

STANDARD TERMS AND CONDITIONS OF PURCHASE

1. These Standard Terms and Conditions of Purchase (“Agreement”) shall apply to all purchases of products and services from the supplier (“**Supplier**”) by Pure Safety Group, Inc. or any of its subsidiaries or affiliates (“**PSG**”), and are incorporated into the executed supplier agreement between the parties, if any. Any proposal for additional or different terms or any attempt by Supplier to vary any of the terms, whether in Supplier’s quotation form, acknowledgement form, invoice, correspondence or otherwise, shall be deemed material and is hereby objected to and rejected by PSG, but any such proposal or attempted variance shall not operate as a rejection of this Agreement if Supplier accepts PSG’s offer by commencement of work, shipment of the products or performance of the services, or by other means acceptable to PSG, in which case this Agreement shall be deemed accepted by Supplier without any additional or different terms or variations whatsoever. This Agreement does not constitute an acceptance of any prior offer or proposal by Supplier and acceptance of this Agreement is made expressly conditional upon Supplier’s assent to the terms of this Agreement.

“**Products**” means parts, components, assemblies and accessories, raw materials, tooling and other products purchased by PSG from Supplier. “**Services**” means design, engineering, assembly, logistic, consulting, contracting of labor and other services provided by Supplier to PSG. What is stated in this Agreement regarding Products shall in relevant parts also apply to Services.

2. Shipment of Products

(a) Supplier agrees to prepare all Products for shipment at its own expense. Supplier shall properly package all Products with packaging approved by PSG and shall be liable for any damages to Products as a result of faulty packaging that does not conform to the packaging specifications approved by PSG.

(b) Time is of the essence with respect to this Agreement.

(c) Unless otherwise agreed by PSG, PSG shall be entitled to reject any shipment for late delivery or delivery of wrong quantity of Products. Supplier agrees to provide PSG a return material authorization for over-shipments, and Supplier will not charge any restocking fees.

3. Deliveries

Supplier shall ship all Products covered by a single Purchase Order in a single shipment or in installments as may be instructed by PSG from time to time. Supplier must supply Products for shipment such that delivery is made to PSG or its applicable customers within the time and at the specific quantity stated on the face of PSG's Purchase Order. PSG's acceptance of a delivery containing less than the required quantity shall not relieve Supplier of its obligation to deliver the balance of the ordered Products. The terms of delivery for all Products sold pursuant to this Contract shall be FCA Supplier’s dock (Incoterms 2010), unless otherwise designated by PSG.

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4. Quality Control

(a) Supplier shall be responsible to ensure Product quality and that the Products meet all specifications required by PSG. Prior to delivery of Products manufactured hereunder, Supplier shall perform audits and inspections of all Products and ship only those Products that meet all specifications and other product and quality assurance specifications as set by PSG. All quality control procedures shall be documented and provided to PSG upon PSG's request.

5. Non-Conforming Products

(a) If the Products delivered to PSG (i) do not conform to the model, specifications or type of the Products ordered in the Purchase Order; (ii) do not conform to the Product quality requirements in this Agreement; (iii) are defective in design, material or workmanship; or (iv) are not otherwise in conformity with the warranties in this Agreement, PSG may at its discretion (1) return the nonconforming or defective Products to Supplier at Supplier's risk and expense; (2) require Supplier to replace such nonconforming or defective Products at Supplier's expense within twenty four (24) hours for an emergency or seven (7) days otherwise from PSG's notice; or (3) choose to repair or replace defective or nonworking Products in which case Supplier agrees to reimburse PSG, upon demand for all costs and expenses involved in repairing or replacing such Products. Such return, replacement or reimbursement shall not prejudice any other rights or remedies PSG may have against Supplier caused by such breach.

(b) Any payment for nonconforming or defective Products returned in accordance with the above provision shall be refunded by Supplier unless Supplier promptly repairs or replaces the same at its expense and within the time period set forth herein. Return of any nonconforming or defective Products by PSG shall not be deemed a waiver of any right or remedy which PSG may have as a result of or in connection with the existence of such nonconformity or defect.

6. Warranties

(a) Supplier warrants for the benefit of PSG, its affiliates and their customers, resellers, distributors and end user customers that the Products and components will be free from defects in workmanship and materials, conform to the Specifications and are fit for the purposes intended. This warranty shall begin upon delivery of each Product to PSG and continue until the longer of thirty-six (36) months or the period of time that PSG warrants its products which include or are sold with the Products sold to PSG under this Agreement.

