

Purchase Order Terms & Conditions: Creative Liquid Coatings, Inc. | 2620 Marion Drive - 221 S. Progress Drive - 300 S. Progress Drive | Kendallville, IN 46755

1. **Definition:** The party to whom this purchase order is directed shall be referred to as the "Seller". Creative Liquid Coatings, Inc. shall be referred to as the "Purchaser". The materials, goods, equipment and/or services on the face of the purchase order shall be referred to as "Materials". Purchase Order may also be referred to as "Order". Seller is hereby notified that this purchase order constitutes the sole and entire agreement with the Purchaser. This purchase order supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the materials, equipment or services specified on the face of the Order. Only "Firm" releases listed on the Order are an agreement to purchase. Any "Forecasted" releases are for reference purposes only and shall not be binding for either party until they are listed as a "Firm" release. The price of the Materials is the price stated on the face of this Order. The due date is the delivered by date. The Seller is an independent contractor of Purchaser. Nothing contained herein shall be construed as creating any agency, partnership, employment or fiduciary relationship. Neither party shall have authority to bind the other party in any manner whatsoever.
2. **Acceptance:** Any different terms or conditions in Seller's proposal, quotation, or acknowledgment of this Order are not binding on the Purchaser. Shipment of any Materials shall be deemed to be an acceptance by Seller to the terms and conditions of this Order. Seller is hereby notified of Purchaser's objection to any proposed additional or different terms or conditions. Payment by Purchaser of all or any part of the purchase price shall not be deemed an acceptance of any different terms or conditions.
3. **Inspection and Return:** All Materials will be subject to the final inspection, test and approval of the Purchaser or after the Delivery Date. Purchaser may reject Materials based on count, weight, quality, loss or damage to Materials delivered hereunder and may reject Materials not conforming to the requirements of this Purchase Order or the warranties provided herein, notwithstanding any prior payment. Rejected Materials may be returned, transported and/or stored by Purchaser at Seller's sole expense and risk. Whether returned or held, it is understood that Purchaser will incur no liability for payment of rejected Materials. If Purchaser requires replacement of the Materials, Seller shall promptly replace the nonconforming Goods within three business days. If Seller fails to timely deliver replacement Goods, Purchaser may elect at any time to cancel the existing purchase order(s) and bear no liability associated with cancellation.
4. **Compliance with Drawings and Specifications:** Any general conditions, special conditions, specifications, plans, drawings, addenda and data furnished to Seller with this Purchase Order or referred to on the face hereof are incorporated herein by reference and are referred to herein as the "Contract Requirements". All materials shall conform with and be manufactured in accordance with the Contract Requirements. Creative Liquid Coatings, Inc. is to be informed of any design, process or material changes made to the product being purchased. This notification is required prior to the shipment of the revised items. No deviation shall be permitted except with the prior written approval of the Purchaser. If Order is for Materials previously provided by the seller to the Purchaser, the materials supplied hereunder shall be identical to those previously specified.
5. **Purchase Order Revision: Change Orders:** Purchaser may at any time prior to delivery of the goods, initiate change to the original order, by issuing to Seller written notices (a "Change/Revised Order") that alter, add to, or deduct from the Materials listed on the original Order, but that are otherwise subject to the Terms of this Order.
6. **Shipment and Delivery - Labeling and Packaging:**
 - A. Each shipping container or package for the Materials shall be plainly addressed as shown on the "SHIP TO" section of this Purchase Order and shall have at least one copy of the packing list in a securely attached weather-proof envelope. All containers or packages must be labeled with Purchaser's part number and packed and shipped in accordance with the Purchaser's specifications as specified in the Order and/or in any written instructions provided to Seller. All packing slips must include purchase order number and Purchaser's part numbers for Materials shipped. If materials are not shipped in accordance with Purchaser's specifications, Seller shall pay or reimburse Purchaser for any costs incurred. Unless expressly stated otherwise in this order, Seller shall not charge for labeling, packing, boxing or crating.
 - B. With respect to the delivery of Materials: If materials or any part or portion thereof are not shipped on the date or dates as directed by Purchaser, Purchaser may at its sole option and without liability for damages, by written, facsimile or telephonic notice to Seller, cancel all or any part of this order as provided herein.
 - C. Seller shall ship the materials in a manner which will facilitate unloading. If difficulty is experienced in the unloading of goods, Purchaser shall be entitled to back charge for expenses incurred.
