

UPONOR, INC.
INSTRUCTIONS; TERMS AND CONDITIONS OF PURCHASE

1) **ACCEPTANCE.** Acceptance of this Purchase Order may be made by any medium and in any manner reasonable under the circumstances. Without limiting the generality of the foregoing, Seller's return to Uponor, Inc. ("Uponor") of either a copy hereof or written acknowledgement of Seller's acceptance hereof or Seller's commencement of any performance called for hereby or preparation for such performance shall be deemed to constitute such acceptance. This Purchase Order shall not be construed as an acceptance of any previous offer that may have been made by Seller and with respect to any such previous offer this Purchase Order shall operate as a rejection and counter offer. Uponor hereby objects to the inclusion of any different or additional terms proposed by Seller in its written acceptance. The inclusion of any different or additional terms in an acknowledgement shall be deemed a rejection of the Purchase Order. Seller agrees that a contract of sale will result upon the terms stated herein, unless Uponor has agreed in writing to accept such different or additional terms prior to Seller's returning its written acceptance to Uponor or beginning performance under the Purchaser Order. No oral agreement or other understanding shall in any way modify this Purchase Order or the terms or the conditions hereof.

2) **ADVERTISING.** Without first obtaining Uponor's written consent, Seller shall not in any manner advertise or disclose the fact that Seller has furnished or contracted to furnish Uponor with the goods and/or services herein specified or disclose any of the details connected with this Purchase Order to any third party except as may be required by Seller to perform this Purchase Order.

3) **GOVERNING LAW; VENUE.** This Agreement will be governed, construed and interpreted in accordance with the laws of the State of Minnesota without giving effect to any choice of law provisions. The parties hereby agree that all disputes arising out of this Agreement will be resolved in the state or federal courts located in Hennepin County, Minnesota. The parties expressly agree and consent to venue in and the exclusive jurisdiction of such courts and

consent to service of process in any such action or proceeding by personal delivery or any other method permitted by law. The United Nations Convention for the International Sale of Goods, 1980 shall not apply to the transaction(s) set forth in this Purchase Order.

4) **CHANGES.** Uponor may at any time cancel this Purchaser Order by written notice to Seller or, by written change order, suspend performance in whole or in part, make changes in drawings, designs, specifications, method of shipment or packing, or time or place of delivery require additional work or direct the omission of work. If any such change order causes an increase or decrease in the cost of or the time requested for the performance of this Purchase Order, a claim for equitable adjustment shall be promptly made by Seller in the contract price or delivery date or schedule, or both and, on agreement of the parties, this Purchase Order shall be modified in writing accordingly. Any claim for adjustment under this paragraph shall conclusively be deemed waived unless asserted in writing within thirty (30) days from the date of receipt by the Seller of the change order. The amount of the claim shall be stated when it is submitted. No change order will be binding on Uponor unless issued by an authorized purchasing agent of Uponor.

Seller may not change or otherwise deviate from this Purchase Order or the specifications furnished hereunder. Further, upon approval by the Uponor of the initial design, any process changes, design changes or deviations considered by Seller must be submitted to Uponor in writing for review. If changes are submitted for approval the information submitted shall include a complete description of the change and the affect the change will have on all characteristics of the goods or performance of services. Upon request, Seller shall submit samples of the proposed changed goods for the evaluation and approval by Uponor. Unless Uponor has expressly agreed in writing, Seller shall not make any such proposed change or deviation.

5) **COMPLIANCE WITH LAWS.** Seller represents and warrants that it will perform

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its obligations under this Agreement in compliance with all applicable federal, state and local laws, decrees, statutes, rules and regulations, applicable codes and industry guidelines and in accordance with Uponor policies, all as in effect from time to time during the term of this Agreement. Seller specifically agrees to comply with those laws, regulations, codes and industry guidelines in effect from time to time during the term of this Agreement relating to the protection of human health and safety, the protection of the environment, the identification, use or disposal of hazardous or toxic substances or other wastes, pollutants or contaminants and have received all permits, licenses or other approvals required under any of the foregoing.