(b) Supplier further represents and warrants to PSG that: (i) Seller has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under this Agreement; (ii) at the time Supplier transfers title to any Products to PSG pursuant to the terms of this Agreement, Supplier has good and marketable title, free and clear of all liens, claims, and encumbrances, to all such Products; and (iii) the Products and the transactions contemplated by this Agreement and all Purchase Orders provided in accordance with this Agreement do and will comply with all judgments, orders, decrees, laws, statutes, rules, standards, and regulations applicable to Supplier, the Products, this Agreement, any Purchase Order, or any subject matter hereof.

7. General Indemnity; Insurance

(a) Supplier agrees to protect, defend, hold harmless and indemnify PSG, its affiliates, and their officers, directors, employees, agents, distributors, resellers, customers and other users of any of the Products (the "Indemnified Parties") during the term of this Agreement and thereafter from and against all losses, claims, damages, judgments, awards or liabilities (or actions with respect thereto, including actions brought under the doctrine of strict liability), costs and expenses (including court costs and legal fees) arising out of or resulting from (i) any product liability claims, breach of any of Supplier's warranties (including without limitation any warranty under Section 6 of this

Agreement), negligence or misconduct of Supplier; (ii) failure of Supplier to comply with any applicable laws, rules or regulations; (iii) any acts or omissions of Supplier; (iv) any Product or its use, including any death of or injury to any person or damage to any property; or (v) any promotional or advertising matter, guarantees, labels, or instructions furnished or approved by Supplier. Any legal counsel selected by Supplier shall be reasonably acceptable to PSG. PSG shall have the right to employ separate counsel at its expense, to assist in the handling of any indemnified claim. In such an event, Supplier and its counsel shall consult with PSG and its counsel with respect to the status of the claims and any related litigation or proceedings. Supplier shall not settle any indemnification claim on behalf of PSG or any of the other Indemnified Parties without the prior written consent of PSG.

(b) Supplier shall procure and maintain automobile liability insurance and comprehensive commercial general liability insurance, including, without limitation, coverage for products liability, advertising liability and contractual liability (i.e., contractual assumption of liability under this Agreement) and providing coverage on an occurrence basis, with limits of at least \$2,000,000.00 per occurrence, claims for bodily injury, sickness and disease including death, property damage, and damages relating to loss of use of physical property, arising out of or relating to all goods, materials, products or substances provided, shipped, furnished, or delivered or services performed which are the subject of this Agreement. Supplier shall also maintain workers compensation insurance meeting statutory limits. The purpose of insurance as required herein shall not be in satisfaction of Supplier's obligations under this Agreement or in any way modify or limit Supplier's indemnification under this Agreement.

8. Intellectual Property Matters

i) Supplier agrees to protect, defend, hold harmless and indemnify PSG, its affiliates, and their officers, directors, employees, agents, distributors, resellers, customers and other users of any of the Products (the "IP Indemnified Parties") during the term of this Agreement and thereafter from and against all losses, claims, damages, judgments, awards, costs and expenses (including court costs and legal fees) arising out of or resulting from a claim that any Product furnished under this Agreement or any marketing, distribution, sale or use of any Product constitutes an infringement or misappropriation of any Intellectual Property Rights. Any legal counsel selected by Supplier shall be reasonably acceptable to PSG. PSG shall have the right to employ separate counsel, at its expense, to assist in the handling of any indemnified claim. In such an event, Supplier and its counsel shall consult with PSG and its counsel with respect to the status of the claims and any related litigation proceedings. Supplier shall not settle any indemnified claim on behalf of PSG or any of the other IP Indemnified Parties without the prior written consent of PSG. If in such suit or proceeding the use of any Product is enjoined or if the importation into the country of purchase or exportation from the country of manufacture is prevented, Supplier shall, at its own expense and without delay, either procure for PSG and the other IP Indemnified Parties the right to continue such use, importation, or exportation of said goods or replace or modify them so they become non-infringing. For purposes of this Agreement, "Intellectual Property Rights" shall mean all patents, utility models, designs, copyrights, mask works, trade secrets, know-how and other intellectual property rights, together with all applications and registrations, substitutes, continuations, extensions, renewals, reissuances, reexaminations, improvements and further development with respect to the foregoing.

ii) If Supplier determines that any Intellectual Property Rights related to the Products may be infringed, or a claim arises that any Intellectual Property Rights related to the Products, may infringe the rights of a third party, then Supplier shall notify promptly PSG, giving as many particulars concerning such infringement as shall be practicable at the time.

