

TERMS AND CONDITIONS OF SUPPLY

1) General

a) The following terms and conditions shall be, except as otherwise expressly set forth herein, the sole terms and conditions governing the sale of goods by Clarendon Specialty Fasteners, Inc., a California corporation, ("Supplier") and/or any quotation made by the Supplier to the purchaser of such goods ("Customer").

ALL QUOTATIONS, SALES, AND DELIVERIES BY SUPPLIER ARE EXPRESSLY CONDITIONED ON CUSTOMER'S ACCEPTANCE OF THESE TERMS, AND SUPPLIER EXPRESSLY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS, WHETHER CONTAINED IN ANY PURCHASE ORDER, CONFIRMATION, ACKNOWLEDGMENT, INVOICE, WEBSITE, OR OTHER DOCUMENT ISSUED BY CUSTOMER, NOW OR IN THE FUTURE. Any such additional or different terms are materially objected to and shall be void and unenforceable, regardless of Supplier's failure to object or any course of dealing or performance. NO TERMS OR CONDITIONS OTHER THAN THESE TERMS SHALL APPLY unless expressly agreed to in a written agreement signed by an authorized officer of Supplier. Acceptance of Goods by Customer shall conclusively constitute acceptance of these Terms.

b) The Supplier, Customer, description of goods and quantity being purchased, delivery information and other goods information applicable to the sale of the goods shall be set forth in Customer's purchase order (the "PO") submitted to Supplier. These Supplier terms and conditions are incorporated into and made a part of each such Customer PO.

c) Any quote made by the Supplier is subject to alteration and/or withdrawal by the Supplier at any time until the PO has been mutually agreed to in writing by both the Customer and the Supplier.

2) Scope of Agreement

a) Upon either the Supplier's written acceptance of the PO or acceptance by Customer of goods furnished by Supplier in response to a PO, the PO, any mutually agreed upon terms and these terms and conditions shall be the complete and final agreement (the "Agreement") between Supplier and Customer with regard to the sale of goods identified in the PO.

b) Supplier's acceptance of any PO is expressly made conditional upon Customer's acceptance of these terms and conditions. In case of conflict between these terms and conditions and either (i) the PO or (ii) any Customer's standard purchasing conditions as may be referenced in the PO, these terms and conditions shall prevail.

c) Supplier will not be deemed to have waived these terms and conditions if it fails to object to provisions contained

in Customer's PO or other forms. Any other documents, or referenced materials not expressly included as part of the Agreement as provided above do not form part of the contract between Customer and Supplier. The Agreement, including these terms and conditions, may not be cancelled or modified except in writing signed by both Supplier and Customer.

3) Customer Purchase Orders

a) Supplier reserves the right to reject any PO for any reason. Pricing of quoted items is subject to change without notice unless agreed to otherwise in writing by Supplier and Customer. After acceptance of a Customer PO, any changes shall be subject to Supplier consent and possible price adjustment, or other conditions Supplier may impose.

b) Once a Customer order is accepted, it may not be cancelled by the Customer unless specifically agreed to in writing by Supplier.

c) Non-defective Goods are non-returnable, unless specifically agreed to in writing by Supplier. Requests for return are subject to Supplier approval and may result in restocking fees of up to 100% of the purchase price.

4) Inspection / Acceptance / Rejection

a) Customer shall perform inspection of goods received from Supplier for conformity and make any claims of nonconformity, shortage, or rejection no later than thirty (30) calendar days from the date of delivery of such goods. Any claims for rejection shall be submitted to Supplier along with specific reasons for said rejection. Customer's failure to inspect or reject goods within thirty (30) calendar days from the date of original invoice shall be deemed to constitute Customer's acceptance of goods and waiver of any nonconformity or defect.

b) Customer agrees that if the number or quantity of goods, as determined by a calibrated scale or part count, is within three percent (3%) of the quantity shown on Supplier packing list, the PO will be considered complete. The sole remedy for any variance in quantity shall be a credit applied to Customer's account for the value of such variance.

c) All rejection claims shall be made in writing and include invoice number, part and lot numbers, quantity being rejected, specific details of the rejection and any other details as Customer deems appropriate or as requested by Supplier. Samples may be requested by Supplier for the purposes of verification of reported nonconformance to material specifications.

d) For all claims of goods not conforming to applicable specifications, Supplier shall seek verification of the stated nonconformance from the original goods supplier and/or Supplier-selected testing laboratory. Goods confirmed to be noncompliant to applicable specifications shall be issued a

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Return Material Authorization ("RMA") number and will be subject to replacement or credit at Supplier's sole discretion.

e) In no case will any goods be accepted for return without prior Supplier approval and issuance of an RMA number. Supplier shall not be held accountable or liable in any way for any goods returned by Customer without a valid Supplier RMA number. For any goods approved for return by Supplier, Customer shall return all such goods to Supplier within 30 days of such RMA issuance, and Customer shall clearly indicate on the package and/or shipping documentation the RMA number issued by Supplier.

f) In all cases, goods being returned to Supplier must be in original, unopened packaging and only lot traceable goods to what was originally delivered by Supplier will be accepted for return. Under no circumstances will Supplier accept goods that have been repackaged or that cannot be fully traced to what was originally provided by Supplier.

