# THE DYSON CORPORATION STANDARD TERMS AND CONDITIONS OF SALE REVISION #2 (Effective August 26, 2015)

These terms and conditions of sale ("<u>Agreement</u>") shall apply to any order placed by Buyer and accepted by The Dyson Corporation ("Dyson"), an Ohio corporation with its principal place of business at 53 Freedom Road, Painesville, Ohio 44077.

- 1. SCOPE OF AGREEMENT. Upon accepting an order placed by Buyer, Dyson will supply the products and services specified in the order (the "Work") to Buyer, subject to the terms and conditions of this Agreement and its exhibits. Dyson's acceptance of any order submitted by Buyer is expressly limited by the terms and conditions of this Agreement regardless of and notwithstanding any contrary provision contained in Buyer's purchase orders, invoices, acknowledgements, or other documents. The details of the Work (e.g. quantity, price, and product specifications) shall be set forth in the applicable Order.
- 2. PRICE AND TERMS. (a) The prices payable by Buyer for goods and services to be supplied by Dyson under this Agreement will be specified in the applicable order. Unless otherwise expressly stated in an order, all prices exclude shipping and taxes. (b) OPayment terms are net thirty (30) calendar days from the date of Dyson's invoice. If Buyer does not pay an invoiced amount within terms, Buyer agrees that Dyson may charge Buyer a finance charge of one and one-half percent (1.5%) per month on the late balance. Further, Dyson reserves the right to (1) withhold shipment of the Work until full payment is made, and/or (2) revoke any credit extended to Buyer. In the event that Buyer's account becomes more than ninety (90) days past due, Buyer shall reimburse Dyson for the reasonable costs, including attorneys' fees, incurred in collecting all amounts from Buyer. If Buyer provides written notice of any dispute regarding the Work that forms the basis of an invoice before payment of that invoice is due, no finance charges will apply if the dispute is resolved in Buyer's favor. (c) If requested, Buyer shall provide copies of its most recent audited financial statements or other reasonable evidence of its financial capacity and such other information as Dyson reasonable requests to determine credit status or credits limits. (d) Buyer shall provide notice within five (5) business days of the occurrence of any event which materially affects Buyer's ability to perform its obligations under this Agreement, including but not limited to: (i) the material default of any supplier or subcontractor; (ii) any labor strike or dispute; or (iii) a material uncured default with respect to any debt obligations of Buyer. (e) Pricing schedules (whether attached to this Agreement or to an order) are subject to revision upon a change in the price of applicable raw materials (as reflected on a recognized trade or commodity pricing tracker) in excess of five percent (5%) from the date of such schedule. (f) Unless otherwise specified in the order, Work will be delivered FOB Painesville, OH and will be shipped to Buyer via carriers selected by Dyson.
- 3. BUYER MATERIALS AND DATA. (a) Buyer represents and warrants that any matter it furnishes for performance of services by Dyson (i) does not infringe any copyright or trademark or other Intellectual Property Rights of any third party; (ii) is not libelous or obscene; (iii) does not invade any person's right to privacy; and (iv) does not otherwise violate any laws or infringe the rights of any third party. (b) Buyer warrants that it has the right to use and to have Dyson use on behalf of Buyer any data provided to Dyson or its Affiliates by Buyer, including specifically (but not limited to) customer names, identifying information, addresses, other contact information, and related personal information ("Data"). Buyer further warrants that it will designate on the applicable order if Data provided pursuant to that order is subject to HIPAA, Gramm-Leach-Bliley, or other statutes providing enhanced data protection or requiring enhanced data security procedures.

