

TERMS AND CONDITIONS OF PURCHASE

1. **DEFINITIONS.** "Purchaser" means US Synthetic Corporation, a Delaware corporation. "Seller" means the recipient of this Order as identified on this Order. "Product" means all or any part of the goods, work, and services to be provided by Seller to Purchaser hereunder including, without limitation, all Seller or vendor data, information, operating instructions, manuals and other documents, information and data related thereto. "Specifications" means all descriptive items made available to Seller concerning the design, characteristics, proposed use, intended operation or purpose of all or any part of the Product.

2. **ACCEPTANCE.** Purchaser expressly limits Seller's acceptance of this Order to the terms and conditions stated herein. Purchaser expressly objects to and rejects any and all additional or different terms proposed by Seller irrespective of where contained. Acknowledgment by Seller of this Order is provided for administrative convenience, but failure to return, sign or complete any portion of the acceptance section of this Order will not affect the validity of this Order after acceptance by initiation of performance.

3. **TERMS.** Payment terms are set forth on the face of this Order. Unless specifically set forth otherwise on the face of this Order, payment is contingent upon (a) Purchaser's acceptance of materials, equipment and/or services according to the terms hereof; (b) receipt by Purchaser, or upon shipment F.O.B. source, whichever is applicable, of the Product; and (c) submission of proper invoices. Payment and cash discount periods shall be calculated either from the date of Purchaser's receipt of an acceptable invoice and supporting documentation or from the date of completion of delivery, whichever is later. Products supplied under this Order are to be shipped and routed as instructed by Purchaser. Unless otherwise provided in this Order, prices and delivery are F.O.B. 1260 South 1600 West, Orem, Utah 84058 or such other destination as may be instructed by Purchaser, with all shipping charges to be paid by Seller. Purchaser assumes no liability in connection with shipment, and any carrier shall not be construed to be an agent of the Purchaser. Title and risk of loss for all Products pass to Purchaser upon tender of delivery at the F.O.B. point specified by Purchaser. No charges will be allowed for boxing, packaging, crating, transportation, insurance or import duties. Return of reusable packaging or containers shall be at Seller's expense. Prices stated on the face of this Order include all local, state and federal taxes, import/export duties and/or other relevant government taxes unless otherwise expressly stated herein.

4. **PURCHASER'S PROPERTY.** Unless otherwise agreed in writing, all tooling, equipment or material of every description furnished to Seller by Purchaser or specifically paid for by Purchaser and any replacement thereof, or any materials affixed thereto shall remain the property of Purchaser. Such property and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified as property of Purchaser. Seller shall not substitute any property for Purchaser's property and shall not use such property except in filling Purchaser's order. Such property while in Seller's custody or control shall be held at Seller's sole risk and shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with the Purchaser named as beneficiary on such policy(ies) of insurance. Such property shall be prepared for shipment and delivered in good condition, normal wear and tear excepted to Purchaser F.O.B. Purchaser's plant immediately upon completion or termination of this Order, or upon the earlier request of Purchaser. All drawings, blueprints, tracings, patterns, samples and the like, prepared by Seller in connection with this Order, or furnished hereunder to Seller by Purchaser, and the information contained therein, are the property of the Purchaser, shall not be used by Seller except to execute this Order, and shall be delivered promptly to Purchaser after completion or termination of this Order. Purchaser shall have all rights to any discoveries, developments or inventions that arise from any research and development work performed by Seller for Purchaser in connection with this Order, and Seller hereby assigns any rights it may have in any such discoveries, developments or inventions to Purchaser.

5. **WARRANTY.** Seller warrants to Purchaser that the Product will conform to the Specifications, will be of good material and workmanship, will be free of all defects, including any defects in workmanship, material or design, will be merchantable, and will be fit for the purposes for which it is intended for a period equal to the longer of (a) eighteen months, (b) the term of Seller's standard warranty for such Product, or (c) such other time period as may be established in the Specifications. Further, Seller shall furnish to Purchaser any manufacturer's guaranties or warranties provided and/or specified in the contract. No inspection or acceptance of the Product or approval of Seller's designs for the Product by Purchaser shall terminate, waive or reduce any warranty.

6. **MODIFICATIONS.** If Purchaser desires at any time to modify or change the Product or the Specifications, Purchaser will describe the modifications to Seller in a change request (a "**Change Request**"). In response, Seller shall submit a proposal (a "**Proposal**") to Purchaser which shall include a statement of any additional charges and a timeline for completion of the modified Product as described in the Change Request. If the terms of Seller's Proposal are acceptable to Purchaser, the parties shall prepare a change order (a "**Change Order**") outlining the modifications to the Product. No Proposal, Change Request, or Change Order will be binding upon either party until it is signed by the authorized representatives of both parties. Each Change Order will be governed by these terms and conditions.