9. Confidentiality

(a) Unless a separate executed Confidentiality/Non-Disclosure Agreement is in place, the following terms shall apply: Supplier for itself and its employees (the "Receiving Party"), agrees to hold in strict confidence and not to disclose to any third party except as permitted under Section 10(d) below, and shall not use for any purpose other than in connection with the activities contemplated under this Agreement, any confidential or proprietary information

("Confidential Information") of PSG or its affiliates (the "Disclosing Party") disclosed to or acquired by the Receiving Party prior to or during the term of this Agreement. Confidential Information includes, but is not limited to, information concerning designs, flow sheets, drawings, specifications, product, technical, financial, or business information, and other matters generally pertaining to the Disclosing Party's business, products, or processes.

(b) The Receiving Party's obligations of confidentiality and restricted use shall not apply to information which: (i) is at the time of the disclosure by the Disclosing Party in the public domain or becomes generally known to the public through no fault of the Receiving Party and its employees and agents; (ii) at the time of the disclosure was in the possession of the Receiving Party as shown by the Receiving Party's written records and was lawfully obtained from a source other than the Disclosing Party on a non-confidential basis; or (iii) is permitted by the Disclosing Party to be disclosed or used by the Receiving Party provided such permission is first obtained in writing from an authorized representative of the Disclosing Party.

(c) The Receiving Party shall not be relieved of its obligations of confidentiality because Confidential Information is embraced by more general information that falls within any one or more of the foregoing exclusions, nor shall any combination of items of Confidential Information be deemed to be within the exclusions merely because individual items of information are within the exclusions.

(d) The Receiving Party will limit access to the Disclosing Party's Confidential Information to those of the Receiving Party's employees who need to know such information for the purposes contemplated in this Agreement. The Receiving Party will inform such persons of the confidentiality obligations hereunder and will require such persons to assume obligations of confidence and restricted use consistent with those set forth herein.

(e) The Receiving Party acknowledges that the Disclosing Party's Confidential Information is an important asset of the Disclosing Party, that there may not be an adequate remedy at law for a breach of this Section, and that the Disclosing Party may suffer irreparable harm as a result of any such breach. Therefore, in the event of actual or threatened unauthorized disclosure or use of Confidential Information in breach of this Section, the parties agree that the Disclosing Party shall be entitled to seek equitable relief, including temporary and permanent injunctive relief.

10. No Adverse Actions. Supplier shall not commit any act which is, in the opinion of PSG, adverse to the interests, title and/or ownership of the Products, Joint Developments, PSG Proprietary Marks, PSG Materials or other Intellectual Property Rights of PSG. In particular, Supplier shall not register or apply to register any Intellectual Property Rights that are identical to or confusingly similar with the PSG Proprietary Marks or other Intellectual Property Rights of PSG anywhere in the world without the prior written consent of PSG.

11. Termination

(a) This Agreement may be terminated by PSG upon written notice to Supplier in the event that:

(i) Supplier breach of any of the terms and conditions of this Agreement; or

(i) a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the other parties, a custodian, receiver, trustee or other officer with similar powers with respect to Supplier or with respect to a substantial part of its property, or if an order for relief shall be entered in any case or proceeding for liquidation or reorganization or otherwise to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of such party, or if any petition for any such relief shall be filed against such party and such petition shall not be dismissed within thirty (30) days.

(b) PSG may terminate this Agreement for convenience at any time by providing Supplier written notice.

(c) The rights to terminate this Agreement given by this Section shall not prejudice any other right or remedy of either party in respect of the breach concerned (if any) or any other breach.

(d) Supplier shall, upon termination or written demand, return to PSG or destroy any and all PSG Materials and Confidential Information of PSG, and Supplier shall keep no copies in any form whatsoever.

12. Manufacturing Location or Process Change. Supplier may not relocate the production of a Product or change the process to produce said Product, wholly or in part (including without limitation final or tiered components), without PSG's prior written consent, which consent may be withheld at PSG's sole discretion.

