

1 - GENERAL.

When a purchase order (whether used as an offer, acceptance of an offer, or confirmation of a contract) is submitted by SDI, Inc or its affiliated companies ("SDI"), SDI submits such purchase order as a purchasing agent for an indicated client of SDI (the "SDI Client") and such purchase order is conditioned on and limited to the terms set forth herein. By performing or by acknowledging receipt of a Purchase Order (a "Contract"), Seller ("Seller") assents to all the terms and conditions set forth herein. SDI's acceptance of, or payment for Work will not constitute SDI's acceptance of any additional or different terms in any Seller Proposal, Quote, Confirmation, Terms and Conditions or agreement unless otherwise accepted in writing by SDI. "Work" shall mean the goods supplied and/or services performed hereunder.. Specifications, drawings and other attachments or documents referred to herein are incorporated into and made a part of the applicable Contract. This Contract will be deemed accepted by Seller by: (i) written confirmation by Seller; (ii) electronic acknowledgement (including an acknowledgement through SDI's electronic procurement program); (iii) not being rejected by Seller, in writing, within ten (10) calendar days after receipt by Seller; or, (iv) Seller undertaking to provide the Work.

2 - SHIPPING; PACKAGING

- 2.1 All Work must be packed for shipment according to Contract or, if none, in a manner sufficient to ensure that the work is delivered in undamaged condition. Work shall be marked and labeled in compliance with all applicable laws, standards and regulation. All Work must be shipped in the manner and by the route and carrier designated by Contract. If Purchaser does not specify the manner of shipment, route, or carrier, Seller shall ship the goods with Seller's obligation to meet the delivery schedule set forth in this Order.
- 2.2 Seller shall follow all instruction of Contract and cooperate with SDI's customs broker as directed by SDI (including by providing requested shipping documentation) with respect to all Work that originate from sources or suppliers based outside of the ship to Country.

3 - DELIVERY; TITLE.

Seller acknowledges that TIME IS OF THE ESSENCE in the performance and delivery of the Work by the date set forth on the face of the applicable Contract. Failure on the part of Seller to strictly meet SDI Client's delivery requirements shall give SDI and SDI Client the right to recover damages from Seller for non-performance and shall also give SDI and SDI Client the right to cancel all or part of any applicable Contract. Title to conforming Work shall pass from Seller to SDI Client at SDI Client's site or other delivery point specified on the face of the applicable Contract. Notwithstanding any agreement to pay freight, express, or other transportation charges, if any, risk of loss or damage in transit shall be upon the Seller. Passage of title shall not relieve Seller of any of its obligations under the applicable Contract. All purchases under any applicable Contract are subject to SDI Client's inspection and approval. Rejected purchases may, at SDI Client's option, be returned at Seller's sole expense.

4 WARRANTY; INDEMNITY.

- 4.1 Seller warrants that the Work will: (a) be of quality, design, material and workmanship, free of defects (and with respect to MRO Supplies that are cast, machined or engineered materials, such warranty shall be for a term ending on the later of one (1) year from date of final payment or the documented date of service), (b) in the case of services, consist of furnishing all operations, labor, equipment, materials and supplies and doing all things necessary for proper performance as described in the applicable Contract, (c) conform to agreed-upon specifications, drawings, data and samples and all technical requirements in Seller's proposals, (d) be merchantable and fit for the purposes sold, and (e) be free of any lien, attachment, levy claim or security interest or encumbrance of any kind whatsoever. This warranty continues in effect after acceptance and is in

addition to all warranties offered by Seller or Seller's manufacturer. Seller assigns to SDI Client all applicable manufacturers' warranties. Seller shall promptly reimburse SDI and SDI Client for its costs in remedying defects, or, at SDI Client's option, Seller shall remedy such defects at its own expense and with all possible speed. In addition to its other rights, SDI may withhold money otherwise due Seller to cover SDI's and SDI Client's costs and damages. Seller also represents and warrants that Seller has fully disclosed to SDI and SDI Client all material information known to Seller regarding risks to human and animal health and the environment that may be associated with the use, exposure to, or disposal of Seller's materials, goods, and/or services. To the extent applicable, Seller will supply to SDI and SDI Client material safety data sheets for the Work. Seller to indemnify SDI and SDI Clients, their officers, directors, employees, agents and representatives from and against any claims, damages, injuries, actions, penalties, fines or liabilities, suffered by SDI and/or SDI Clients these are caused by defects in the Products provided by such Seller.