7. **INDEMNITY.** Seller agrees that it is an independent contractor, and is not an agent of Purchaser. Seller shall indemnify, defend and hold harmless Purchaser, and its respective members, directors, officers, agents and employees from and against any demand, claim (including claims for contribution, indemnity or subrogation), action, loss, liability, cost, damage, penalty, settlement payment and expense (including court costs and attorney fees, whether incurred with or without litigation, on appeal, or otherwise) (each, a "Claim") arising out of or related to (a) any personal injury, including death at any time resulting therefrom, sustained by any person or persons, or on account of damage to property, which arises out of a negligent act or negligent failure to act on the part of Seller or its employees, contractors, or agents in connection with the Product, regardless of whether the party to be indemnified was concurrently negligent, (b) any lien or encumbrance arising out of the performance or nonperformance of this Order by Seller, (c) any breach by Seller of its obligations under this Order, or (d) the Products or any defect in the design, material or workmanship thereof. This paragraph shall survive acceptance of the Product or payment therefor by Purchaser.

8. **DELIVERY/REJECTION.** Time is of the essence with regard to Product delivery dates. Delivery or shipment must be made within the time limits specified on the Order. Seller shall provide prompt written notice to Purchaser of any actual or anticipated delay in meeting the Product delivery dates and shall require the same of its subcontractors. Without limiting any of Purchaser's other rights and remedies, if Seller ever fails to deliver a Product by the applicable Product delivery date, then Seller shall pay to Purchaser liquidated damages equal to two percent (2%) or the maximum percentage allowed by law, whichever is higher, of the purchase price for each whole day or portion thereof that the delivery of the Product is delayed beyond the applicable Product delivery date. Alternatively, Purchaser may also setoff the amount of any such liquidated damages against the purchase price of the Product or any other amounts due to Seller. The parties acknowledge and agree that the actual damages that would be incurred by Purchaser in the event of a failure of Seller to deliver the Product by the applicable Product delivery date would be difficult to calculate and that the remedies provided for in this contract are fair and reasonable under the circumstances. Without limiting the foregoing, any failure by Seller to make shipment on the date(s) agreed to in this Order shall also entitle Purchaser, at its option, to cancel all or any part of this Order. Seller is instructed to ship only the quantity(ies) specified in this Order. However, any deviation caused by conditions of loading, shipping, packing, or allowances in manufacturing processes may be accepted by Purchaser according to the overshipment allowance indicated on the face of this Order. If no allowance is specified, it shall be zero percent (0%). Purchaser reserves the right to return any overshipment in excess of the allowance at the Seller's expense. Purchaser reserves the right to reject and refuse acceptance of Products which are found to be defective in design, material or workmanship or which otherwise do not conform to the requirements of this Order. Payment shall not constitute or be evidence of acceptance by Purchaser. Purchaser shall have the right to require that such Products be repaired or replaced promptly with satisfactory materials and workmanship or reject and return such Products at Seller's expense; including transportation charges both ways and any handling costs incurred by the Purchaser.

9. **PATENTS.** Seller warrants that Purchaser's purchase, use or sale of the Product will not infringe any patent, invention, design, trademark or copyright. Seller shall indemnify, defend and hold harmless Purchaser and its respective members, directors, officers, agents, employees and vendees against any Claim for actual or

alleged infringement based on the purchase, use, or sale of the Product. This paragraph shall not apply to designs, processes, or equipment designed or provided by Purchaser.

10. **TERMINATION FOR CONVENIENCE.** Purchaser has the right to terminate this Order in whole or in part, without cause by written notice to Seller. Upon receipt of any such notice, Seller shall (a) immediately discontinue work on the date specified; (b) place no further orders for materials other than as may be necessarily required for completion of such portion of the work that is not terminated; (c) promptly either obtain cancellation on terms satisfactory to Purchaser of all orders to sub-suppliers or assign those orders to Purchaser; and (d) assist Purchaser, upon request, in the maintenance, protection and disposition of property acquired by Purchaser under this Order. If claimed in writing within thirty (30) days after notice of termination, Purchaser will pay to Seller an equitable adjustment to include: (1) all amounts due not previously paid to Seller for the goods completed in accordance with this Order prior to such notice; (2) a reasonable amount for any goods and materials then in production; provided that no such adjustment be made in favor of Seller with respect to any goods which are Seller's standard stock material; and (3) cost of settling and paying claims arising out of the cancelled orders. The total sum to be paid to Seller under this clause, exclusive of approved settlement costs, shall not exceed the total Order price reduced by the amount of payments otherwise made and as further reduced by the Order price of work not terminated, and will not include any consideration for loss of anticipated profits on the terminated work, all claims for which Seller waives.