13. Tooling. In the absence of an executed Tooling and Bailment Agreement, the following provisions shall apply: Tooling referred to in a tooling Purchase Order issued by PSG (the "Tooling") is owned by PSG upon completion of payment for such Tooling. In the event any Tooling is transferred to Supplier's facility or control, such Tooling will remain the property of PSG. Supplier may not issue an invoice to PSG for Tooling until such Product has been through the Production Part Approval Process ("PPAP") by PSG unless otherwise agreed to in writing. Supplier agrees, upon receiving the Tooling, to promptly affix, and to continuously keep and maintain, plainly and distinctly, permanently and conspicuously upon the Tooling the following words: "Property of Pure Safety Group, Inc." and to keep the Tooling free from other "Property of" markings or labeling which might be interpreted as a claim of ownership by a party other than PSG. In addition, within ninety (90) days of receiving any Tooling, Supplier shall affix to it the PSG Tooling Identification Number provided by PSG. Supplier agrees to use the Tooling for the sole and exclusive benefit of PSG in the production of the Products for PSG, and for no other purpose without PSG's prior written consent, which consent may be withheld at PSG's sole discretion. Supplier agrees to operate the Tooling within its rated capacity, restrict the use and operation to safe, careful personnel selected and employed or controlled by Supplier, and prohibit anyone other than duly authorized personnel of Supplier to make any repairs or adjustments to the Tooling otherwise permitted hereunder (unless otherwise previously authorized in writing by PSG). After the initial PPAP for the Tooling, or any similar process, Supplier agrees, at its expense, to service, maintain and repair the Tooling: (i) so as to keep it in good operating condition, normal tooling wear is expected, (ii) in accordance with the terms of any manufacturers' warranties, specifications, bulletins or service descriptions, (iii) in a manner consistent with standard industry practice and PSG practice and instructions, and (iv) in accordance with applicable laws, regulations, governmental approvals and permits. Supplier will not be required to perform any Capital Improvements (as defined below) to the Tooling. "Capital Improvements" shall mean (a) the purchase of additional machinery, equipment and/or tooling which is required for a new product line, increasing capacity, a design change, or a cost reduction project, and (b) the cost to rebuild or overhaul the Tooling which materially increases its value or expected useful life. To the extent PSG wishes to perform Capital Improvements, however, Supplier shall cooperate and work with PSG, or with any contractors used by PSG, so that PSG may make any such Capital Improvement that it deems necessary in its sole discretion. Tooling will be free of all advertising or insignia placed thereon by Supplier, and free and clear of all mortgages, liens, security interests, charges, encumbrances, and claims and in the same operating order, repair, condition, and appearance as when received (except for ordinary and expected wear). Supplier will be solely responsible to PSG for any damage to or loss of the Tooling, except any damage or loss created by PSG or agents thereof, until it has been returned to PSG. Tooling may not be removed, destroyed, or scrapped without PSG's prior written consent, which can be withheld at PSG sole discretion. Tooling that is the subject of Intellectual Property Rights may furthermore not be copied without the consent of the owner of such Intellectual Property Rights. To the extent any Intellectual Property Rights owned by Supplier or licensed to Supplier by a third party is embodied in, or is otherwise necessary for the intended use of the Tooling, Supplier hereby grants to PSG a fully paid, irrevocable, non-exclusive, worldwide, perpetual to the extent permitted by law, royalty-free license, with the right to grant sublicenses as necessary for any use of Tooling, to use such Intellectual Property Rights. Upon PSG request, Supplier will return all Tooling, drawings, and other materials to PSG.

14. Conflict Minerals. Supplier recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten, and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC Countries"). Accordingly, Supplier commits to comply with Section 1502 of the Act and its implementing regulations. In particular, Supplier commits to have in place a supply chain policy and process to undertake: (a) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into products it provides to PSG; (b) due diligence of its supply chain, as necessary, to determine if Conflict Minerals sourced from the DRC Countries directly or indirectly support unlawful conduct there; and (c) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Supplier further agrees: (a) to respond promptly to each inquiry by PSG with such information regarding the source and chain of custody of all Conflict Minerals that may be contained in products supplied to PSG by Supplier; (b) if Supplier previously responded to an inquiry to notify PSG if there is a change in status in whether Supplier's products supplied to PSG contain Conflict Minerals; and (c) to cooperate promptly as required by PSG with PSG efforts to comply with the Act. Supplier shall take all other measures as are necessary to comply with the Act and its implementing regulations, as they may be amended over time.