5) Delivery

a) Lead times and delivery dates do not include transportation time and are estimates only, unless otherwise specified. Notwithstanding any express provision on delivery times, a delay in delivery will not result in payment of damages, nor allow cancellation of the Agreement. The cost of transportation and risk of loss shall be borne by Customer unless expressly agreed to in writing by Supplier. Requests by Customer to expedite delivery of delayed goods, resulting in increased transportation charges, shall be borne by the Customer. Delays shall not constitute breach or give rise to damages or cancellation.

b) Unless expressly indicated otherwise by Customer and agreed to by Supplier, goods shall be delivered Ex-works (Incoterms 2020) from Supplier's warehouse, and delivery of goods by Supplier to the carrier shall constitute delivery to Customer. Any claim for lost or delayed parcel during transport, shortage or damage occurring after such delivery shall be the responsibility of Customer.

c) Items for which the manufacturer has assigned a limited shelf life shall be delivered by Supplier with a minimum of one month of remaining shelf life before the expiration date as specified on the documents and/or product label. In the case that a shelf life extension was granted by the manufacturer of the product or the end customer with such authority, the expiration date considered for application of this clause will be the extended expiration date.

6) Force Majeure

a) Supplier will not be liable for any delays or failure to perform any obligations under any PO or Agreement if the performance of the same is in whole or part delayed, prevented, or hindered by an event of force majeure such as but not limited

to: accidents, labor disputes or disruptions, strikes, shortages of labor, materials, fires, floods or other acts of God, acts of terrorism or war, acts or omissions of Customer, restrictions imposed by law or any rules or regulations thereunder, priorities required, requested or granted for the benefit of the government or any other matter beyond Supplier's control.

b) Supplier will use its commercially reasonable efforts to overcome difficulties arising in connection with force majeure events, but reserves the right to cancel, suspend, or vary its obligations under the contract of supply. In the event of shortages of goods or of available resources for their production, storage or delivery, or continued difficulty in rendering services arising from any of the events or circumstances referred to in Clause 6a, Supplier reserves the right to allocate its available goods and resources and performance of services at its discretion.

c) If, as a result of force majeure events, only a partial delivery is made by Supplier, Customer will remain liable for the cost of goods and/or services actually provided at the original quoted price as pro-rated by quantity.

7) Price and Payment

a) Unless otherwise specified, quoted prices are exclusive of taxes, impositions and other charges, including sales, use, excise, value-added and similar taxes or charges imposed by any government authority, international shipping charges, forwarding agent and broker fees, bank fees, consular fees, and document fees, and shall be invoiced according to the conditions of the Agreement. In order to qualify for the quoted price free of applicable sales tax, customers shall provide valid credentials such as a valid tax-exempt certificate or a current resale certificate covering the delivery address on the PO prior to or at the time of issuing the PO.

b) Customer acknowledges and agrees that any products subject to tariffs, duties, or surcharges imposed by the United States government, including but not limited to those enacted under Section 232, 301, or other relevant trade legislation enacted after January 1st, 2025, may be invoiced with a corresponding tariff surcharge. This surcharge will be applied based on the product's country of origin, Harmonized Tariff Schedule (HTS) classification, and material composition, in accordance with the applicable U.S. trade regulations.

Such surcharge will be clearly itemized on all relevant invoices, where applicable, and shall be borne by the Customer. Supplier reserves the right to adjust or remove this surcharge should relevant regulations change. This clause applies to both current and future purchases under this agreement, including open or pending orders.

c) If Customer's account becomes delinquent for non-payment for more than ten (10) calendar days following written notice from Supplier or if Customer's credit limit has been

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reached, Supplier may, in its sole discretions, (i) suspend all future shipments to Customer until all payments have been made without incurring any additional liability, (ii) ask for a guarantee of payment for future payments (letter of credit, Credit Card, etc.), or (iii) cancel the unfulfilled portion of the concerned PO and all outstanding POs, with written prior notice of Customer's failure, not being cured within the following ten (10) calendar days.

d) Any unpaid invoice amounts in excess of the terms indicated may be subject to a monthly service charge of up to the lesser of (i) the maximum lawful amount and (ii) one and a half percent (1.5%) per month (18% annual), in each case plus attorney and/or collection agency fees, should Supplier determine that payment collection activities are required.

e) Transfer of ownership of the goods from Supplier to Customer shall take place upon full payment of the invoice.