- 4.2 Seller understands and acknowledge that SDI clients can include a manufacturer of coatings for the automotive industry and (B) the performance of client's products, including its film-building and adhesion properties, can be significantly influenced by traces of surface-active materials, including silicone compounds, fluorinated materials, greases, oils and surfactants (collectively, "Contaminants").
- 4.3 Seller of Products (which for clarity, shall in no case be interpreted to be SDI) shall provide representations, warranties and covenants concerning the Products that received from such supplier will (A) conform strictly to the general description, model number and specifications stated in the applicable purchase order and in any manufacturer warranties that accompany the Products (the "Specifications"), (B) be free from defects in materials, workmanship, and design, (C) be merchantable and fit for their intended purpose, except for Products that are chemicals, which will be merchantable and fit for their intended purpose in making paint or ink, if and as applicable (D) be free of contaminants, and (E) except for chemicals, be of first quality and made of new materials and components.
- 4.4 Seller of Products to SDI Clients for the automotive industry will provide representations and warranties and covenants that (A) Seller shall not introduce or use Contaminants (or lubricants containing Contaminants) in the assembly, manufacture, fabrication, packaging or any other handling of any Products that will be used for making paint or ink, (B) Seller shall take, and shall cause its subcontractors, suppliers and sub-suppliers to take, all necessary actions to prevent the contamination of the Products (during assembly, manufacture, fabrication, packaging and any other handling process) with any substance, including any Contaminant, that is known to negatively impact film-building or adhesion properties, and (C) If Seller is uncertain as to whether a substance would be deemed a Contaminant or whether the level of a potential contamination by a Contaminant may have affected the quality of the Products, such Seller shall contact SDI (who shall in turn contact SDI Client) for advice and approval prior to shipping the Products to the SDI Client.

5 - PRICES / PRICE COMPETITIVENESS.

- 5.1 Unless otherwise expressly indicated in writing by SDI, prices for all Work are as noted on the Contract and may not be increased without the prior written consent of SDI. If no price is set forth on the Contract or otherwise mutually agreed upon, the Contract shall be accepted and filled at the lowest of (i) the price most recently quoted for Work of the same type, (ii) the price at which Work of the same type were last shipped, or (iii) the price at which Work of the same type are generally sold by others in the industry. No interest charges or other penalties for late payment may be assessed by Seller without the prior written consent of SDI.
- 5.2 If the price(s) is not stipulated herein, any applicable Contract is not to be filled at any price(s) higher than

the last price(s) previously quoted to SDI by Seller. Unless otherwise specified herein, prices are firm for the term of the applicable Contract and in any event may not be increased without prior documented acceptance from SDI.

- 5.3 Seller warrants that prices for the Work are not higher than those charged other customers for the same or similar Work in similar quantities. If SDI Client can purchase Work of like quality at a lower delivered cost than under the applicable Contract, SDI may notify Seller and Seller shall have 15 days to meet such lower cost for an equal quantity of Work. If Seller does not meet such lower cost, SDI Client through SDI may purchase such Work from the other source and deduct such quantity from SDI Client's obligation hereunder, but the applicable Contract otherwise remains unaffected.

6 - ALLOCATION.

Unless otherwise specified herein, in the event that Seller is unable to produce/deliver the materials required hereunder by SDI Client, through SDI due to a circumstance that is not preventable or avoidable, is not due to any negligence or fault of Seller, and which otherwise legally excuses Seller from its' full performance (e.g. a force majeure circumstance), Seller shall allocate its' available supply of the material among its' internal uses and current contract purchasers on a basis no less favorable to SDI Client than a pro rata basis.

7 - DEFAULT.

Upon default by either party in performing any obligation hereunder, the other party may give notice in writing of such default to the defaulting party. Unless the default is cured within fifteen (15) days after giving notice, any applicable contract may be terminated and cancelled by the party giving notice. Such termination shall not relieve the party in default from any obligations under or from liability or breach of the applicable Contract. Notwithstanding the foregoing, if any material shipped does not conform to its warranties, SDI Client may, without prejudice to any of its rights, terminate the applicable Contract without Seller having the right to cure the default. Waiver by either party of a single default, or a succession of defaults, shall not deprive such party of any rights arising by reason of any other default.