- **4. INVENTORY.** In the event any inventory is maintained by the Dyson on behalf of Buyer, the applicable Addendum(s) (Addendum 1 and/or Addendum 2) incorporated herein shall apply.
- 5. INTELLECTUAL PROPERTY. Any and all inventions, discoveries, patent applications, patents, copyrights, trademarks and trade names, commercial symbols, trade secrets, work product, and information embodying proprietary data existing and owned by Buyer as of the date of the order or made or conceived by employees of Buyer during the Term of the order shall be and remain the sole and exclusive property of Buyer provided that Buyer grants to Dyson a license to use, display, and distribute (and to sub-license its affiliates and sub-contractors to use, display and distribute) any intellectual property rights delivered to Dyson as reasonably necessary to perform any order. Any and all inventions, discoveries, patent applications, patents, copyrights, trademarks and trade names, commercial symbols, trade secrets, work product and information embodying proprietary data existing and owned by Dyson as of the date of the order or made or conceived by employees, consultants, representatives or agents of Dyson during the term of this Agreement shall be and remain the sole and exclusive property of Dyson. Without limiting the generality of the foregoing, Buyer acknowledges and agrees that Dyson shall have the right to provide to third parties products and services that are the same or similar to the products and services provided pursuant to any order, and to use or otherwise exploit any Dyson materials in providing such products and/or services.
- 6. CONFIDENTIAL INFORMATION. Any information that parties receive or otherwise have access to incidental to or in connection with this Agreement (collectively, the "Confidential Information") shall be and remain the property of the disclosing party. Confidential Information shall not include information which: (i) was in the possession of the Receiving Party at the time it was first disclosed by the Disclosing Party; (ii) was in the public domain at the time it was disclosed to the Receiving Party; (iii) enters the public domain through sources independent of the Receiving Party and through no breach of this provision by the Receiving Party; (iv) is made available by the Disclosing Party to a third party on an unrestricted, non-confidential basis; (v) was lawfully obtained by the Receiving Party from a third party not known by the Receiving Party to be under an obligation of confidentiality to the Disclosing Party; or (vi) was at any time developed by the Receiving Party independently of any disclosure by the Disclosing Party. Confidential Information may be used to the extent necessary to perform this Agreement and the parties shall not disclose Confidential Information to any third party except to its agents (who have executed confidentiality agreements containing terms substantially similar to the terms) as necessary to provide the Work hereunder. In no event shall Buyer acquire any right, title, or interest in and to any product or process information, including related know how, either existing or developed during the course of the business relationship with Dyson and Buyer, and in no event shall Dyson acquire and right, title, or interest in and to any materials or information provided to it by Buyer.
- 7. INDEMNIFICATION. Buyer, as Indemnitor, shall indemnify, defend and hold harmless Dyson, as Indemnitee, and its officers, directors, employees, agents, subsidiaries, and other affiliates, from and against any and all claims, damages, liabilities, and expenses (including attorney fees) arising from any third-party claim based on Buyer's (or its agents') breach of any representation, warranty, covenant, agreement, or obligation under any order or this Agreement, or Buyer's (or its agents') grossly negligent and/or willful acts in carrying out any obligations under any order or the Agreement. Dyson shall not be responsible for any claims arising out of its compliance with instructions, requirements, or specifications provided by or required by Buyer. Neither party will be responsible for indemnifying another party hereto where the basis of the indemnity claim arises out of such other party's own negligence or willful misconduct. In order to avail itself of this indemnity provision, Dyson shall promptly provide notice to Buyer of any such claim, tender the defense of the claim to Indemnitor, and cooperate with Indemnitor in the defense of the claim. Indemnitor shall not be liable for any cost,

expense, or compromise incurred or made by Indemnitee in any legal action without the Indemnitor's prior written consent.

- **8. BREACH.** In addition to all other rights to which a party is entitled under this Agreement, if either party breaches any term of the applicable order or the Agreement, the non-breaching party shall have the right to: (a) terminate the order immediately upon written notice to the other party; or (b) seek to obtain injunctive relief to prevent such breach or to otherwise enforce the terms of this Agreement or the applicable order. Failure to properly demand compliance or performance of any term of the order or this Agreement shall not constitute a waiver of Dyson's rights hereunder. Before making any claim for damages resulting from any claimed non-conformance or breach, Buyer shall provide Dyson with reasonable notice of the alleged deficiencies in the Work or performance under the order or this Agreement, and shall provide Dyson with a reasonable opportunity to cure any such alleged non-conformance or breach.
- 9. WARRANTY. Dyson warrants that the Work shall reasonably conform to Buyer's specifications. For avoidance of doubt, the Work shall be deemed to conform to Buyer's specifications upon Buyer's acceptance of Work at the place of delivery specified in the order or ten (10) business days from the date of shipment out of Dyson's facility, whichever occurs earliest. Dyson will not provide refunds for any Work that reasonably conforms to specifications. Other than the warranties set forth in this section, Dyson makes no warranty of any kind, expressed or implied or otherwise whatsoever, that the services performed or any items produced will be merchantable or fit for any particular purpose or use. In the event of any breach of any warranty specified in this provision, Buyer's exclusive remedy shall be that Dyson shall, at its option, repair or replace any defective goods at no cost to Buyer or refund any purchase price paid for such Work.
- 10. <u>LIMITATION OF LIABILITY.</u> IN NO EVENT SHALL EITHER PARTY BE LIABLE HEREUNDER FOR INCIDENTAL, SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY FOR SUCH DAMAGES. DYSON'S TOTAL LIABILITY FOR DAMAGES UNDER THIS AGREEMENT AND THE ORDER SHALL BE LIMITED TO THE TOTAL FEES DUE HEREUNDER FOR THE INVOICE UPON WHICH A CLAIM IS BASED.
- 11. <u>NOTICE</u>. Any notice sent pursuant to the order or this Agreement shall be sent by certified mail, return receipt requested, or by overnight mail to the addresses on the order or to such address as either party may in the future designate in writing with specific reference to this Paragraph of the Agreement. Notices shall be effective upon receipt.
- **12. ASSIGNMENT.** Except as otherwise provided, the order and this Agreement shall be binding upon and inure to the benefit of the parties' successors and lawful assigns.
- **13. STATUS.** Buyer and Dyson are separate entities. Nothing in the order or this Agreement shall be construed as creating an employer-employee or joint venture relationship.
- **14.** <u>COMPLIANCE WITH LAW.</u> Each party shall comply with all state, federal and local laws and regulations applicable to its performance hereunder.
- **15. GOVERNING LAW.** The Order and this Agreement shall be governed by the laws of the State of ohio, without reference to conflicts-of-law or choice-of-law principles. Any legal suit, action or

