





# **DISTRIBUTOR MANUAL**

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Whitmore Manufacturing, LLC ("Seller") is a global provider of innovative products and services which increase the reliability, performance and lifespan of industrial assets. Seller manufactures high performance lubricants, friction modifiers, application equipment, lubrication management systems, desiccant breathers and cleaners designed to meet the specific needs of each industry and application. Industrial customers worldwide rely on Seller to deliver the performance engineered solutions they can count on even in the most adverse conditions and demanding environments. Since its founding in 1893, Seller has made significant investments in its brand image— emphasizing both the high quality and performance of its products. Seller also recognizes that its distributors invest appreciable time and resources to deliver the level of service our customers have come to expect and deserve.

In order to ensure Seller maintains these standards, Seller has developed this Distributor Manual (this "Manual") to document many of the terms and conditions that apply to Seller's relationships with its distributors, and to create a level of transparency for both Seller and all of Seller's channel partners in the supply chain. In this regard, this Manual was established to lay out the common terms and conditions that will mutually govern Seller's business partner relationships in an effort to make the contracting process easier and more efficient.

This Manual, together with (a) the Order Acknowledgements; and (b) the Commercial Terms (including all CT Schedules, or the Standard T&Cs, if the Parties have not executed the Commercial Terms), form the Agreement between Distributor and Seller. This Manual does not restrict Seller's right to manage its sales and distribution channels and to make and change its decisions regarding business partners and others with whom it does business. The terms and conditions in this Manual are non-negotiable and Seller may modify this Manual at any time. All modifications will be notified to Distributor in a timely manner.

## 1. DEFINED TERMS; CONSTRUCTION

- 1.1. <u>Defined Terms</u>. The term "<u>Distributor</u>" as used throughout this Manual refers to any Entity that has established a distributor relationship with Seller. Distributor and Seller may be referred to each individually as a "<u>Party</u>" and collectively as the "<u>Parties</u>." All other capitalized terms used throughout this Manual, that are not otherwise defined in the section in which they first appear, will have the meanings set forth in **Appendix A**.
- 1.2. Construction. Unless the context of the Agreement clearly requires otherwise (a) headings used in the Agreement are inserted for purposes of convenience of reference only and will not limit or define the meaning of any provisions of the Agreement; (b) references to the plural include the singular and vice versa; (c) references to any Entity include such Entity's permitted successors and assignees; (d) references to one gender, masculine, feminine, or neuter, include all genders; (e) references to any obligation in the Agreement on a Party not to do something includes an obligation not to agree, allow, permit or acquiesce in that thing being done by the Party or any Entity under its direction; (f) the term "day" refers to a calendar day; (g) any partial period of time subject to provisions governed by "yearly" terms will be prorated on a 12-month basis and any partial period of time subject to provisions governed by "monthly" terms will be prorated on a 30-day basis; (h) the terms "including," "includes," or "in particular" are not limited but are deemed to have the words without limitation following them; (i) references to "writing" or "written" include e-mail; (j) where the context permits, the terms "other" and "otherwise" are illustrative and will not limit the sense of the words preceding them; and (k) the terms "hereof," "herein," "hereby," "hereunder," and similar terms in the Agreement refer to the Agreement as a whole and not to any particular provision of the Agreement, article, paragraph, section, and/or a subsection, unless otherwise specified.
- 1.3. <u>Business Days</u>. Except as expressly agreed to otherwise in a PO, in the event that any action, payment, or time period, under the Agreement becomes due on a day that is not a Business Day, such action, payment or time period will be performed and/or expire (as applicable) on the immediately following Business Day.
- 1.4. Terms of Agreement Prevail. The Parties intend for the terms and conditions of the Agreement and the Order Acknowledgements to exclusively govern and control each of the Parties' respective rights and obligations regarding the subject matter of the Agreement. Without limiting the foregoing, any additional, contrary or different terms contained in any invoice of Seller or any PO of Distributor, and any attempt to modify, supersede, supplement or otherwise alter the Agreement, will not modify the Agreement unless approved in writing by authorized Representatives of both Parties. The terms and conditions of this Manual apply to every distributor relationship with Seller even if Distributor has not executed the Commercial Terms.
- 1.5. Order of Precedence. If there is a conflict between any of the terms and conditions of the documents comprising the Agreement, the Parties agree to the following order of precedence: (1) the Order Acknowledgement; (2) the Commercial Terms; (3) this Manual; and (4) the Standard T&Cs (if the Parties have not executed the Commercial Terms).
- 1.6. <u>Seller's Affiliates</u>. Once Distributor establishes a commercial relationship with Seller, Distributor will be authorized to conduct business with any of Seller's wholly owned subsidiaries, subject to the terms and conditions of the Agreement, unless notified otherwise by Seller.