8 - PAYMENT/TAXES/LIENS.

Invoices shall be submitted immediately after completion or delivery of work. Delays in receiving invoices, errors, or omissions on invoices or lack of supporting documentation required by the terms of this Contract will be cause for postponing the start of the payment terms until the correct information is received.

Unless otherwise specified in the applicable Contract, payment is due by SDI to Seller sixty (60) days after invoice submission date, or upon completion and delivery of the Work, whichever is later. All payments shall be made via company check or ACH transfer (at SDI's discretion) unless otherwise agreed by the parties. Payment by SDI does not constitute acceptance. No interest charges or other penalties for late payment may be assessed by Seller without the prior written consent of SDI. Seller's invoices shall list taxes separately. SDI is liable only for taxes which Seller is authorized to collect from SDI Client by law. SDI may withhold payment until Seller, if requested, has furnished satisfactory releases of all liens and claims relating to the Work. Seller shall indemnify and defend SDI and SDI Client from all liens and encumbrances arising out of the Work.

Any invoices submitted for Work after nine (9) months of the completion of or delivery of Work, will be considered automatically waived and will not be eligible for payment, effectively being written off from SDI's records. v, all amounts due Seller shall be considered net of indebtedness of Seller to Buyer and its related companies. SDI may deduct any amounts due or become due from Seller to SDI and its related companies from any sums due or to become due from SDI to Seller, whether or not such amounts are attributable to this Agreement.

9 - DRAWINGS/SPECIFICATIONS/INSPECTIONS.

SDI and SDI Client shall have access to Seller's facilities to inspect the Work at all reasonable times. No such approval/inspection shall relieve Seller of its obligations. If requested, Seller shall submit drawings and specifications "Descriptions") to SDI for approval by SDI Client. All Descriptions shall be SDI Client's property, and Seller shall not use or permit others to use such Descriptions for any other work.

10 - PROPERTY MATTERS.

10.1 Seller shall indemnify, defend and hold SDI and SDI Client harmless: (a) from claims for infringement of any patent, copyright, trademark, trade name or other intellectual property right because of the manufacture, use, or sale of the Work, and (b) for any costs, expenses, liability and damages, including attorneys' fees, which SDI Client may incur as a result of any alleged infringement. SDI or SDI Client shall give Seller written notice of any such suit or claim and, at SDI's or SDI Client's request, Seller shall promptly assume its defense.

10.2 All tools, tooling, dies, molds, patterns, machinery, fixtures, equipment, software, and any other property furnished to Seller by SDI Client or on SDI Client's behalf by a third party or paid for by SDI Client for use in the performance of an applicable Contract shall be and remain the sole property of SDI Client, subject to immediate removal upon SDI Client's request without legal proceedings, notice or liability, used only in filling orders of SDI Client, held at Seller's risk for any loss or damage, kept insured by Seller while in Seller's custody or control in an amount equal to the replacement cost thereof, the loss payable to SDI Client, and kept free of any lien, attachment, levy, claim or security interest or encumbrance of any kind whatsoever not caused by SDI Client. If requested by SDI Client, Seller shall execute and return for SDI Client's filing, a Uniform Commercial Code Financing Statement -Form UCC-1, acknowledging that any such property is the SDI Client's property.

11 - COMPLIANCE WITH LAWS.

Seller represents that the Work will comply with all applicable federal, state, provincial and local laws, rules, regulations, executive orders, in the United State of America and in Canada, including without limitation compliance with Executive Order No.11246 (Equal Employment Opportunity), Executive Order No.11701 (Listing of Job Openings for Disabled Veterans and Veterans of the Vietnam Era - 41 CFR 60-250.4(M)), Executive Order No. 11758 (Employment of the Handicapped - 41 CFR 60-741.4(F)), Section 211 of Public Law 95-507 and Executive Order No. 12138 (Purchases from Small and Small Disadvantaged Businesses), the Federal Occupational Safety and Health Act of 1970, The Immigration Reform and Control Act of 1986, the Consumer Product Safety Act, the Toxic Substances Control Act, the Federal Hazardous Substances Act, the Fair Labor Standards Act, and 29 CFR Part 471, Appendix A to Subpart A (provided that where necessary to make the context of any law, rule and regulation applicable to this Purchase Order, the term "Contractor" shall mean the Seller and the term "Contract" shall mean this Purchase Order). Seller shall also work in careful, professional workmanlike manner, consistent with industry standard, international human rights and labor conventions. And without child or forced labor. Moreover, Seller will consistently act in accordance with SDI Client's commitment to human rights and sustainable procurement practices available at www.sdi.com/po-terms-and-conditions.