Seller further covenants to save and hold Uponor harmless of and from, and to defend Uponor against and reimburse Uponor for, any and all claims, costs, damages, and expenses including attorneys fees incurred or resulting directly or indirectly by or to Uponor as a direct or indirect result of Seller's breach of this Purchase Order or any representation or warranty contained in this Purchase Order.

- 6) **DELIVERY.** Time is of the essence in the performance of this Purchase Order. Uponor may accept or return to Seller, at Seller's expense, goods received in advance of their required delivery date as specified on the face of this Purchase Order. No acceptance by Uponor of an advance shipment shall accelerate time for payment. Over shipments may be returned at Seller's expense or retained by Uponor at no increase in price. Seller shall not, without Uponor's written consent, manufacture or procure materials in advance of Seller's normal flow time or deliver in advance of schedule. In the event of termination or change, no claims will be allowed for any such manufacture or procurement in advance of such normal flow time unless there has been such prior written consent of Uponor. Uponor further reserves the right to cancel this Purchase Order in accordance with the Termination Section below and to charge Seller with any damages incurred as a result of Seller's failure to make delivery within the time specified in the Purchase

Order. In the absence of specific delivery terms for goods set forth in this Purchase Order, default delivery terms shall be FOB (origin) for all domestic suppliers and FCA supplier dock (Incoterms 2010) for all international suppliers.

- 7) **DRAWINGS, PATTERNS, ETC.** All drawings, blueprints, tracings, materials, molds, tooling and other items prepared by Seller required to fulfill this Purchase Order, as well as any such items furnished hereunder to Seller by the Uponor, shall be the property of the Uponor. The foregoing shall be considered Confidential Information of Uponor and shall be subject to the restrictions on use and disclosure set forth in Section 17, Confidential Information.
- 8) **ENTIRE AGREEMENT AND SUCCESSORS AND ASSIGNS.** This Purchase Order contains all of the items and conditions agreed upon by the parties and constitutes the entire agreement between the parties, and shall be binding upon their representatives, successors and assigns, if any.
- 9) **EXTRA CHARGES.** No additional charges of any kind, including charges for boxing, packing, carriage or other extras will be allowed unless specifically agreed to in writing in advance by Uponor.
- 10) **FORCE MAJEURE.** Neither Seller nor Uponor shall be held responsible for delays in performance or failures of performance due to strikes, fires, force majeure, or other such circumstance reasonably beyond the control of the parties.
- 11) **INDEMNITY.** Seller agrees to indemnify and hold Uponor harmless from and against any and all claims, demands, liabilities, losses or expenses of whatsoever kind and nature which Uponor shall or may at any time sustain or incur by reason of, in consequence of, or arising out of the manufacture, sale or delivery of the goods by Seller to Uponor, the use and sale of the goods purchased by Uponor hereunder and/or services provided by Seller described in this Purchase Order to Uponor. This indemnity clause shall not be construed to preclude or limit any other rights or remedies available to the Uponor against Seller.

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12) **INSPECTION.** All goods shall be received subject to Uponor's right of inspection and rejection at any time after receipt. If this Purchase Order calls for delivery in installments, Uponor shall have such right of rejection regardless of whether or not the nonconformity substantially impairs the value of the installment and regardless of the curability of such nonconformity. Uponor shall have the right to perform adequate tests to determine whether goods conform to the contract. Without limiting the generality of the foregoing, Seller, at Uponor's request, shall permit Uponor's inspector's to have access to Seller's facilities for the purpose of inspecting goods covered by the Purchase Order or work in process for production of said goods, but such inspection shall not be deemed to preclude Uponor's subsequent inspection and rejection of such goods as provided in the first sentence of this Section. Seller, without additional costs to Uponor, shall provide all reasonable facilities and assistance for the safety of such inspectors. If such inspection discloses, in Uponor's good faith opinion, that the progress made by Seller to that date with respect to the goods is such that Seller will be unable to make timely shipments to Uponor in accordance with the Purchase Order delivery schedule, or that all or any material part of the goods are not in accordance with Uponor's specifications, Uponor shall have the right to cancel any unshipped portion of the goods by written notice to Seller, without liability for breach of contract. If goods shipped pursuant to this Purchase Order are nonconforming and are returned to Seller for repair or replacement, such goods shall be designated upon return to Uponor as goods which have been previously rejected. No goods returned by Uponor and designated "credit only" shall be returned by Seller to Uponor.