8) Termination

a) In the event (i) Customer fails to perform any of its obligations or fails to make payments in a timely manner, and does not provide a guarantee of future payments to the satisfaction of Supplier, or (ii) Customer undergoes a change of control or ownership, or (iii) if Customer or Supplier is subject to bankruptcy or becomes insolvent, Supplier may terminate any and all of its obligations under the Agreement.

b) Customer may not terminate this agreement unless agreed to in writing by Supplier and for any such agreed cancellation, Customer may be liable to pay Supplier restocking or cancellation fees up to 100% of the of the agreed Customer purchase price for the goods.

c) In case of any breach of Agreement terms by Customer, the total amount due by Customer shall be immediately due and payable.

9) Warranty / Liability

a) Supplier warrants that, at the time of delivery, the goods will be free from defects in materials and workmanship and will comply with any agreed Customer specifications. Any warranty claim must be made within twelve (12) months of delivery of the goods (the "Warranty Period") and must include the details of the claimed defect and any other additional information requested by Supplier. All liability under this warranty shall expire at the expiration of the Warranty Period.

b) This warranty shall not apply to any defect in the goods that is caused in whole or in part by: (i) the installation, storage, use, maintenance or repair of the goods in a manner reasonably considered by the Supplier to be improper; (ii) the Customer or user of the goods, or of products incorporating the goods, changing or adding to the goods without the express written consent of the Supplier; or (iii) any other act or omission of the

Customer or any third party.

c) Supplier's sole obligation, and Customer's sole remedy, under this warranty is replacement of defective goods or refunding the invoice value of defective goods that have been paid by the Customer, at Supplier's option. Under no circumstances shall Supplier be liable for any other claims for compensation and/or damages, loss of property or equipment, loss of profits or revenue, injury directly or indirectly arising from the installation or use of its parts or resulting from delivery delays or defective goods.

d) Supplier's warranty shall be subject to the lot traceability being maintained by Customer. Customer shall keep lot traceability records for the goods to ensure that lots provided by Supplier can be traced through Customer's manufacturing processes and/or Customer's clients and/or Customer's subcontractors.

SUPPLIER MAKES NO WARRANTIES REGARDING SUITABILITY FOR CUSTOMER'S APPLICATION OR END USE. THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED (INCLUDING SPECIFICALLY, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY AND ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), AND ALL OTHER OBLIGATION AND LIABILITY ON THE PART OF THE SELLER. SELLER SHALL NOT BE LIABLE IN ANY INSTANCE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES INCLUDING WITHOUT LIMITATION LOST PROFITS, LOST REVENUE, LOSS OF USE, OR BUSINESS INTERRUPTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY LAW, SUPPLIER'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO ANY ORDER, AGREEMENT, OR GOODS, REGARDLESS OF THEORY OF LIABILITY (CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE), SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER FOR THE SPECIFIC ORDER GIVING RISE TO THE CLAIM.

10) Assignment

a) Customer may not assign the Agreement to a third party without the prior written consent of Supplier. Further, Customer may not assign to any party a right to purchase quoted or contracted goods stipulated in the Agreement, at Supplier and Customer agreed upon terms, unless expressly approved in writing by Supplier.

11) Trade Compliance

a) Customer understands and agrees that goods sold, technical data furnished, or services provided hereunder may be subject to export and other foreign trade controls restricting

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resale and/or transfers to other countries and parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States or applicable international agreements it is a part of. Customer agrees that no goods, technical data, or services provided hereunder will be sold, exported or transmitted except in full compliance with all applicable laws and regulations of the government of the United States of America. Customer agrees to and assumes all responsibility for obtaining any required licenses related to the export or re-export of any goods, technical data or services associated with the PO and/or Agreement, including any licenses for their export from and their import into any country.

b) Without limiting the generality of Clause 11a, Customer agrees that it will not itself, nor will it allow any third party to, export, re-export or transfer any of the goods, technical data, or services of U.S. origin or containing U.S. content provided hereunder to any country, government, person, entity, organization or end-user subject to U.S. foreign trade restrictions and, in particular, that it will not export, re-export, or transfer the goods, technical data, or services to:

i) any country to which such goods, data or services may not be transmitted without prior specific authorization of the Directorate of Defense Trade Controls, U.S. Department of State, pursuant to the International Traffic in Arms Regulations (22 C.F.R. Parts 120 through 130); or

ii) any country to which such goods or data may not be transmitted without prior specific authorization of the Bureau of Industry and Security, U.S. Department of Commerce, pursuant to the Export Administration Regulations (15 C.F.R. Parts 730 through 774); or

iii) any country, government, person, entity, organization, or end-user against which the United States government has imposed any other foreign trade restrictions, including, without limitation, economic sanctions or an economic embargo or the denial of export privileges.

c) Any violation of this Section, as determined solely by Supplier or applicable governmental agency, shall be deemed a material breach of this Agreement and Supplier may terminate all of its obligations under this Agreement.

d) By entering this Agreement, Customer hereby agrees that any provided "Ship To" information provided is accurate and that they further agree to indemnify Supplier and hold them harmless against all fines, penalties, liquidated damages, or other penalties or sanctions imposed by any government agency relating to any violation of any applicable law or regulation.

e) Supplier reserves the right not to supply to certain customers or countries, and to require full details of intended use and final destination of the goods.

