

Carolina Components Group Purchase Order Terms and Conditions

- Purchase of Products.** The seller identified in this Purchase Order ("Seller") will sell and Carolina Components Group, Inc. ("Buyer") will purchase the goods and services set forth in this Purchase Order ("PO") in the quantities set forth herein. This PO is expressly subject to and conditioned upon Seller's assent to all of these Terms and Conditions. These Terms and Conditions and this PO supersede all prior understandings, agreements and communications relating to the goods and services. Any additional or inconsistent terms on Seller's acknowledgements, invoices or other documents shall not apply and shall be of no force or effect. To be effective, modifications to this PO including these Terms and Conditions must be made in writing and must be signed by authorized representatives of both parties. Buyer shall have the right to transfer title to acquired goods together with all warranties to a transferee designated by Buyer. Notwithstanding anything to the contrary herein, this PO will not be effective unless confirmed in writing, without change, by Buyer within three (3) business days after Buyer receives this PO.
- Delivery and Packing.** Unless otherwise specified, the prices stated on this PO are FOB destination (Incoterms 2020) and include as applicable all charges for packing, hauling, storage, insurance, and transportation. Sales and use taxes not subject to exemption shall be stated separately in Seller's invoice. The goods shall be packed and shipped by Seller in accordance with Buyer's instructions and good commercial practice to ensure that no damage will result from weather, transportation or handling. Each shipment shall include complete documentation and specifications for the goods in the English language and a certification that the goods contained in the shipment have been tested and meet all applicable specifications.
- Schedule.** Time is of the essence. All services shall be performed, and goods delivered in accordance with the timeline set forth in this PO.
- Invoicing and Payment Terms.** Seller shall invoice Buyer in accordance with the terms agreed in this PO. Unless otherwise stated in this PO, Buyer shall pay each undisputed invoice net forty-five (45) days following the date of receipt of the invoice. Prices exclude sales and use taxes, which shall be stated separately by Seller as applicable on each invoice.
- Cancellation.** All or any part of this PO may be cancelled by Buyer if shipment or delivery is not made by the agreed shipment date. Further, all or any part of this PO may be cancelled or suspended by Buyer without liability if such cancellation or suspension is required due to compliance with any law, regulation, order or due to request of any government entity.
- Over Shipments.** Over shipments of goods not approved by Buyer in writing may be returned by Buyer, at Buyer's sole discretion. All such returns shall be at Seller's risk and

expense or held by Buyer at Seller's risk and expense, and Buyer shall not be obligated to pay for such over shipments of goods.

7. Warranties. Seller represents and warrants that (i) the goods provided are new and unused; (ii) the facility where the goods are manufactured is in compliance with all applicable federal, state, local and international laws, ordinances and regulations, including 21 CFR 211 where applicable (collectively, "Laws"), and all goods shall be manufactured, packaged, labeled, stored, and shipped in accordance with applicable Laws; (iii) Seller shall comply with all applicable Laws, including without limitation import/export regulations, labor laws, anti-bribery, anticorruption, environmental, health, child labor laws, forced labor laws, and safety laws; (iv) title to the goods shall pass to Buyer free and clear of all liens, claims, and encumbrances; (v) all goods will (a) be free of defects; (b) comply with specifications, drawings and descriptions referenced in this PO; and (c) be merchantable and fit for the intended use; (vi) all services will be performed in a professional and workmanlike manner, in compliance with applicable Law and this PO; and (vii) the goods and services do not infringe or misappropriate any United States or foreign patent, trademark, copyright, trade secret, or other right of any third party.
8. Non-Conforming Products and Services. If any good is defective or fails to conform to applicable specifications or warranties, Buyer may notify Seller, and Seller, at Buyer's option, shall promptly: (a) repair or replace the defective good at no charge, (b) accept return of the defective good and refund the price paid for the good, or (c) accept return of the defective good and credit Buyer's account in an amount equal to the price paid for the rejected good. If any services are not performed in accordance with the requirements of this PO, Seller shall, upon request by Buyer, either (i) promptly reperform such services; or (ii) provide a refund of all amounts paid with respect to such services.
9. Facilities Audit. Buyer may, at reasonable times and upon reasonable notice, perform such inspections and/or audits at Seller's facilities as they deem necessary to verify Seller's compliance with applicable laws and regulations and to verify that Seller is complying with its obligations under these Terms and Conditions.
10. Specifications and Manufacturing. Seller may not make substitutions or variations from specifications or instructions, or make partial shipments, without the prior written approval of Buyer. In addition, there Supplier may not change the manufacturing location, process, equipment or raw materials utilized in the manufacture of the goods under this PO.
11. Seller Code of Conduct. Seller confirms its acceptance and commitment to adhere to the Buyer Seller Code of Conduct located at <https://CCG Supplier Code of Conduct>. The Seller agrees to implement and maintain an internal sustainability management system to ensure ongoing compliance with the principles and requirements in this Code of Conduct.