13) **INSTALLATION.** If this Purchase Order requires Seller to furnish the services of its supervisor, expert or other employee to perform work at Uponor's premises in connection with installation or any other matter under this contract, Seller agrees, whether or not a separate charge is to be made for said services, that such supervisor, expert or other employee of the Seller in performing such services is not and shall not

be deemed to be an agent or employee of the Uponor. Seller assumes full responsibility for the acts and omissions of such persons and agrees to hold Uponor harmless from any claims or damage whatever arising there from. Seller assumes exclusive liability for any payroll or taxes imposed upon the employer by any federal, provincial, state or local law or regulation as to such persons.

14) **INSURANCE.** Seller shall at its expense purchase and maintain general liability, products liability and/or professional errors and omissions insurance in amounts sufficient to satisfy any claims or liabilities which Seller might incur arising out of the manufacture, sale or delivery of any of the goods and/or services described in this Purchase Order or Uponor's sale or use of such goods. Such insurance policy shall provide coverage for the satisfaction of any liability of the Seller to Uponor resulting from operation of the indemnity provisions of this contract, or from operation of law, as well as for the satisfaction of any liability of Seller to any third party or parties.

Any insurance purchased by Seller to cover loss or damage to the goods in transit to Uponor shall be solely at Seller's expense.

15) **LIENS.** All goods to be delivered by Seller hereunder and all property to be rendered to Uponor shall be free and clear of any and all liens and encumbrances whatsoever.

16) **INTELLECTUAL PROPERTY RIGHTS.** The term "Intellectual Property" as used in this Agreement shall include, without limitation, all rights of copyright, patent, trade secret, trademark, service mark, trade dress, artistic and moral rights, mask rights, character rights, publicity rights, and any and all other proprietary rights of any kind whatsoever relating to any product purchased or developed pursuant to this Purchase Order together with any all applications, registrations, renewal and extension rights, and rights to sue for any past, present or future infringement. Any goods and/or services purchased by Uponor under this Purchase Order specifically developed for Uponor hereunder, including without limitation all improvements and/or modifications, shall be exclusively owned by Uponor. Seller expressly acknowledges

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and agrees that any such goods and/or services constitute a “work made for hire” pursuant to the copyright laws of the United States or equivalent under any other applicable law. To the extent, if at all, the goods and/or services do not constitute a “work made for hire”, Seller hereby transfers, sells and assigns to Uponor, all of its worldwide right, title and interest in and to such goods and/or services, including without limitation, all Intellectual Property right. Nothing contained herein shall grant Uponor any ownership interest in any Intellectual Property of Seller utilized by Seller or contained in goods and/or services provided to Uponor by Seller hereunder not specifically developed for Uponor.

- 17) **CONFIDENTIAL INFORMATION.** All information provided by Uponor to Seller hereunder, developed by Seller for Uponor hereunder or based on information provided by Uponor, relating to the subject matter of the Purchase Order, including without limitation, methods, processes, designs, marketing plans, strategies, customer and financial information shall be deemed to be “Confidential Information” and shall be maintained in confidence by Seller. Seller shall not divulge to any other person or organization or use in any manner whatsoever, directly or indirectly, for any reason whatsoever, any Confidential Information provided to Seller hereunder or which Seller learns through performance of its obligations hereunder without receiving the prior written consent of the Uponor. All Confidential Information shall be returned to Uponor upon the completion or termination of this Purchase Order. No reproductions of Confidential Information shall be retained except as authorized in writing by Uponor. Seller shall take such actions as may be necessary to ensure that its employees and agents are bound by the provisions of this Section. The foregoing obligations of confidentiality and restrictions on use shall not apply to information which is a public domain at the time of disclosure or subsequently enters the public domain through no fault of the Seller.
- 18) **INTELLECTUAL PROPERTY INFRINGEMENT.** Seller warrants that the goods purchased hereunder and/or services provided hereunder do not and will not