7. **Delivery:** Seller shall deliver the Materials at the delivery point (the "Delivery Location"), and on the due date(s) specified in this Order (the "Delivery Date"). If no delivery date is specified, Seller shall deliver in full within a reasonable time of receipt of the Order. Timely delivery is of the essence. Seller shall be responsible for any expedite fees associated with delivery of goods to the delivery point. If Seller fails to deliver the Materials in full, on the Delivery Date, Purchaser may terminate the Order immediately and Seller shall indemnify Buyer against any losses, damages, and reasonable costs and expenses attributable to Seller's failure to deliver.
8. **Shipping Terms:** Delivery shall be made in accordance with the Terms of this Order. The Order number must appear on all documents pertaining to the Order, invoices, packing lists, correspondence, and all shipping documents. Seller shall not substitute material or ship more than the quantity ordered. Unless otherwise stated in the Order, Supplier shall be solely responsible for and pay, all costs of delivering the Materials to the Delivery Location, including, without limitation, all shipping and freight costs and all duties, fees, tariffs or similar analogous taxes on imports/exports of the Materials ("Customs Duties"). Seller will take all reasonable steps to minimize Customs Duties costs.
9. **Assignment:** Seller shall not assign, transfer, delegate or subcontract any of its rights or obligations under the Order without Buyer's prior written consent. Any such attempted assignment, subcontract, or delegation is a violation and renders this Order null and void. No assignment shall relieve the Seller of any of its obligations hereunder.
10. **Cancellation/Termination:**
 - A. Purchaser shall have the right to cancel a Purchase Order in whole or part, and without charges, expense or liability. If Seller breaches or fails to observe strictly or comply with the Contract Requirements or any of the terms and conditions of this Purchase Order, including without limitation the obligations to ship and deliver the Materials as and when directed by the Purchaser.
 - B. In addition, Purchaser may cancel the Purchase Order or any unfulfilled portion of this Purchase Order at any time without cause upon giving the Seller written, facsimile or telephonic notice. If Purchaser elects to cancel this Purchase Order on such notice, Seller shall immediately discontinue that work and the placing of orders for raw materials, facilities and supplies and shall use reasonable commercial efforts to procure cancellation of all such existing orders or contracts upon terms satisfactory to the Purchaser. Seller shall thereafter do only such work as may be required by Purchaser to preserve and protect work already in progress.
 - C. In the event of cancellation by Purchaser, payment to Seller shall be limited to payment as follows: for all Materials shipped prior to cancellation, the portion of the purchase price applicable thereto, less previous payments thereon, and for all unshipped material, the proportionate purchase value of the work actually completed prior to cancellation, less any previous payments thereon. Such payments shall not include any payment for any burden, overhead or profits for the portion of the order not completed. Following such payment, Seller shall transfer title to all unshipped Materials and make disposition thereof for the account of the Purchaser as Purchaser may direct.
 - D. Purchaser may cancel this Order with immediate effect, either before or after acceptance of Materials, if Seller has breached any of the Terms herein. If the Seller becomes insolvent, commences or has commenced by it or against it bankruptcy proceedings, receivership, reorganization or assignment for the benefit of creditors, then the Purchaser may immediately terminate this Order. Seller's sole and exclusive remedy is payment for the Materials received and accepted by Purchaser prior to the termination.
11. **Price and Terms of Payment:**
 - A. The Purchase Order shall not be filled at a price or prices higher than those indicated on the Purchase Order. The payment of invoices, including cash discounts, shall also be made according to the terms stated on the Purchase Order. If a price or prices are not stated on the Purchase Order, then Materials must not be billed at prices higher than those last paid by Purchaser to Seller for Materials unless otherwise agreed to in writing by Purchaser. Seller shall invoice the Order within thirty (30) days of delivery.
 - B. The payment period shall be calculated from the last day of the month in which the invoice has been received, but in no event shall invoice dates be prior to delivery dates. All invoices covering Materials subject to local sales and use tax must show transportation charges as a separate item to avoid paying tax on transportation. No charges shall be allowed for crating or damage unless otherwise stated on the Purchase Order. Purchaser shall pay all properly invoiced amounts due to Seller within sixty (60) days after receipt of such invoice, except for any amounts disputed by Purchaser. The parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under the Order notwithstanding any such dispute. Without prejudice to any other right or remedy, Purchaser reserves the right to set off any amount owing to it by Seller against any amount payable by Purchaser to Seller. Payment of an invoice is not evidence or admission that the Materials meet the requirements of the Order. All invoices or request for payment will not be honored unless they are submitted with the Purchase Order number included on same.
