## HAVILAND ENTERPRISES, INC. Terms and Conditions of Sale to Customers June 25, 2018

- Offer: Acceptance These Terms and Conditions of Sale as they may be amended from time to time (collectively, "Terms") define the relationship of Buyer and Haviland Enterprises, Inc. or its affiliate identified in the Order ("Seller") and apply to all sales of goods and/or services ("Supplies") by Seller to Buyer. Buyer acknowledges and agrees that these Terms are incorporated in, and are a part of, each quotation, purchase order, invoice, release, requisition, work order, shipping instruction, specification, and any other document, whether expressed verbally, in written form or electronic commerce, relating to the sale of Supplies by Seller to Buyer. These Terms do not constitute an acceptance of the terms and conditions set forth in any purchase order or purchase order revision ("Order"), offer or proposal made by Buyer. These Terms supersede all prior agreements, orders, quotations, proposals and other communications regarding the Supplies covered by any Order. Any reference in these Terms to any Order, offer or proposal made by Buyer is solely to incorporate the description or specifications of Supplies in the Order, offer or proposal, but only to the extent that the description or specifications do not conflict with the description and specifications in these Terms. Any additional or different terms and conditions proposed by Buyer, whether in Buyer's request for quotation, purchase order or otherwise, are expressly rejected by Seller, and shall not become part of the agreement of the parties regarding sale of the Supplies by Seller to Buyer. Any execution by Seller of any other document submitted by Buyer in connection with the purchase of Supplies does not constitute acceptance of or agreement to any terms and conditions in addition to or different from those contained in these Terms, but will constitute only acknowledgment of receipt of the document. In addition, notwithstanding any terms contained in any documents submitted by Buyer in connection with the purchase of Supplies, the acceptance of delivery by Buyer of Supplies will constitute a course of conduct constituting Buyer's agreement to these Terms, to the exclusion of any additional or different terms and conditions. These Terms are available and may be updated, from time to time, at www.havilandusa.com.
- **2.** <u>Term of Order</u> Seller's obligations to sell Supplies to Buyer shall extend only to specific Orders accepted by Seller.

## 3. Invoicing; Pricing; Taxes

- (a) Payment will be made against invoices and documentation provided by Seller in compliance with these Terms, without adjustments or set-offs for any reason. If Buyer fails to make timely payment for any Supplies, Seller may terminate all or part of any Order, whether or not related to the late payment, as provided in paragraph 12 herein. When any payment is not made on or before its due date, Buyer shall pay a late charge on the sum outstanding, from the due date for receipt of payment to the actual date of receipt of payment, at a rate of one percent (1%) per month on the unpaid balance. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. Whenever, in the judgment of Seller, the financial condition of Buyer does not justify the continuation of production or shipment on the specified terms of payment, or, Buyer fails to meet the requirements of Seller's credit policy, Seller may require full or partial payment in advance or require security or other assurance of performance on terms acceptable to Seller. Buyer hereby grants a purchase money security interest in all goods delivered as security for payment of the purchase price.
- (b) If not otherwise specified, Buyer's payment will be made thirty (30) days following delivery of the Supplies in compliance with the terms of the Order. Payment will be made by wire transfer on or before the due date in U.S. dollars, unless otherwise expressly agreed in writing by Buyer.
- (c) The stated price set forth in the Order is exclusive of all applicable taxes, excises, duties, tariffs, value added tax (VAT), and other governmental impositions, and Seller shall not be liable for any such taxes. No "most favored nation" or similar pricing shall apply to the Order.
- (d) The stated price set forth in the Order is exclusive of all freight charges. Seller is not liable for premium freight costs, unless specifically agreed to in advance, in writing, by Seller. Seller shall have the right to designate carriers and routings. Buyer will use all reasonable effort to unload, within two hours, and return Sellers transportation equipment to carrier within the tariff or contracted period free of demurrage and/or detention charges. Demurrage and/or detention charges on such equipment shall be paid by Buyer.

If any transportation equipment provided by Seller arrives at destination in damaged condition, Buyer shall immediately notify carrier's agent at destination of such damage, and shall also make immediate telephone report thereof to Seller. During periods when transportation equipment provided by Seller is in the possession or under the jurisdiction of Buyer, Buyer is responsible for same and shall be liable for all damage to or destruction thereof, which is directly attributed to Buyer.

**4. Delivery; Risk of Loss** The Supplies will be delivered within a reasonable time after the receipt of the Order. Delivery of Supplies shall be F.O.B. Seller's facility. Risk of loss and title pass from Seller to Buyer upon delivery to the carrier at the Seller's facility, unless otherwise agreed to in writing by Seller's authorized representative.