12. Recall. In the event that a recall of the goods or other corrective action with respect to goods or services is necessitated by a defect, a failure to conform to the specifications, applicable Laws, or any other reason within Seller's or its supplier's control, Seller shall bear all costs and expenses of such recall or corrective action including without limitation, costs of notifying customers, customer refunds, costs of returning goods, lost profits, and other third party expenses.
13. No Debarment. Seller certifies, represents and warrants that neither it nor its principals was or is debarred, suspended, or proposed for debarment by any governmental entity.
14. Indemnification. Seller shall defend, indemnify and hold Buyer, its successors, assigns, transferees, officers, directors, and employees harmless with respect to all claims, liability, damage, loss and expenses, including reasonable attorney's fees, related to or arising from: (a) actual or alleged patent, copyright, or trademark infringement or violation of other third-party proprietary rights, arising out of the purchase, sale, or use of the goods or services in this PO; (b) defects in the goods; (c) breach by Seller of any provision of this PO including breach of warranty; or (d) failure to deliver the goods or services on a timely basis. If Buyer is enjoined from use or sale of the goods, Seller shall, at Buyer's option, either procure for Buyer the right to continue using or selling the goods, replace the goods with substantially equivalent goods, modify the goods to be usable by Buyer, or repurchase the goods at the price set forth in this PO.
15. Risk of Loss; Title. Risk of loss or damage to the goods shall be on Seller until the goods have been delivered to and accepted by Buyer. Title to the goods shall pass to Buyer upon delivery of the goods to Buyer's destination shown on this PO.
16. Materials Furnished to Seller. Seller shall not use, reproduce, or disclose to anyone other than Buyer, any goods, tooling, dies, drawings, designs, or other property or information furnished by Buyer ("Material"), nor shall Seller use the same to manufacture goods or provide services other than as required hereunder without Buyer's prior written approval. Title to all Material shall remain with Buyer at all times, and where practicable, the Material shall be clearly marked or tagged to indicate Buyer's ownership. Seller shall bear the risk of loss or damage to the Material until it is returned to Buyer. All Material shall be returned to Buyer upon termination or completion of this PO unless otherwise directed by Buyer. This provision shall survive termination of this PO.
17. Notice of Labor Disputes. Whenever an actual or potential labor dispute delays or threatens to delay the timely performance of this PO, Seller shall immediately give notice thereof, including all relevant information with respect thereto to Buyer.
18. Termination. In addition to any other remedy provided for hereunder at law or in equity, Buyer may terminate this PO, in whole or in part, without liability to Buyer, if Seller breaches or threatens to breach any term or condition of this PO and Seller does not cure said breach or provide adequate assurance of its performance within ten (10) days of Buyer's request; if deliveries are not made at the time or in the quantities specified; or at any time for its convenience by notice to Seller in writing given at least 10 days prior to the scheduled delivery date. Upon receipt of such notice, Seller shall, to the extent