infringe upon any third party Intellectual Property and covenants and agrees to protect, indemnify and hold Uponor, its successors, assigns customer and users of its products (“Uponor Parties”), harmless from and against all claims, damages, judgments, expenses and losses arising from claims of infringement or the infringement of any third party’s Intellectual Property. Seller, after notice, shall appear and defend at its own expense all suits and proceedings at law or in equity instituted against the Uponor Parties and shall pay any awards assessed against the Uponor Parties in such proceeding as the same are based upon any claim that goods purchased or services provided hereunder constitute an infringement of any third party Intellectual Property.

- 19) **PAYMENT.** Uponor shall have the right to pay according to discount terms offered and accepted. Undisputed amounts set forth on the face of the Purchase Order will be paid from the date of receipt and acceptance of the goods, or completion and acceptance of services, or the date of receipt of correct invoices prepared in accordance with the terms of this Purchase Order, whichever date is later. All payments, invoices, the Purchase Order, statements, confirmations and the like shall be stated or paid in United States Dollars unless otherwise specifically agreed by the Uponor. This Section shall not be construed to limit the period of Uponor’s right of inspection set forth in the inspection Section of this Purchase Order.
- 20) **PRICE.** The price for each item covered by this Purchase Order shall be the price as shown for such items on the face of this Purchase Order or, when the price is estimated or not shown, the price of Seller in effect on the date of delivery adjusted for promotions, quantity or other pricing adjustments available to purchasers of goods and/or services from Seller. All prices charged Uponor for goods and/or services shall be no less favorable than pricing offered to Seller’s other customers for like services and/or like quantities of goods of like grade and quality and under substantially similar terms and conditions of sale. No price increase without Uponor’s specific consent and authorization in writing will be accepted.

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- 21) **QUANTITIES.** The specific quantity ordered must be delivered in full and not be changed without Uponor's consent in writing. Any different quantity is subject to Uponor's rejection and return at Seller's expense unless Seller has obtained Uponor's prior written consent to a change in the specific quantity so ordered.
- 22) **ROUTING.** All material shall be shipped pursuant to the shipping instructions found on the face of this Purchase Order.
- 23) **INVOICES.** Will be sent to the "bill to" location on the face of the Purchase Order. All packages, packing slips and invoices must be plainly marked with the Purchase Order number shown. Where necessary all documentation will comply with customs or other governing regulatory agency for the importation of goods into the country indicated as the "deliver to" address on the face of the Purchase Order.
- 24) **CERTIFICATES OF ORIGIN, MARKING OF ORIGIN.** NAFTA certificates of origin and, where applicable, on an annual basis, blanket NAFTA certificates of origin, will be provided for all NAFTA qualified products. If at any time during the period in which a blanket NAFTA certificate of origin is in effect, it is determined that a good no longer meets the required NAFTA qualifications, Uponor must be notified by Seller, in writing, within fifteen (15) days of the date of the determination. When necessary, a revised NAFTA certificate of origin must also be issued. Where Seller fails to make a good faith effort to comply with NAFTA regulations and it causes Uponor to incur additional customs duties, fines or other costs, Seller will indemnify Uponor against and be responsible for reimbursement of the foregoing to Uponor. Products will be marked as required under applicable law, regulation or standard as to, but not limited to, country of origin, content, ingredients, and compliance with or certification under, applicable laws, regulations and/or standards.
- 25) **SUSPENSION OF WORK.** Uponor may at any time or times order Seller in writing to suspend, delay or interrupt all or any part of the work for a period of not to exceed ninety (90) consecutive days. A reasonable adjustment shall be made for any changes in the cost of performance (excluding profit), delivery or performance dates, and any other contractual provisions affected hereby. However, no adjustments shall be made for any suspension, delay or interruption to the extent that performance would have been so suspended, delayed or interrupted by any other cause including the breach, fault or negligence of Seller nor shall any adjustment be made under this clause for any suspension, delay or interruption for which an equitable adjustment is provided for or excluded under any other provision of this Purchase Order. No claim under this clause shall be allowed unless asserted in writing within fifteen (15) days after the termination of such suspension, delay or interruption.
- 26) **TAXES.** Except for GST, VAT or state sales and/or use taxes, if applicable, the price for goods and/or services covered by this Purchase Order is inclusive of all duties, taxes, fees, excise and/or similar charges which are now or may hereafter be imposed by any federal, provincial, state, local, or other public authority with respect to the manufacture, delivery and sale of such goods, any services to be rendered by Seller hereunder, or this Purchase Order itself. Seller shall separately state on its invoice the amount of any GST, VAT or state sales and/or use tax applicable to the sale of the goods and/or services covered by this Purchase Order.
- 27) **TERMINATION.** Uponor may immediately terminate all or any part of this Purchase Order at any time or times without cause on notice to Seller in writing. In the event Uponor terminates this Purchase Order without cause, Uponor shall reimburse Seller for the reasonable value of parts and components of goods or goods manufactured in connection with this Purchase Order, uniquely applicable to Uponor or containing Uponor Confidential Information or Intellectual Property which Seller cannot utilize in other products manufactured by Seller, but not in excess of the level of inventory required to fulfill the Purchase Order or the quantity of goods required to meet sixty (60) days supply of