12 - CANCELLATION/TERMINATION.

SDI or SDI's Client may terminate all or part of an applicable Contract for its convenience upon written notice to Seller, which notice may be provided by SDI. The reasonable charges for the portion of the Work already performed hereunder shall be due upon such termination (to the extent that the Seller cannot otherwise use such work in process in its business or for another customer); any Work so paid for by SDI shall become the property of the SDI Client. Upon receipt of notice of cancellation hereunder, Seller shall, unless otherwise directed, immediately discontinue all work in process and immediately cancel all orders or subcontracts given or made pursuant to this Contract.

13 - SOLICITATION.

Seller agrees to report promptly to the Vice President, Purchasing/Procurement, of SDI Client any solicitation by an employee, agent or representative of SDI, SDI Client or Seller of an offer or gift which is intended to induce or influence the other party to engage in conduct which the Seller believes may be a violation of either SDI Client's or Seller's internal policies or which could be viewed as corrupt, deceptive or otherwise improper.

14 - CONFIDENTIALITY.

Seller may gain information about SDI's or SDI Client's operations, plans, equipment, finances, products, processes, and customers ("Confidential Information"). Seller shall cause all Confidential Information to be kept confidential and shall not be disclosed to others except with SDI and/or SDI Client's prior written consent. Nothing in this paragraph shall prevent Seller from disclosing information which it can show: (a) is published and in the public domain other than through acts or omissions of Seller, its employees or agents; (b) was rightfully made known to Seller by third parties (other than those acting directly or indirectly for SDI Client), without restriction on disclosure; or (c) was known at the time of entering into the applicable Contract, and was not acquired from SDI Client, or its employees or agents. Seller shall deliver to SDI and SDI Client, upon request, all drawings, specifications, memoranda, notes, materials and all copies containing SDI Client Information. These obligations shall continue beyond the termination of the applicable Contract.

15 - CHANGES.

SDI or SDI Client may change specifications, packaging, delivery and transportation requirements at any time by issuing a change order (a "Change Order"), which may be issued by SDI, on SDI Client's behalf. If the change affects the cost or time required for performance, a fair adjustment will be made and confirmed by SDI-on-SDI Client's behalf. Seller shall notify SDI prior to making any changes to raw materials, methods of manufacture, production equipment or locations involved in the performance of the applicable Contract and shall obtain SDI's written acknowledgement of SDI Client's consent prior to making any such changes(s). Any applicable Contract may be terminated by SDI or SDI Client if SDI Client does not consent to Seller's proposed changes, in which event, SDI shall, on SDI Client's behalf, deliver to Seller a termination notice.

16 - INSURANCE AND INDEMNITY

16.1 Seller shall: (a) comply with SDI Client's site rules, practices and policies (if Seller enters SDI Client's premises); (b) indemnify and defend SDI Client, its employees and officers against all liabilities and losses of any kind, including costs, expenses and attorneys' fees, due to injuries (including death) or damage to persons or property occurring to or caused by Seller, its agents or subcontractors, or any of their employees, such indemnity to include injuries or damage caused by the joint or concurring negligence of SDI Client (but not those caused by the sole negligence of SDI Client); (c) maintain the following minimum insurance: (i) Workers' Compensation - Statutory; (ii) Employer's Liability \$2,000,000 each accident/disease-each employee/disease - policy limit; (iii) Commercial General Liability (Bodily Injury, Property Damage, Products and Completed Operations and contractual liability on an occurrence form of policy naming SDI Client as additional insured) - \$2,000,000 each occurrence, combined single limit; (iv) Comprehensive or Commercial Automobile Liability (Bodily Injury or Property Damage for owned, non-owned and hired vehicles and naming SDI Client as additional insured) - \$2,000,000 each occurrence, combined single limit; (v) Umbrella Liability Insurance -\$10,000,000 each occurrence, excess coverage over underlying primary insurance required and naming SDI and SDI Client as additional insured. Each policy provided by Seller will include an endorsement that the underwriters waive all rights of subrogation

against SDI and SDI Client, its employees, and agents.