11. **TERMINATION FOR CAUSE.** Purchaser may terminate the whole or any part of Seller's performance of work under this Order in any one of the following circumstances: (a) if Seller fails to make delivery of the Product or to perform within the time specified herein or any extension thereof; (b) if Seller delivers a nonconforming Product; or (c) if Seller fails to perform any of the other provisions of this Order in accordance with its terms or so fails to make progress as to endanger performance. In the event Purchaser terminates this Order in whole or in part as provided in this clause, Purchaser may procure upon such terms and in such manner as Purchaser may deem appropriate, supplies or services similar to those so terminated, and Seller shall be liable to Purchaser for any excess costs for such similar supplies or services plus any other Claims related to or arising from such termination or breach by Seller; provided, that Seller shall continue the performance of this Order to the extent not terminated under the provisions of this clause. Seller agrees to assist Purchaser in the event that re-procurement action is necessary as a result of default, by cooperation in the transfer of information, in the disposition of work in progress or residual material, and in the performance of other reasonable requests made by Purchaser. If after notice of termination of this Order, it is determined for any reason that Seller was not in default hereunder, or that the default was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Convenience clause.

12. **NON PUBLICITY.** Seller shall not, without the prior written consent of Purchaser, publicly announce or otherwise disclose the existence or the terms of this Order. This provision shall survive the expiration, termination or cancellation of this Order. Any information which Seller may disclose to Purchaser shall not be deemed to be confidential or proprietary information and shall be acquired by Purchaser free from any restriction.

13. **NON-ASSIGNMENT.** This Order and any payments to be made hereunder may not be assigned or transferred by Seller without the prior written consent of Purchaser. Similarly, Seller shall not subcontract any portion of the work to be performed by it under this Order without the prior written consent of Purchaser.

14. **MISCELLANEOUS.** All deviations, substitutions or exceptions to this Order must be approved by Purchaser in writing. If a specific Product or its equal is specified in this Order, the proposed equal must be approved by Purchaser in writing. This Order sets forth the entire agreement between Purchaser and Seller and no terms, conditions, understandings or agreements purporting to modify or vary the terms of this Order shall be binding unless made in writing and signed by Purchaser and Seller. In the event of a conflict or inconsistency between this Order and the Specifications, or in the case of any omission or error in such Specifications, Seller shall contact Purchaser immediately for clarification. Seller agrees to observe and comply with all applicable federal, state, municipal and local laws, orders, regulations and requirements including, but not limited to, those affecting the design, manufacture, testing, safety, use and service of the Product. Seller hereby agrees to indemnify Purchaser from and against any and all claims, losses or liabilities arising from the failure of the Product to comply therewith. If Seller provides and/or supplies chemicals, solvents, and/or acids which are classified as hazardous, Seller shall provide Material Safety Data Sheets (MSDS). Seller shall provide Purchaser with an appropriate MSDS prior to or with the initial shipment and the first shipment after a MSDS.

15. **COMPLIANCE.** Seller must follow and abide by the following requirements:

i. **This contractor and subcontractor 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, national origin, or for inquiring about, discussing, or disclosing information about compensation. 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, protected veteran status or disability. Contractor/subcontractor agrees to comply with all the provisions set forth in 29 CFR Part 471, Appendix A to Subpart A (Executive Order 13496).**

ii. Code of Conduct (see section v. below) requires that its employees must not engage in, or give the appearance of engaging in any activity involving a conflict, or reasonably foreseeable conflict between personal interests and those of US Synthetic. Seller shall ensure that Seller shall not conduct business with, or engage US Synthetic employees in any manner that may present a conflict of interest for a US Synthetic employee.

iii. Seller must cooperate in due diligence requests made by Purchaser with respect to the origin of intermediaries associated with the purchases of materials or products containing Conflict Minerals, whether or not those materials or products may have been mined or produced in the Covered Countries or obtained from recycled sources, in compliance with Purchaser's reporting requirements under the US Dodd-Frank Section 1502. Where specified in a purchase order or supply agreement, Seller will comply with any requirement to provide products, components, parts, and materials which are free of Conflict Minerals mined or produced in the Covered Countries in support of armed conflict in the region.

iv. Seller shall ensure that its employees do not offer US Synthetic employees anything of value which may influence, or create the appearance of influencing, the business decisions that US Synthetic employees may make on behalf of US Synthetic.

v. Seller shall exercise due diligence to prevent and detect criminal conduct in any way related to the US Synthetic relationship, promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law, and timely disclose to US Synthetic' Chief Compliance Officer by phone (801.235.9001) or by email at cs্তুcki@ussynthetic.com if Seller obtains credible evidence that an employee of either US Synthetic or Seller has committed a violation of law in connection with US Synthetic business.