# 5. Packaging; Marking; Shipping; Disclosure; Special Warnings or Instructions

- (a) Seller agrees to: (i) properly pack, mark and ship Supplies in accordance with the requirements of Buyer, the involved carriers and the country of destination, (ii) route the shipments in accordance with Buyer's instructions, (iii) label or tag each package according to Buyer's instructions, (iv) provide papers with each shipment showing the purchase order number, and (v) promptly forward the original bill of lading or other shipment receipt for each shipment in accordance with Buyer's instructions and carrier requirements.
- (b) Seller agrees to comply with all federal, state, provincial and local laws and regulations pertaining to product content and warning labels, including without limitation the Occupational Safety and Health Act and the U.S. Toxic Substances Control Act.
- (c) Seller will reimburse Buyer only for direct costs incurred and paid by Buyer as a result of improper packing, marking, labeling, routing or shipping or any noncompliance with the requirements under Section 5(b). Otherwise paragraph 8 shall apply.
- **Inspection:** Non-Conforming Goods/Services; Audit Buyer's inspection of Supplies, whether during manufacture, prior to delivery or within a reasonable time after delivery, shall constitute acceptance. Seller's sole responsibility shall be to replace non-conforming Supplies at Seller's sole expense.

Seller reserves the right to refuse returned material for any reason whatever and any material accepted by Seller for re-stocking will be subjected to a 25% fee. Supplies can only be returned with prior permission of the Seller and must be in condition for resale. Opened, partially used or obsolete product will not be accepted. A charge will be applied if disposal is required.

7. <u>Limited Warranties</u> Seller warrants that for a period of thirty (30) days from the date of delivery the Supplies will conform to Buyer's specifications and will be free from defects of material and workmanship. SELLER MAKES NO OTHER WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, BY OPERATION OF LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY SPECIFICALLY DISCLAIMED. IN PARTICULAR, BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING EXCLUSION, (i) IF THE SUPPLIES ARE MADE ACCORDING TO BUYER'S SPECIFICATIONS, SELLER DOES NOT WARRANT ADEQUACY OF SUCH SPECIFICATIONS OR THAT THE SUPPLIES WILL PERFORM IN ACCORDANCE WITH SUCH SPECIFICATIONS, (ii) IF ANY SUPPLIES FURNISHED HEREUNDER ARE MADE BY ANY SUPPLIER OTHER THAN SELLER, SELLER DOES NOT PROVIDE ANY WARRANTY WITH RESPECT TO SUCH SUPPLIES, AND (iii) SELLER DOES NOT WARRANT THAT THE SUPPLIES ARE IN COMPLIANCE WITH LAWS OF ANY COUNTRY. Seller's sole obligation under the foregoing warranties will be limited to either, at Seller's option, replacing defective Supplies or refunding the purchase price paid for such Supplies previously paid by Buyer, and Buyer's exclusive remedy for breach of any of such warranties will be enforcement of such obligation of Seller. These warranties will not extend to Supplies subjected to misuse, abuse, neglect, damage, accident or improper installation or use or which have been altered by anyone other than Seller or its authorized representative. Seller shall not be liable on any claim for defective Supplies which is not made within thirty (30) days after such Supplies have been received by Buyer.

