Ohio, without giving effect to its choice of law provisions. The federal or state courts located in Summit County, Ohio shall have exclusive jurisdiction over the parties hereto in any action relating to the subject matter or interpretation of this Purchase Order. In the event that any party herein commences any legal or equitable action or proceeding including, without limitation, an action for declaratory relief or any other form of relief, in order to enforce, interpret, reform, rescind or in any other matter effect the provisions of this Purchase Order, Seller shall not plead *forum non conveniens*. The rights of Seller under this Purchase Order may not be assigned by Seller without the prior written consent of Purchaser.

22. Disclosure of Information. Any unpatented knowledge or information concerning Seller's products, methods or manufacturing processes, which Seller may disclose to Purchaser, shall, unless otherwise specifically agreed in writing signed by the parties hereto, be deemed to have been disclosed as part of the consideration for this order, and Seller shall not assert any claim against Purchaser as the result of Purchaser's use thereof.

23. Purchaser's Property. All drawings, specifications, printing plates, tools, dies, jigs, fixtures, molds, production equipment, components, materials, resins, gauges, negatives, positives, photographs, color separations, proofs, or engravings, which are loaned to Seller or purchased from Seller for rendering of production purposes remain the property of Purchaser, shall be considered strictly confidential, shall be for the exclusive use of Purchaser, shall be preserved in good order, subject to inspection by Purchaser, and shall be returned promptly upon completion of work or termination of this Purchase Order. Seller shall maintain insurance coverage at replacement value for such property. Seller shall not scrap or destroy such property without prior written permission from Purchaser and shall provide subsequent certified proof of such scrapping or destruction. From time to time, Purchaser may require an inventory of such property and Purchaser may charge Seller for any inventory loss. Seller shall at all times keep all such Purchaser's property free and clear of any and all liens and hereby grants Purchaser the right to file such protective financing statements or similar statement to confirm and record Purchaser's ownership thereof.

24. Confidentiality. If Purchaser and Seller are parties to a CNA, the terms of the CNA are incorporated herein by reference. If the Purchaser and Seller are not parties to such an agreement, Seller shall not, at any time, disclose to any person, firm, or corporation any information acquired by Seller through this Purchase Order, including, without limitation, information concerning the business or technology of Purchaser such as its customer lists, price data, its purchasing volumes, its relations with its employees, its manner of operation, or its inventions, designs, plans or processes; these being trade secrets material to the successful conduct of Purchaser's business, nor will Seller take with it upon termination of this Purchase Order any drawings, blueprints, specifications, documents, or other papers, or any tools, dies formulae, or materials, except with the prior written consent of Purchaser. Seller shall not make any reference, advertisement, or promotion regarding Purchaser or Purchaser's purchase or use of goods furnished hereunder without the prior written consent of Purchaser, except to the extent required by law.

25. Employees. Seller agrees that during the course of providing goods for Purchaser and for a period of one (1) year thereafter, Seller will not directly or indirectly solicit for employment or hire an employee of Purchaser. Seller acknowledges and agrees that the hiring of Purchaser's employee will damage Purchaser and that Purchaser shall have the right to seek injunctive relief as well as damages and legal fees to enforce its rights under this paragraph.

26. Termination for Delay. Purchaser may terminate this Purchase Order and any related agreement, in whole or in part, for delays caused solely by Seller. Seller shall refund all payments for goods upon written notification of termination by purchaser

27. Termination for Convenience by the Purchaser. Purchaser may, for any reason, terminate this Purchase Order, in whole or in part, and any related agreement, without penalty, liability, or further obligation, by giving Seller written notice of the termination at least thirty (30) days prior to the delivery date stated in this Purchase Order. Seller's sole compensation and remedy for such termination will be payment by Purchaser of the percentage of the total order price corresponding to the proportion of the work completed in filling the order prior to such notice, plus any reasonable expenses incurred by Seller in terminating orders and work in progress. Such termination claim must be submitted to Seller within sixty (60) days after the date of the termination and is subject to Seller's approval.

28. Independent Contractor Status. The parties hereto are, and shall remain independent contractors with respect to each other and nothing in this Purchase Order or any related agreement shall be construed to place the parties hereto in the relationship of partners, joint venturers, fiduciaries or agents. Neither shall the employees, workers, laborers, agents or subcontractors of Seller be deemed employees or agents of Purchaser.

29. Time is of the Essence. The delivery schedule specified in this Purchase Order will not change without a written request by Seller and a written acceptance by Purchaser. Written requests must be made in a timely manner at the time of the event that caused the schedule change. Time is of the essence of this Purchase Order.