



Terms and Conditions

1. **Commitment:**
 - a. Staneco Corporation agrees to purchase the goods described herein only in the quantities for which specific shipping dates are indicated on the face of this order.
2. **Releases, Shipment:**
 - a. Seller shall ship goods in the quantities and at the times specified on the face of this order, ensuring delivery and arrival on the applicable due date at the location stated hereon or in written instructions provided by Staneco. Unless otherwise indicated, all freight terms to Staneco shall be FOB Horsham, PA.
 - b. Staneco assumes no responsibility for goods for which no shipping release or schedule has been issued. Staneco may return, at Seller's risk, any or all goods delivered to the designated location that are (1) in a quantity either exceeding or falling short of the specified amount and/or (2) delivered either earlier or later than the designated timeframe.
 - c. Staneco reserves the right to alter both the quantity and delivery schedule for any goods previously scheduled, including temporary holds or deferrals, through written notice to Seller any time prior to shipment.
 - d. If Seller fails or is unable to deliver any goods by the specified date, and the delay is not due to a cause beyond Seller's control and not due to Seller's fault or negligence, Staneco may instruct Seller to use the most expedited shipping method, including air freight, with Seller bearing all associated costs.
3. **Receipt, Inspection:**
 - a. Staneco may, at its discretion, accept and retain, reject, or revoke acceptance of any goods delivered that are (1) in a quantity different than authorized, (2) delivered at an unauthorized time, or (3) not compliant with any order requirement.
 - b. Seller agrees to reimburse Staneco for all handling, sorting, packing, transportation, and related costs, including taxes, tariffs, and duties, incurred in connection with returned goods under this section. If Staneco opts to retain non-conforming goods, Seller shall also cover the expenses of correcting any deficiencies. Return-related transportation expenses include costs to and from the designated location and Seller's facility.
4. **Changes:**
 - a. Staneco may issue written instructions to Seller to implement changes of any nature, including changes in (1) designs, specifications, or drawings, (2) materials or construction, (3) packaging or shipping methods, (4) delivery quantities, and (5) time and place of delivery.
 - b. If such a change, in Seller's reasonable judgment, impacts the cost, delivery time, or manufacturing process, Seller shall immediately notify Staneco in writing and, within ten (10) days of notice, submit detailed information regarding each affected cost. Staneco will then make a fair adjustment to the price, delivery schedule, or other terms as necessary.
 - c. Seller shall not make any alterations to the design, materials, specifications, or manufacturing processes affecting the product's quality, fit, finish, or functionality without Staneco's prior written consent.
5. **Packing, Marking, Shipping:**
 - a. Seller shall correctly pack, label, ship, and route all goods per Staneco's shipping guidelines. Seller will reimburse Staneco for any costs arising from inadequate packing, routing, or damage.
 - b. Seller will separately list any reimbursable transportation charges on its invoice and attach the

applicable freight receipts.

- c. No additional charges for packing, crating, handling, or storage shall apply unless explicitly authorized in writing by Staneco or stated in this order.

6. Pricing, Taxes:

- a. The price stated on the face of this order includes all costs associated with preparing, producing, and delivering the goods, including any applicable taxes or duties required to be paid by Seller, unless otherwise agreed to in writing by Staneco.
- b. The stated price will not exceed the price Seller offers or has agreed to on the shipment date for selling identical or similar goods under substantially similar terms.
- c. As Staneco is a manufacturer it is exempt from sales and use taxes for goods purchased for resale. Staneco will provide the necessary documentation to validate such exemptions.
- d. If required by law, Seller shall separately list any taxes or duties collectible from Staneco on the relevant invoice.

7. Invoices, Payment:

- a. Seller shall issue an invoice for each separate shipment, including all required information such as part numbers, purchase order number, and necessary certificates of origin or eligibility for preferential duties. Payment terms will be those stated on the face of this order.
- b. Staneco agrees to pay the purchase price and any applicable charges in full within the stated payment period. Seller shall not invoice for goods prior to delivery.
- c. Notwithstanding the above, if Staneco disputes any invoice amount or content, it may deduct the disputed sum and offset any amounts owed by Seller under this or any other agreement with Staneco.