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goods under the Purchase Order. Seller must submit its termination claim to Uponor within thirty (30) days after the effective date of termination. Seller hereby waives any right, which it may have to specific performance under this contract.

Uponor may terminate all or any part of this Purchase Order without incurring any liability to Seller upon the occurrence of any of the following causes:

- a) A material breach of any term of this Purchase Order by Seller, including, but without limitation, untimely shipments or shipments of goods which do not conform to the contract;
- b) Assignment or attempted assignment of this Purchase Order in whole or in part by Seller without Uponor's written consent;
- c) The filing by or against Seller of any insolvency or bankruptcy proceedings or proceedings for reorganization, receivership or dissolution; or
- d) Any material adverse change in the financial condition of Seller which Uponor in good faith believes to impair the likelihood that Uponor will receive timely and full performance of the contract.

If after notice of termination of this Purchase Order for cause, it is determined for any reason that Seller was not in default or that the default was excusable, the rights, obligations and liabilities of the parties shall be the same as if the notice of termination had been issued pursuant to the first paragraph of these Termination provisions, and Seller shall have no other rights or remedies against Uponor for wrongful termination of the contract.

28) **TITLE AND RISK OF LOSS.** Except as otherwise expressly provided herein, title to and risk of loss on all conforming goods shipped by Seller to Uponor shall pass to Uponor upon delivery of the goods to Uponor.

29) **VALIDATION.** This Purchase Order is valid only if signed by an authorized agent of Uponor.

30) **WAIVER.** No waiver by Uponor of any breach, default, condition, covenant, right or remedy arising out of or connected with this contract shall be effective unless in a writing signed by an authorized agent of Uponor. A waiver by Uponor of any breach of the terms and conditions of this Purchase Order shall not constitute a waiver of any similar or other breach, default, condition, covenant, right or remedy.

31) **WARRANTY SPECIFICATIONS.** Seller expressly warrants that all goods and/or services, and workmanship with respect to the goods, covered by this Purchase Order or other description, drawings, specifications or samples furnished by Seller or Uponor will be in exact accordance with such Purchase Order, description, drawings, specifications or samples and free from defects in design (except to the extent such defective design is attributable to Uponor), materials and workmanship and will be merchantable and fit for their particular purpose(s). Such warranty shall survive delivery and shall not be deemed waived either by reason of Uponor's acceptance of said goods and/or services or by payment for them.