- Remedies and Limitation of Liability In the event Buyer claims Seller has breached any of its obligations under any Order, whether of warranty or otherwise, Seller may request the return of the Supplies and tender to Buyer the purchase price previously paid by Buyer, and in such event, Seller shall have no further obligation under the Order except to refund such purchase price upon redelivery of the Supplies. No Supplies may be returned without Seller's written request. If Seller requests the return of the Supplies, the Supplies will be redelivered to Seller at Buyer's expense by lowest cost mode of transportation unless otherwise authorized in writing by Seller. Seller reserves the right to inspect any claimed defect, or replace defective Supplies and perform any adjustment incident to satisfactory operation of the Supplies. In the event Buyer claims Seller has breached any of its obligations under the Order, whether of warranty or otherwise, and Seller has not delivered any Supplies to Buyer, Seller may tender to Buyer the purchase price previously paid by Buyer, and, in such event, Seller shall have no further obligation under the Order except to refund such purchase price previously paid by Buyer. The remedies contained in this and the preceding paragraph shall constitute the sole recourse of Buyer against Seller for breach of any of Seller's obligations under the Order, whether of warranty or otherwise. In no event shall Seller be liable for incidental, consequential, indirect, exemplary, punitive, or special damages, including without limitation, lost revenues, profits or recall expenses, nor shall Seller's liability on any claim for damages arising out of or connected with the Order or the manufacture, sale, delivery or use of the Supplies exceed the purchase price of the Supplies previously paid by Buyer to Seller. Seller shall have no liability on any claim for damages arising out of or connected with the Order or the manufacture, sale, delivery or use of the Supplies where such Supplies are manufactured in accordance with specifications supplied by Buyer. Any warranty rights which Seller may have relating to any Supplies provided by other suppliers will be assigned to Buyer upon request. Seller shall not be liable for failure to perform its obligations under the Order resulting directly or indirectly from circumstances beyond Seller's reasonable control. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE SUPPLIES SOLD HEREUNDER.
- **Indemnification** Buyer shall defend and indemnify Seller against, and hold Seller harmless from, any and all claims and liabilities, including reasonable attorney's fees, arising out of, connected with, or resulting from the Supplies, including but not limited to, the design, manufacturing, selection, delivery, sale, possession, storage, use, operation or disposition of the Supplies. Seller's entire liability for Supplies is limited as set forth in paragraphs 7 and 8 above.
- 10. <u>Compliance with Laws</u> (a) Seller, and any Supplies supplied by Seller, shall be in substantial compliance with all material applicable laws, including rules, regulations, orders, conventions, ordinances and standards, that relate to the manufacture, use, labeling, transportation, importation, exportation, licensing, approval or certification of the Supplies, including laws relating to environmental matters, hiring, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health or safety, and motor vehicle safety. The provisions of paragraphs 7 and 8 shall apply to any breach of Seller's obligations hereunder.
- (b) (i) These Terms incorporate by reference the following clauses: 41 C.F.R. 60-1.4(a); 41 CFR 60-300.5(a); 41 CFR 60-741.5(a) and 29 CFR Part 471, Appendix A to Subpart A; (ii) Seller must abide by non-segregation regulations at 41 CFR 60-1.8 and any applicable affirmative action obligations as required by 41 CFR 60-1.40(a)(2); (iii) Seller shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

#### 11. Insolvency; Review of Financial Condition; Related Matters

(a) This Order may be terminated immediately by Seller without liability to Buyer for any of the following events, or any other comparable events: (i) Buyer becomes insolvent, (ii) Buyer files a voluntary petition in bankruptcy, (iii) an involuntary petition in bankruptcy is filed against Buyer, (iv) a receiver or trustee is appointed for Buyer, (v) Buyer needs accommodations from Seller, financial or otherwise, in order to meet its obligations under this Order, (vi) Buyer executes an assignment for the benefit of creditors, (vii) Buyer fails to

meet the credit underwriting standards of Seller's credit policy, or (viii) Buyer is unable to promptly provide Seller with adequate reasonable assurance of Buyer's financial capability to perform any of Buyer's obligations under the Order on a timely basis. In the event that this Order is not terminated in accordance with the immediately preceding sentence, upon the occurrence of an event described in the immediately preceding sentence, Seller may make equitable adjustments in the price, payment terms, and/or delivery requirements under this Order as Seller deems appropriate to address the change in Buyer's circumstances, including Buyer's continuing ability to perform its obligations regarding warranty, nonconforming Supplies or other requirements under this Order.

- (b) Seller, or a third party designated by and acting on behalf of Seller, may at any time review the overall financial condition of Buyer and its affiliates, and Buyer shall fully cooperate in such review and shall make its financial managers available for discussions during reasonable business hours. Seller and any such third party shall keep confidential any non-public information about Buyer and its affiliates obtained in such financial review and shall use such information only for purposes of such financial review, except as otherwise needed to enforce the Order.
- **Termination** In addition to any other rights of Seller to cancel or terminate any Order, Seller may, at its option and in its sole discretion, terminate all or any part of any Order at any time and for any reason by giving at least fourteen (14) days written notice to Seller. Seller shall have no additional obligations or liabilities to Buyer whatsoever as a result of any such termination.
- 13. Force Majeure Any delay or failure of either party to perform its obligations shall be excused if, and to the extent, that it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence. By way of example, this includes acts of God, restrictions, prohibitions, priorities or allocations imposed by or actions taken by any governmental authority (whether valid or invalid), embargoes, fires, floods, windstorms, severe weather, explosions, riots, natural disasters, wars, sabotage, inability to obtain power, change in cost or availability of materials based on market conditions, supplier actions, contract disputes or any labor strike or other labor disruption applicable to Seller or any of its subcontractors or suppliers, or court injunction or order. Buyer's inability to perform as a result of, or delays caused by, Buyer's insolvency or lack of financial resources is deemed to be within Buyer's control. Written notice of such delay (including the anticipated duration of the delay and the time the delay will be cured) must be given to the other party as soon as possible (but no more than thirty (30) days after occurrence). During the delay or failure to perform by Seller, Buyer may purchase Supplies from other sources and reduce its schedules to Seller by such quantities, without liability to Seller.
- 14. <u>Intellectual Property</u> Any technical or confidential information disclosed by Seller during the term of this contract is proprietary and may not be used by Buyer or disclosed by Buyer to any other entity without the written consent of Seller. Any technical or confidential information owned or developed by Seller, including but not limited to, patents, trademarks, copyrights, trade secrets, know-how and proprietary information, and used under this contract shall remain the sole and exclusive property of Seller. Except as authorized in writing by and on terms acceptable to Seller, Buyer shall have no right to disclose any technical or confidential information to any third party or to have any third party make any goods that use the technical or confidential information owned or developed by Seller.