15. Force Majeure

(a) Subject to a party's performance of its obligations under Subsection (b) below, neither party shall be liable to fulfill its obligations under part of any Purchase Order or otherwise under this Agreement, to the extent that such failure is directly caused by fire, flood, riot, act of God, war hostilities, governmental interference, embargoes or any other similar cause beyond the reasonable control of such party not caused by the negligence or willful misconduct of such party (a "Force Majeure Event") (provided that such affected party uses good faith and diligent efforts to perform its obligations despite the occurrence of such event, and such event renders the performance of such party's obligations impossible, illegal, or completely impracticable); provided further that if any party intends to rely on a Force Majeure Event hereunder, such party shall provide written notice to the other party of its intent to rely on such Force Majeure Event and identify specifically such event. The parties expressly acknowledge that Force Majeure Events do not include vandalism, the regulatory acts of governmental agencies, labor strikes, lockouts, labor difficulty, or the non-performance of third parties or subcontractors relied on for the delivery of the Product unless such failure or non-performance by a third party or subcontractor is itself caused by a Force Majeure Event.

(b) Notwithstanding any other provision of this Section, a Force Majeure Event shall obligate Supplier to begin and successfully implement all services relating to disaster recovery set forth in a "Disaster Recovery Plan" as may be specifically requested by PSG. If a Force Majeure Event causes a material failure or delay in the performance of any Supplier obligation with respect to any Product for more than fifteen (15) consecutive days, PSG may, at its option, and in addition to any other rights PSG may have, terminate this Agreement.

(c) This Section shall in no way affect the obligation of either party with respect to obligations (i) incurred hereunder prior to the Force Majeure Event or (ii) in any other agreement executed in connection herewith.

16. Miscellaneous

(a) Agency. This Agreement does not constitute an agency relationship between the parties and Supplier shall not hold itself out to be the legal representative, agent, or employee of PSG for any purpose whatsoever and Supplier is without authority to assume, create, incur, or otherwise effect any obligation or liability on behalf of PSG. This Agreement involves the sale of Products to PSG by Supplier and it is not intended to constitute a franchise relationship between the parties.

(b) Modification; Waiver. Neither this Agreement nor any term or provision hereof may be modified, amended, or waived, except by a subsequent instrument in writing duly executed by the parties hereto.

(c) **Assignment; Subcontracting.** This Agreement shall be binding upon and inure to the benefit of PSG and Supplier and each of their respective successors and permitted assigns. Neither party shall assign or delegate or subcontract its rights or responsibilities under this Agreement, or any portion thereof (including without limitation Supplier subcontracting with a third party manufacturer to manufacture any of the Products), without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided, however, that PSG may assign this Agreement in connection with a merger, a sale of all or substantially all of its assets or a reorganization without the consent of Supplier by providing notice to Supplier.

(d) **Severability.** If any provision of this Agreement shall be held invalid or unenforceable, such provision shall be deemed deleted from this Agreement and replaced by a valid and enforceable provision which, so far as possible, achieves the same economic and other benefits for the parties as the severed provision was intended to achieve, and the remaining provisions of this Agreement shall continue in full force and effect.

(e) **Notice.** Any notices and other communications provided for hereunder shall be in writing (including e-mail, telegraphic, telex, or cable communication) and shall become effective (i) when manually delivered on a business day during normal business hours at the place of receipt to the party to be given such notice; (ii) on the seventh business day following the day when deposited, if mailed by certified or registered mail with return receipt requested and postage thereon fully prepaid; (iii) on the second business day following the day when deposited, if sent by overnight courier, fully prepaid; or (iv) the business day such notice shall have been sent by e-mail, telex, telegram, telecopier, cable, or similar electronic device, fully prepaid. The addresses for such notice shall be the parties addresses as they appear on the Purchase Order or such other address as provided by either party, in writing, from time to time.

(f) **Entire Agreement.** This Agreement represents the entire integrated contract of the parties, and supersedes all previous agreements and understandings between the parties, with respect to the subject matter of this Agreement, and may not be modified except by an instrument in writing signed by the duly authorized representatives of the parties.

(g) **Governing Law; Venue.** This Agreement shall be governed by, construed, and interpreted in accordance with the laws of the State of Texas, without reference to the conflicts of laws principles thereof. Any claim, action, suit or other proceeding initiated under or in connection with this Agreement may be asserted, brought, prosecuted and maintained only in any federal or state court in the State of Texas having jurisdiction over the subject matter thereof, and the parties hereto hereby waive any and all right to object to the laying of venue in any such court and to any right to claim that any such court may be an inconvenient forum. The parties hereto submit themselves to the jurisdiction of each such court and agree that service of process on them in any such action, suit or proceeding may be affected by the means by which notices are to be given to it under this Agreement.