 - C. As a condition of payment by Purchaser, all invoices must carry a certification that with respect to the production of the materials ordered hereunder, Seller has fully complied with the Fair Labor Standards Act of 1938 as amended and all other applicable federal, state, municipal laws, rules and regulations.
12. **Taxes:** Unless specified otherwise on the face of the Order, the prices are inclusive of, and Seller shall be solely responsible for and pay, all federal, state, and local taxes, including, but not limited to, value added tax, goods and services tax, sales, use or consumption tax. No sales or use tax shall be added when a valid tax exemption is indicated on the face of this Order by the Purchaser.
13. **Compliance with Law:**
 - A. Seller warrants and represents to Purchaser that it is in compliance with and shall remain in compliance during performance of this Order and ensure that its employees, agents, contractors and subcontractors (the "Personnel") comply with all federal, state and local laws, rules and regulations including the Federal Occupational Health and Safety Act, Mine Safety and Health Act, Toxic Substances Control Act, and Foreign Corrupt Practices Act along with Purchaser's Supplier Code of Ethics, as outlined in the Supplier Partner Requirements Manual.
 - B. Seller shall fully comply with all applicable laws, rules and regulations including those relating to safety and environmental concerns and any other constraints on restricted, hazardous, or toxic materials and any considerations or regulation in the country of origin or manufacture of Materials or components thereof that are not produced in the United States of America.
 - C. Seller has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits required by law to carry out its obligations under the Order. Seller shall comply with all export and import laws of all countries involved in the sale of Materials under this Order. Seller assumes all responsibility for shipments of Materials requiring any government import clearance. If Seller fails to comply with the laws, orders, rules, ordinances and regulations and as a result Buyer is fined, Seller agrees to pay the fine and costs incident thereto or reimburse Purchaser for payment.
 - D. If Seller's Personnel are required to enter onto Purchaser's site or property, Seller shall ensure that Personnel comply with Purchaser's policies and standards.
14. **Warranties and Indemnification:**
 - A. Seller represents and warrants to Purchaser and its customers and the users of the Materials that the Materials furnished under the Purchase Order shall be (1) of a merchantable quality; (2) fit and safe for their intended use; and (3) in strict compliance with the Contract Requirements and that for the period called for by the Contract Requirements or for one year from the final approval and acceptance by Purchaser, whichever is longer, all materials and workmanship shall be free from defects, whether patent or latent.
 - B. Seller further represents and warrants that on the date of delivery, it will have good title to the Materials, be free and clear of all liens, security interests or other encumbrances; and that the manufacture, purchase, use and sale of the Materials does not and will not infringe or misappropriate any third party's intellectual property rights, valid claims of any U.S. or foreign patents, trademark or copyright.
 - C. These warranties survive any delivery, inspection, acceptance or payment. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Purchaser's discovery of the noncompliance. Seller shall, at its own cost and expense, promptly replace or repair the nonconforming Materials and immediately remove any nonconforming or defective goods from Purchaser's premise.
 - D. Seller shall defend, indemnify, and hold harmless Purchaser and Purchaser's parent company, its subsidiaries, affiliates, successors or assigns and its respective directors, officers, shareholders, and employees (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, action, judgment, interest, penalty, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder (collectively, "Losses") arising out of (1) any act or omission of Seller or any person or entity acting for, on behalf or at the request of the Seller, (2) any defects or breaches of warranty, (3) any connection with Seller's performance of its obligations or Seller's negligence, willful misconduct or breach of the Terms of this Order or possession of the Materials infringing or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. Seller shall not enter into any settlement with Purchaser's or Indemnitees' prior written consent (4) any failure by Seller to comply with any term or condition of the Purchase Order, including the Contract Requirements (5) any delivery, installation repair or operation of the Materials or any part or portion thereof.
15. Seller agrees to indemnify and save harmless Purchaser, its successors, assigns customers and the users of materials covered by the Purchase Order from any and all losses for actual or alleged infringements of any U.S. or foreign patents, trademarks, copyrights arising from the manufacture, purchase use or sale of Materials covered by this Purchase Order and Seller further agrees to pay all royalty and license fees required for the continued manufacture, purchase and/or sale of such Materials.