proceeding arising out of or relating to the order or these this Agreement shall be commenced in a federal court in Ohio or in state court in the County of Lake, Ohio, and the appellate courts thereof, and each party hereto irrevocably submits to the exclusive jurisdiction and venue of any such court in any such suit, action or proceeding. WITH RESPECT TO ANY LITIGATION ARISING OUT OF THE ORDER OR THIS AGREEMENT, THE PARTIES EXPRESSLY WAIVE ANY RIGHT THEY MAY HAVE TO A JURY TRIAL AND AGREE THAT ANY SUCH LITIGATION SHALL BE TRIED BY A JUDGE WITHOUT A JURY. The parties further agree that the prevailing party shall be entitled to recover its expenses, including reasonable attorney's fees, from the other party.

- **16. FORCE MAJEURE.** Neither party shall be liable for any failure to perform or delay in performance of this Agreement to the extent that any such failure arises from acts of God, war, civil insurrection or disruption, riots, government act or regulation, strikes, lockouts, labor disruption, cyber or hostile network attacks, inability to obtain raw or finished materials, inability to secure transport, or any cause beyond such party's commercially reasonable control.
- 17. <u>SURVIVAL</u>. In the event any provision of the order or this Agreement is held by a tribunal of competent jurisdiction to be contrary to the law, the remaining provisions of the order or this Agreement will remain in full force and effect. All sections herein relating to payment, ownership, confidentiality, indemnification and duties of defense, representations and warranties, waiver, waiver of jury trial and provisions which by their terms extend beyond the Term shall survive the termination of the order and this Agreement.
- **18. ENTIRE AGREEMENT.** This Agreement and the operative provisions of any quotation issued by Dyson and any order issued by Buyer set forth the entire agreement and understanding among the Parties as to the subject matter hereof, and merges and supersedes all prior discussions, agreements, and understandings of every and any nature among them. No proposal, purchase order, order confirmation, acceptance, or any other document provided by either Party to the other, nor any electronic click-wrap, terms of use or similar online consent or acceptance language accompanying or set forth as a prerequisite to any electronic interface or utility associated with any Work, shall be deemed to amend the terms hereof, and any such contradictory or additional terms shall be ineffective. No party shall be bound by any condition, definition, warranty, or representations, other than as expressly set forth or provided for in the applicable order or this Agreement, or as may be, on or subsequent to the date hereof set forth in writing and signed by the party to be bound thereby. In the event of any ambiguity or conflict between any of the terms and conditions contained in this Agreement and the terms and conditions contained in an order, the terms and conditions of this Agreement shall control, unless the Parties have expressly provided in such order that a specific provision in this Agreement is amended, in which case this Agreement shall be so amended, but only with respect to such order. The order or this Agreement may not be amended, supplemented, changed, or modified, except by agreement in writing signed by the parties to be bound thereby.

