

PURCHASE ORDER TERMS AND CONDITIONS

1. **PARTIES** - As used herein, Buyer shall mean AUTOMATIC SPECIALTIES, INC. and SELLER shall mean the Seller providing materials or services according to this purchase order.
2. **ACCEPTANCE** - Unless otherwise provided herein, Seller's acknowledgment of this order shall constitute acceptance by Seller of this order and its Terms and Conditions. This agreement supersedes any previous verbal or written agreement concerning the subject matter herein.
This agreement has been made to provide to Buyer's customers a quality product or service that meets or exceeds their expectations and consequently can benefit Buyer's suppliers with new purchase orders.
3. **CHANGES** – No changes in terms, conditions, deliveries, prices, quality, quantity, color, or specifications indicated in the Purchase Order will be made by the Seller without the written authorization of the Buyer. Buyer reserves the right to reject any goods that are not conforming to the Buyer's purchase order to the Seller's expense.
4. **SPECIFICATIONS** - Seller warrants that all the Seller's goods and/or services comprised by this purchase order will conform to the specifications and/or all descriptions mentioned by Buyer and will be of good quality and free from defects in both, material, and workmanship for one (1) year from the date of acceptance of the Seller's goods by Buyer, regardless of the wording of the Seller's acceptance or acknowledgment form.
If a process or standard to be used for the purchased product or service is not specified either in the Buyer's purchase order or in the ASI's customer print, Seller shall follow the respective industry standards as default.
5. **SUPPLIER PROCESS CONTROL** - It shall be agreed that Seller will not make any change to the product, process, materials, formulation, packaging, labeling, environment conditions, quality assurance process, or equipment that could in any way affect the quality of the finished product without prior written notification and approval from Buyer as noted on Section 3 above.
6. **CERTIFICATION** - Seller shall provide all certifications required in the Buyer's Purchase Order as evidence of the quality of the material or service purchased by Buyer. Certifications shall be attached to the packing slip on all shipments.
7. **PACKING AND SHIPPING** – All purchased goods will be packed before shipment following a sound commercial practice. All goods will be protected from damage during transportation and will be fully covered to avoid the purchased material being in direct contact with the fork truck at the time of picking up. If necessary, the Buyer will provide at its discretion with the freight company's name to be used. Seller will be responsible for any damages that occurred during transportation caused by inappropriate packing of the Seller's product and Buyer may refuse to receive such product at the time of delivery.
8. **ON-TIME DELIVERIES** – To provide to Buyer's customers with on-time deliveries, all existing and future Buyer's purchases must be delivered on the accorded date. For blanket orders, on-time deliveries are expected to be received on the specified dates of the initial purchase order generated by the Buyer.
On-time deliveries and conforming products will be used for the annual evaluation of suppliers.
The buyer considers on-time deliveries any delivery made in the range of 5 days earlier or 5 days later from the original date.
9. **INSPECTION AND QUALITY** - All goods furnished must be of the best-expected quality. All goods purchased will be subject to acceptance after passing the Buyer's incoming inspection. Defective goods will be held for Seller's expense and shall be replaced for conforming parts as soon as Seller is notified.
10. **COMPLIANCE** - All products purchased by Buyer must comply with all current RoHS, REACH & Proposition 65 Law and Regulations as well as with DODD-FRANK conflict mineral laws for which certificates of compliance shall be delivered along with the purchased product.
11. **ADDITIONAL REQUIREMENTS** – The Seller, as part of the chain of suppliers will be required to follow any requirements originated from ASI's customers; which may not be limited to compliance with laws and regulations that apply to the state or country where the product is manufactured, child protection laws, non-discrimination practices, among others. Likewise, the Supplier will allow the Buyer and/or its customers to perform internal audits of the Supplier facility as per their request.
12. **GOVERNING LAW AND CONSENT TO JURISDICTION AND VENUE** - Any dispute arising out of this purchase order, shall be governed by the laws of the State of Massachusetts under the jurisdiction and venue of any Massachusetts Court located within the Middlesex County, State of Massachusetts.