8. Product Warranties, Indemnity:

- a. For all goods covered by this order, Seller represents and warrants that:
 - i. Title will transfer to Staneco free from any liens, claims, or encumbrances.
 - ii. All goods conform to applicable specifications, drawings, samples, and descriptions, are merchantable, and suitable for their intended use. By delivering the goods, Seller confirms receipt of all required information to make this determination.
 - iii. Goods will be free from defects in materials, workmanship, and design for three (3) years following delivery.
 - iv. Goods are new, of high quality, and meet industry standards.
 - v. Goods were manufactured in full compliance with all relevant laws, regulations, and standards.
- b. Upon notice of any nonconformance, Seller will promptly replace defective goods at its own cost, including supervision, labor, and transportation. Seller shall also conduct any necessary testing as required by Staneco.
- c. If Seller does not promptly correct a defect after notice, Staneco may undertake corrective actions or contract a third party to do so, with Seller responsible for all related expenses plus 10%, or Staneco may credit the defective goods and any replacement costs. Seller's participation in quality programs does not absolve its warranty responsibilities.
- d. Seller shall cover all costs associated with repair or replacement of products incorporating defective goods supplied under this order, where Staneco is required to repair or replace such products due to a breach of warranty.
- e. Seller shall indemnify and, if requested, defend Staneco and its affiliates against any claims, liabilities, or expenses (including legal fees) arising from defective goods or designs, including injury, death, or property damage. Staneco will provide timely notice, share relevant documents, and cooperate in the defense. Seller must not settle any claim without Staneco's written approval. "Defect" includes failure to provide safety warnings or adequate usage instructions.
- f. Seller will reimburse all legal and enforcement costs incurred by Staneco in enforcing indemnity obligations.
- g. Any limitation, exclusive remedy, or disclaimer language in Seller documents shall not reduce the warranties or remedies provided herein.

9. Trademarks:

Each party retains full ownership of its respective trademarks and names. Neither party may use the other's marks without prior written consent.

10. Trade Secrets:

All intellectual property and related materials provided by Staneco are considered confidential trade secrets and remain Staneco's property. Seller shall use such materials solely for fulfilling this order and restrict disclosure to only those necessary. Any deliverables subject to copyright shall be considered "work made for hire," with rights belonging to Staneco. Upon request, Seller shall return all materials, including modifications, FOB Seller's facility, as per Staneco's instructions.

11. Termination:

- a. Staneco may terminate all or part of this order for convenience at any time with written notice, regardless of Seller's compliance or any event specified in Section 17.
- b. Upon termination, unless instructed otherwise, Seller shall immediately cease work, cancel related orders, and transfer to Staneco (1) completed conforming goods not exceeding the authorized quantity and (2) reasonable quantities of usable work-in-process and materials. Seller shall also protect any Staneco property and submit a termination claim within ten (10) days. Failure to do so will result in a final determination of no amount owed.
- c. Seller's termination payment shall equal actual incurred costs plus reasonable overhead and profit, less the value of reusable or returnable materials and the salvage or market value of completed or partial goods. Payment shall not exceed the remaining unpaid order balance.
- d. If termination occurs before manufacturing begins, Staneco's liability is limited to documented administrative and engineering costs.
- e. Staneco may access Seller's premises and records before or after making any termination payment for verification purposes.
- f. These provisions do not apply to cancellations due to Seller's default.

12. Cancellation for Default:

Staneco may cancel this order without obligation if (1) Seller materially breaches this order (and the breach is not excused under Section 17), or (2) Seller discontinues normal business operations, is insolvent, enters bankruptcy, is subject to receivership, or assigns assets for creditors' benefit.

13. Excusable Delays:

Neither party shall be held in default for delays beyond their control, including but not limited to natural disasters, government actions, war, strikes, or pandemics, provided timely notice is given and all reasonable efforts are made to minimize disruption and resume performance promptly.

14. Further Assurances:

- a. Seller shall comply with all applicable laws, including but not limited to environmental, labor, and anti-corruption regulations, and ensure all goods conform to such requirements. Seller must provide Staneco with required compliance documents upon request.
- b. For any goods classified as hazardous, Seller must properly package and label them, and provide written descriptions, safety precautions, and emergency instructions as required by law.

15. Insurance:

- a. Seller shall maintain the following insurance:
 - i. General liability (occurrence-based), minimum \$1,000,000 per occurrence, including contractual and product liability;
 - ii. Auto liability, minimum \$1,000,000 combined single limit;
 - iii. Statutory workers' compensation and employer's liability insurance of \$1,000,000;
 - iv. Umbrella/excess liability insurance of at least \$2,000,000 applicable to all the above policies.
- b. Seller and its insurers waive subrogation rights against Staneco.
- c. Seller's insurance is primary; any Staneco insurance is secondary. Seller is responsible for damage caused by its personnel.
- d. All insurance must be placed with insurers rated at least A- VII by AM Best or equivalent.
- e. Seller must provide Staneco with insurance certificates showing compliance. Staneco's review of certificates does not waive its rights or ensure compliance.

16. Applicable Law:

This order is governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, unless preempted by federal law.

17. Integration:

This order constitutes the full and complete agreement between the parties, superseding all prior

communications. Any changes must be made in writing and signed by both parties. Seller confirms it relied solely on this document in entering the agreement.

18. **Interpretation:**

These terms control in the event of conflict with any other document provided by Seller. Any boilerplate terms in Seller documents are null and void unless expressly accepted in writing by Staneco.

19. **Survival of Indemnification Obligations:**

Seller's indemnification duties shall continue to apply even after cancellation, termination, completion, or expiration of the agreement.