17 - *ASSIGNMENT/ SUBCONTRACTING/ INDEPENDENT CONTRACTOR*

Seller shall not assign, subcontract or delegate all or any part of the applicable Contract without SDI's or SDI Client's prior written consent and any attempt to so assign shall be void. Assignment with consent shall not relieve Seller of any obligations hereunder. Seller is and shall remain an independent contractor.

18 - *EXPORT CONTROLS*

Seller undertakes to comply with all applicable export/ re-export laws and regulations regarding the use of the material, technology and know-how received or created under this Contract and the transfer of any immediate products and services based thereon. Specifically, in the previous regard, the Seller shall adhere to the U.S. Exports Administration Laws and Regulations and shall not export or re-export any confidential information or technical data or products received from the other party or the direct product of such confidential information or technical data to any country or party unless properly authorized by the U.S. Government. The parties agree that these obligations shall survive the termination of this Contract.

19 - *CONFLICT MINERALS*

Seller hereby certifies and represents to SDI Client that the products do not include any Conflict Minerals or any of their derivative products as those terms are defined in Section 1502 of the Dodd – Frank Wall Street Reform and Consumer Products Act, and regulations issued thereunder by the Securities and Exchange Commission, (the “Act”) that originated in the Democratic Republic of the Congo or any adjoining country and that said certification and representation are based upon Seller making due inquiry as to the origin of the Conflict Minerals used in the products. Seller further agrees to cooperate with and provide such reasonable assistance to SDI Client as may be required by SDI Client for SDI Client to meet its reporting obligation under the Act.

20 - *MISCELLANEOUS*

Any applicable contract shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania. The Parties hereto submit to the exclusive jurisdiction of the courts of the federal and state courts of Philadelphia, Pennsylvania for any dispute relating exclusively to one or more contract for Work to be delivered exclusively in the United State of America. Notwithstanding the foregoing, for purposes of Work delivered exclusively in Canada, this agreement shall be governed by the laws of the Province of Quebec and the federal laws of Canada applicable therein. Notwithstanding the foregoing, the Parties hereto submit to the exclusive jurisdiction of the courts of the judicial district of Montreal, Province of Quebec for any dispute relating exclusive to one or more Contracts for Work to be delivered exclusively to Canada. Any modification, rescission or waiver must be in writing and signed by both parties. A waiver of any breach of these terms shall not waive any other breach. The obligations under sections 3, 6, 7, 8, 9, 10, 12, 13 and 15 of the applicable Contract are of a continuing nature and shall survive any termination of the Contract, any suspension, completion or acceptance of the Work, or final payment to Seller. Seller shall bind all its subcontractors to the terms of the applicable Contract. The failure of either party in any one or more instances to insist on performance of any of the provisions hereof, or any part thereof shall not be construed to be a waiver of such provision, or any part thereof in the future. Any applicable Contract, its performance, any interest herein or in any monies due or to become due herein, may not be assigned or subcontracted by Seller without the prior written consent of SDI Client; and such applicable Contract may not be effectively assumed or transferred to another party through a merger between Seller

or any subsidiary of Seller and any third party, or through a third party purchasing any controlling interest in Seller. The remedies herein reserved by SDI Client shall be cumulative, and additional to any other or further remedies provided in law or equity. All claims for monies due or to become due from SDI Client shall be subject to deduction by SDI Client for setoff or counterclaim arising out of this or any other of SDI Client's contracts or agreements with Seller. The Contract is executed in English, and in the event an applicable Contract is translated into a language(s) other than English this version in English shall be controlling on all questions or interpretations and performance. The terms and conditions provided herein which shall form part of an applicable Contract, including all documents referenced herein, contains the entire agreement of the parties with regard to the subject matter hereof, supersedes any prior communications, commitments or contracts between the parties relating to the subject matter hereof, and no modification of an applicable Contract shall be of any force or effect unless reduced to a writing that specifically references this Contract, states an express intent to modify or amend such applicable Contract, and is signed by the parties. Seller and SDI Client mutually agree that the United Nations Conventions on Contracts for the International Sale of Goods does not apply to the applicable Contract or the sale by Seller to SDI Client of the Work.

Signature: _____

Name: _____

Title: _____

Supplier: _____

Date: _____