specified in such notice, stop work under this PO (by itself and permitted subcontractors). If termination is due to Seller's breach or delays, Buyer will have no further liability to Seller. If termination is for Buyer's convenience, then Seller's sole compensation for such termination shall be payment by Buyer of the percentage of the total PO price corresponding to the proportion of work completed in filling the PO prior to such notice, provided that, at Buyer's option, Seller shall deliver to Buyer any such goods that are then ready for delivery. Such termination claim must be submitted to Buyer within sixty (60) days of the date of termination and shall be subject to audit by Buyer.

19. Limitation of Liability. In no event shall Buyer be liable to Seller for any lost profits or for any special, indirect, incidental or consequential damages arising out of or relating to this PO.
20. Assignment; Subcontracting. Seller shall not delegate any duties, assign this PO (including without limitation the right to receive payment) or subcontract any portion of this PO without Buyer's prior written consent.
21. Controlling Law. The validity and interpretation of this PO shall be governed by the law of North Carolina, excluding its conflicts of law provisions. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods (1980) is excluded. The parties also agree that that the exclusive jurisdiction and proper venue for any disputes relating to this PO shall be the state or federal courts located in Durham County, North Carolina.
22. Additional Terms. Nothing in this PO creates any rights of exclusivity for the benefit of Seller or otherwise limits Buyer's rights to purchase goods and services from other suppliers. No waiver or a breach of any provision of this PO shall constitute a waiver of any other breach or provision. No modification to, or change in, or departure from, or waiver of the provisions of this PO shall be valid or binding unless approved by a proper representative of Buyer in writing.
23. Product Changes. The Supplier must establish and maintain effective procedures in ensuring that the buyer is informed of product changes in writing. This applies to all introductions/changes which may affect the quality, form, fit, appearance, or function of the product. This includes, but is not limited to, changes in:
 - Changes in raw materials;
 - Changes to labelling, packaging or their sources;
 - Changes in material specifications;
 - Changes in shelf-life or test methods;
 - Changes in country of manufacture;
 - Changes in part numbers or product description and/or appearance;
 - Changes in manufacturing locations and/or processes;

- Changes in vendor or material sourcing.

Seller's notice of material change shall describe the changes to be made in reasonable detail and shall be delivered to Seller's supply chain contact person or a substitute person designated by Buyer in writing. The supplier shall inform Buyer about any change on the following issues within, at least, the term indicated below through a notification of changes letter. For changes initiated by the supplier, a change notification to Buyer must be provided at minimum 30 days prior to implementation. For changes initiated by another party Buyer must be provided at minimum within 2 business days of the notification of change. Prior to implementing any product change in any product purchased by Buyer, Seller shall afford and hereby grants to Buyer the right to make a purchase of such product without the material changes implemented by manufacturing and delivering to Buyer such quantity of such Product without the material changes implemented at Buyer orders in a purchase order furnished to Seller no later than sixty (60) days after Seller has delivered to Buyer written notice of change.

24. Force Majeure. The date by which a party is required to perform an obligation under this PO will be postponed automatically for the period of time that the performance is delayed by an event that is beyond the reasonable control of the party, such as a natural disaster, strike, riot, earthquake, epidemic, terrorist action, war, fire, flood, unavailability of communications or electrical service provided by a third party, but excluding any event that could have been avoided by reasonable precautions against such event or by reasonable efforts to work around such event ("Force Majeure Event"). If a Force Majeure Event delays a party's performance under this PO, the party will immediately notify the other party (i) in detail of the delay or anticipated delay and (ii) of any material changes in the circumstances of the delay, including the end of the cause for the delay. A party whose performance is prevented by a Force Majeure Event will use its best commercial efforts to perform in a timely manner. If a Force Majeure Event delays Seller's ability to deliver goods or services by more than ten (10) business days, then Buyer may cancel this PO upon written notice to Seller.