16. **Title and Risk of Loss:** Delivery shall not be deemed to be complete until the Materials have been actually received and accepted by Purchaser, not withstanding any agreement on the part of the Purchaser to pay freight, express or other transportation charges and the risk of loss or damage in transit shall be upon the Seller. Seller shall maintain insurance covering all damage to or loss of the Materials incurred during shipment. Nothing herein contained, however, shall be construed as depriving Purchaser of its interest to, or limiting such interest in, the Materials prior to actual receipt. Unless otherwise specified in the Order, risk of loss of the Materials remains with Seller and title will not pass to Purchaser until the Materials are delivered to and accepted by Buyer at the Delivery Location.
17. **Non-waiver Position:** Failure of Purchaser to insist on strict performance by Seller of any term or condition of this Purchase Order at any time shall not be construed as a waiver of Purchaser of such performance in the future or of the waiver of any other term or condition contained therein. No waiver by any party of any of the provisions of the Order shall be effective unless explicitly set forth in writing and signed by the party so waiving.
18. **Remedies:** All rights and remedies set forth in this Purchase Order or existing at law, in equity or by statute shall be cumulative and may be exercised concurrently.
19. **Confidentiality and Nondisclosure:** Seller agrees to treat all Trade Secrets and Confidential Information which may be disclosed or revealed to Seller in connection with a Purchase Order or the business association between Seller and Purchaser as confidential. All non-public, confidential or proprietary information of the Purchaser, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, pricing, discounts or rebates, disclosed by Purchaser to Seller, whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with the Order is confidential, solely for the use of performing the Order and may not be disclosed, shared or copied with another party unless authorized by Purchaser in writing. Upon Purchaser's request, Seller shall promptly return all documents and other materials received from Purchaser. Purchaser shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) rightfully and legally known to the Seller at the time of disclosure; or (c) rightfully and legally obtained by the Seller on a non-confidential basis from a third party.
20. **Hazardous Wastes:** If at any time Seller generates any hazardous waste(s) on Purchaser's property or site, as defined in 40 C.F.R. §261.3, Seller will immediately notify Purchaser and Seller will comply with Purchaser's policies and practices, and any applicable law, regarding management of hazardous wastes.
21. **Assumption of Risk:** Seller further acknowledges and assumes the risk of the program production life being cancelled or extended by the OEM without notice. Notwithstanding and foregoing if an expiration date or time period is specified in this order. Seller assumes all risk and bears sole responsibility for any hard or soft cost associated to goods or services purchased by the Seller without an authorized purchase order or supply agreement from the Purchaser. Seller shall indemnify Buyer against any losses, damages, and costs and expenses attributable to purchases made without a written agreement from the Purchaser.
22. **Insurance:** Seller shall, at its own expense, maintain, and carry insurance in full force and effect with financially sound and reputable insurers, which includes: (a) commercial general liability (including product liability) in a sum no less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate; (b) workers' compensation insurance in compliance with the applicable laws of each jurisdiction affected by the Order; (c) if the Seller will use or provide for use of motor vehicles in providing and/or performing the Order, automobile (motor vehicle) insurance covering all liabilities for personal injury and property damage arising from the use of such vehicles, with limits of no less than \$1,000,000. Upon Purchaser's request, Seller shall provide Buyer with a certificate of insurance evidencing the coverage specified in this Order.
23. **Force Majeure:** Neither party shall be liable to the other for any delay or failure in performing its obligations under the Order to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, war, invasion, terrorist acts, riots, strikes, or embargoes. Seller's economic hardship or changes in market conditions are not considered Force Majeure Events. Seller shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under the Order. If a Force Majeure Event prevents Seller from performance for a continuous period of more than fifteen (15) business days, Buyer may terminate this Order immediately by giving written notice to Seller.
24. **Severability:** If any term or provision of this Order is found invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term of this Order or invalidate or render unenforceable such term in any other jurisdiction.
25. **Governing Law and Venue:** The contract formed pursuant to the terms, conditions and specifications of the Purchase Order and the obligations thereby imposed on the Seller and Purchaser staff shall be governed by and construed according to the laws of the Commonwealth of Indiana, without regard to choice of law principles. Any controversy of claims arising out of or related to the Purchase Order or a breach thereof shall likewise be determined by recourse to the state court sitting in Noble County Indiana and the seller hereby acknowledges the exclusive jurisdiction of such court. Seller hereby irrevocably (1) consents to the jurisdiction and venue of the courts of Noble County Indiana and the federal courts with jurisdiction in Noble County Indiana in any action arising under or relating to this purchase order and (2) waives any and all jurisdictional defenses Seller may have to the institution of any action in such court.