12) Applicable Law and Jurisdiction

a) The formation, construction, and performance of the Agreement shall be governed by the laws of the State of California, without reference to any choice-of-law rules that would result in the application of laws of another jurisdiction. Unless otherwise agreed in writing by all parties, any dispute, claim, or controversy arising from, or relating to, the Agreement shall be resolved exclusively by the state or federal courts located in Los Angeles County, California, which shall have sole jurisdiction regardless of the place of delivery to Customer.

13) Indemnity

a) Customer shall indemnify, defend and hold Supplier, its officers, directors, employees, agents, (collectively "Representatives"), successors and assigns, affiliates and their respective Representatives, successors and assigns and affiliates harmless against any and all claims, actions, suits, liabilities, losses, damages, fines, penalties, fees, costs and expenses, including, without limitation, reasonable attorney's fees and costs and other litigation fees, costs and expenses (collectively "Losses"), resulting from or in connection with (i) any claim of infringement of any patent or any other intellectual property rights in connection with the processing of any goods for Customer pursuant to Customer's instructions and specifications regardless whether such claim is valid, (ii) designs, drawings or specifications given to Supplier by Customer, (iii) defective materials, or (iv) the improper incorporation, assembly, use, processing, storage or handling of goods by Customers or its clients and sub-contractors.

14) Health and Safety

a) Customer agrees to use the goods and obtained services for uses in compliance with the respective manufacturers' instructions and health and safety and other rules in its jurisdiction.

15) No Waiver

a) The rights of Supplier shall not be prejudiced or restricted by any indulgence or forbearance extended to Customer and no waiver of any breach shall operate as a waiver of any subsequent breach and shall only apply to the individual contract for supply in relation to which it is made.

16) Severability

a) If any term or condition herein or part thereof is held to be invalid for any reason by any Court or competent authority, it is to that extent to be deemed removed from the Agreement without prejudice to the validity or other effectiveness of the remaining terms and conditions thereof.

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17) Headings

a) The headings of this Agreement do not form part of the Agreement and shall not affect the interpretation thereof.

18) Confidentiality

a) Customer shall not disclose to any third party the existence of, or any information concerning, the transaction contemplated hereby, nor any pricing of products offered hereunder, without first obtaining the written consent of Supplier, unless required by law.

b) This Agreement does not supersede any confidentiality agreement executed by Customer and Supplier that otherwise applies to products, services, technical data, or other information delivered in connection with any PO. In the absence of such confidentiality agreement, Customer may use Supplier's proprietary and/or confidential information ("Proprietary Information") only in relation to the use of Supplier's products by Customer or for purposes directly relating to the Agreement. For purposes of these terms and conditions, "Proprietary Information" shall mean any business records, technical information, or data of any kind, including, but not limited to, all financial information, costs, quotations, price lists, designs, specifications, or drawings, that have been disclosed by Supplier, or any other information expressly marked as "Confidential" or "Proprietary" by Supplier or any of its suppliers. Proprietary Information shall remain the property of Supplier and its suppliers. Customer may only disclose Proprietary Information to its employees on a need-to-know basis, shall protect against its inadvertent disclosure, and shall not disclose Proprietary Information to any third party without Supplier's prior written consent.

19) Credit Card Payments

Supplier may accept payment by credit card at Supplier's discretion. To the extent permitted by applicable law, Supplier reserves the right to assess a surcharge on amounts paid by credit card only (the "Credit Card Surcharge") to offset a portion of Supplier's credit card processing costs. The Credit Card Surcharge, if applied, shall not exceed Supplier's actual cost of credit card acceptance for the applicable transaction and shall not exceed the maximum amount permitted by California law and applicable card network rules. No surcharge will be applied to payments made by debit or prepaid cards, regardless of whether such cards are processed as credit or debit transactions. Supplier shall clearly disclose the existence and amount of any Credit Card Surcharge to Customer in advance of payment, including, as applicable, on quotations, invoices, payment portals, or other payment instructions. By electing to pay by credit card after such disclosure, Customer agrees to the Credit Card Surcharge. Customer may avoid the Credit Card Surcharge by using an alternative payment method accepted by Supplier.