All inventions, discoveries, improvements, processes, designs, ideas and software (whether or not patentable) developed in whole or in part by Seller, either before or after the date of this contract, will be the sole property of Seller to the extent permitted by applicable law, unless they are the subject of a separate written agreement specifically providing that Seller is not the sole owner thereof. Seller grants no license(s), express or implied, to such inventions, discoveries, improvements, processes, designs, ideas and software, unless they are the subject of a separate written agreement specifically providing that Seller grants a license thereto.

15. **Product Containers** All returnable chemical storage containers supplied by Seller in connection with product sold under this agreement are not part of the Supplies and shall remain at all times the property of Seller and shall be returned to Seller promptly, at Buyer's expense, when empty. All containers will be certified by Buyer as completely empty and free of any product residue prior to return to Seller. Buyer will not use, resell, dispose of, or reuse any such containers without the express written consent of the Seller. Buyer hereby releases and agrees to defend, indemnify and hold harmless Seller for any and all claims, liabilities, causes of action or damages, including reasonable attorney's fees, incurred by Buyer or asserted by any person or entity including

without limitation, any federal, state or local government body or agency, arising out of or connected with the use, handling, resale, storage, reuse, or disposal of any such containers by any person(s) other than Seller. SELLER MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, BY OPERATION OF LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE CONTAINERS, ALL OF WHICH ARE HEREBY SPECIFICALLY DISCLAIMED.

## 16. Governing Law; Jurisdiction; Arbitration

- (a) These Terms are to be construed according to the laws of the State of Michigan without giving effect to any choice or conflict of law provision or rule (whether of the State of Michigan or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Michigan.
- (b) Subject to Section 16(c) below regarding arbitration, any litigation arising from or relating to this Order may be brought only in state or federal courts located in Kent County, Michigan and each of the parties agree to exclusive venue and jurisdiction of said courts.
- (c) Except for actions seeking injunctive relief, all disputes between the parties relating to these Terms or any Order shall be resolved exclusively by arbitration. The arbitration will be conducted under the commercial arbitration rules of the American Arbitration Association (AAA) and under Rules 26 through 37 of the U.S. Federal Rules of Civil Procedure. The arbitrator will issue written findings of fact and conclusions of law, and may award attorneys' fees and costs to the substantially prevailing party. All arbitration proceedings shall be confidential, except to the extent that disclosure is necessary to enforce an arbitration award in a court of competent jurisdiction. A judgment of any court of competent jurisdiction may be entered upon the award.

## 17. Entire Agreement; Modifications; No Implied Waiver

- (a) Except as described in Section 1 or any Order, these Terms constitute the entire agreement between Seller and Buyer and supersede all prior oral or written representations and agreements. If these Terms conflict with the terms of any Order, these Terms will control.
- (b) Seller may modify these Terms with respect to future Orders at any time by posting revised Terms to its internet web site at <a href="www.havilandusa.com">www.havilandusa.com</a> or at such other internet web site as is specified in writing by Seller to Buyer, and such revised Terms will apply to all Orders and Order amendments issued thereafter. It is the responsibility of Buyer to review and obtain a copy of the current version of the Terms. The Terms that are applicable to the Order shall be the-version of the Terms that is in effect on the date of the Order.
- **Assignment**. Buyer shall not assign any of its rights or delegate any of its obligations under these Terms without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under these Terms. These Terms are for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.
- 19. <u>Time Period for Buyer Claim</u>. Any proceeding by Buyer for breach of the agreement or any other right against Seller arising from or in connection with payment by Buyer or the agreement cannot be filed or maintained unless: (1) it is commenced within one (1) year after the cause for action has accrued; (2) Buyer has given timely written notice to Seller of its claim as provided herein; and (3) Buyer deposits any unpaid portion of the purchase price for Supplies with the tribunal pending final adjudication. An action shall accrue no later than shipment of the Supplies.

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