### **ADDENDUM 1**

### **Customer Owned Inventory**

Dyson may, from time to time, house materials or inventory owned by Customer ("Customer Materials") at its facility ("Dyson Facility") in order for Dyson to perform services for Customer and Customer and Dyson desire to agree to the terms and conditions upon which Dyson will store such Customer Materials. Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

- 1. Customer agrees to pay the storage and other fees associated with Dyson's storage, inventorying and warehousing of the Customer Materials ("Customer Fees").
- 2. Upon Dyson's receipt of Customer Materials, Customer agrees that it shall bear all and insure against all risk of loss at all times while such Customer Materials are located at the Dyson Facility or while such Customer Materials are under the direction and control of Dyson. Unless caused by the gross negligence or willful misconduct of Dyson, in no event shall Dyson be liable for any loss or damage to the Customer Materials.
- 3. In the event there is no order or de minimus activity related to the Customer Materials for a period of twelve (12) months or upon expiration or termination of this Agreement, Dyson will use reasonable efforts to notify Customer of any such Customer Materials which remain under Dyson's direction or control and, unless otherwise agreed to in writing by both parties, Customer shall accept C.O.D. return shipment of all such remaining Customer Materials. In the event such Customer Materials are returned to Dyson, Customer shall remain liable for all costs related to the shipment of such Customer Materials. Customer further grants a warehouseman's lien to Dyson on all Customer Materials as security for payment of the Customer Fees. Dyson shall have the right to destroy, resell or otherwise dispose of such Customer Materials and Customer shall be liable for all costs and expenses related thereto, including but not limited to all costs of shipment, destruction, resale, enforcement of and collection under this Agreement, including reasonable attorneys' fees.
- 4. This Addendum shall remain in effect until such time as Dyson no longer possesses or controls any Customer Materials provided that either party may terminate this Addendum immediately for cause upon written notice, which notice will include a ten (10) business day opportunity to cure. Either party may terminate this Addendum for convenience upon sixty (60) days' written notice to the other party.

### **ADDENDUM 2**

## **Supplier Owned Inventory**

Dyson may, from time to time, purchase materials and/or inventory on Customer's behalf ("Supplier-Managed Inventory") and such Supplier-Managed Inventory shall be stored at Dyson's facility ("Dyson Facility") in order for Dyson to perform services for Customer. Customer and Dyson desire to agree to the terms and conditions upon which Dyson will warehouse and store such Supplier-Managed Inventory. Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

- 1. Customer agrees to pay the storage fees associated with Dyson's storage, management and inventorying of the Supplier-Managed Inventory ("Supplier Fees").
- 2. In the event there is (a) a de minimus or no order activity related to the Supplier-Managed Inventory for a period of twelve (12) or more months; (b) upon the expiration or termination of this Addendum; or (c) the expiration of termination of the Agreement between the parties to which the Supplier-Managed Inventory is addressed or the subject of, Dyson will use reasonable efforts to notify Customer of any such Supplier-Managed Inventory which remains under Dyson's possession, direction or control and, unless otherwise agreed to in writing by both parties, Dyson shall invoice Customer for such Supplier-Managed Inventory and payment shall be due within thirty (30) days of the invoice date. For amounts owed which are more than thirty (30) days past due, Dyson may charge Customer interest in the amount of one and a half percent (1 ½%) per month or the maximum rate permitted by law. Upon receipt of payment from Customer, Customer shall accept C.O.D. return shipment of all such remaining Supplier-Managed Inventory and shall be responsible for all other costs or expenses related to the return of such Supplier-Managed Inventory. Risk of loss of Supplier-Managed Inventory shall transfer to Customer upon shipment. Customer further grants a warehouseman's lien to Dyson on all Supplier-Managed Inventory as security for payment of the Supplier Fees. In addition to all other remedies available to Dyson, in the event that Dyson does not receive full payment for the Supplier-Managed Inventory within sixty (60) days of the invoice date, Dyson shall have the right to destroy, resell or otherwise dispose of such Supplier-Managed Inventory and, in addition to the invoiced amount of the Supplier-Managed Inventory, Customer shall be liable for all costs and expenses related thereto, including but not limited to all costs of shipment, destruction, resale, enforcement of and collection under this Agreement, including reasonable attorneys' fees.
- 3. This Addendum shall remain in effect until such time as Dyson is no longer in possession or control of any Supplier-Managed Inventory provided that either party may terminate this Addendum immediately for cause upon written notice, which notice will include a ten (10) day opportunity to cure. Either party may terminate this Addendum for convenience upon sixty (60) days written notice to the other party.
- 4. This Addendum constitutes and contains the entire agreement between the parties with respect to the storage, warehousing and inventorying of the Supplier-Managed Inventory. The parties acknowledge and agree that to the extent there is a conflict between any terms in this Addendum and any terms contained in the storage, warehousing and inventory provisions related to the Supplier-Managed Inventory contained in any other agreement executed by the parties, the terms related to such storage, warehousing and inventory of the Supplier-Managed Inventory contained therein, shall be governed by this Addendum and the terms contained herein shall prevail.