## 2. GENERAL TERMS AND CONDITIONS OF THE DISTRIBUTOR RELATIONSHIP

## 2.1. Relationship of the Parties.

- 2.1.1. Distributor is an independent contractor pursuant to the Agreement.
- 2.1.2. Nothing in the Agreement creates any agency, joint venture, partnership or other form of joint enterprise, employment or fiduciary relationship between the Parties or an employee/employer relationship. Neither Party has any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any Third Party.
- 2.1.3. The operations of Distributor are subject to the sole control of Distributor. All Personnel of Distributor are Representatives of Distributor and not of Seller. Without limitation of the foregoing, Distributor is solely responsible for, at its own expense, (a) providing office space and facilities, and such Personnel (and their training) necessary to carry out its obligations under the Agreement; and (b) compensating all Distributor Personnel for any services rendered in connection with the performance of the Agreement.
- 2.1.4. Distributor will be solely responsible for any and all costs or expenses incurred in the performance of Distributor's obligations under the Agreement, including the payment of all Taxes or other governmental charges imposed upon Distributor in the course of performing the Agreement.

## 2.2. Promotion and Sale.

- 2.2.1. Distributor will use its best efforts to (a) market, offer, sell, promote and develop a market for the Products within the Territory; (b) maintain sufficient knowledge of Competing Goods in the industry (including specifications, features and benefits) so as to be able to explain in detail to Customers the differences between the Products and Competing Goods; and (c) maintain qualified sales distribution channels within the Territory at all times in compliance with the applicable Laws in the Territory.
- 2.2.2. If requested by Distributor, Seller will provide Distributor with a limited amount of marketing, advertising and promotional materials, including, but not limited to, printed or digital advertisements, brochures, presentations and other copy featuring the brands or messaging to be used by Distributor to market and promote the Products in the Territory (the "Promotional Materials"). Otherwise, Distributor will be responsible for creating its own Promotion Materials. Any such Distributor-created Promotional Materials may not materially modify or alter any of the Products' general descriptions or other material terms contained in any TDS or SDS and must comply with Seller's Brand Standards.
- 2.2.3. Seller will provide training to Distributor's personnel as reasonably requested by Distributor. Seller may provide such training via webinar or other telecommunication technology.
- 2.2.4. With the exception of Promotional Materials, neither Party may use the name or description of the other nor publish or otherwise make any public announcement with respect to their relationship without in each instance express written consent of the other Party.
- 2.2.5. Distributor will track sales and marketing results and all other reasonably available data relating to Product sales to each Customer. The Parties will endeavor to participate in quarterly business reviews and Distributor will assist Seller in assessing Customer requirements for Products and developing modifications and improvements of Products.
- 2.2.6. The Parties will work together to develop a strategic plan to promote and develop a market for the Products within the Territory. Any specific sales, growth and minimum volume metrics applicable to the Products ("Performance Metrics"), if applicable, will be set forth in the Commercial Terms or a CT Schedule.
- 2.2.7. Distributor acknowledges that (1) the nature of the Agreement places Distributor in a position of trust and confidence with Seller; and (2) Seller's ability to preserve and protect the value of its brand in the Markets in the Territory is of great competitive importance and commercial value to Seller. As such, and in light of Seller's legitimate business interest and the good and valuable consideration that will be paid to Distributor as a result of the sale and distribution of the Products, Distributor is prohibited from distributing, either directly or indirectly, any Competing Goods.
- 2.2.8. If at any time, Distributor becomes aware that it is distributing, or will likely start to distribute, Competing Goods or that it has sold, or is likely to sell, (a) Products outside the Market or outside the Territory; or (b) Competing Goods, Distributor must immediately notify Seller in writing. Within 5 Business Days of Seller's receipt of Distributor's notification, or if at any time, Seller discovers that Distributor is engaging in any of the foregoing, Seller will have the remedies set forth in Section 2.3.2. Notwithstanding the foregoing, if Seller does not offer certain Products for resale and distribution in the Market in the Territory, Distributor will be permitted to sell and distribute Competing Goods of such unavailable Products in the Market in the Territory without penalty so long as Distributor receives Seller's prior written consent.

2.2.9. Unless the Commercial Terms or a CT Schedule indicates otherwise, nothing in the Agreement restricts the ability of Seller to sell the Products, directly or indirectly, to any Entity within any Market throughout any Territory.

### 2.3. Forecast; Minimum Capacity; Performance Metrics.

- 2.3.1. Upon Seller's request, Distributor will endeavor to send Seller Forecasts, and Seller will endeavor to maintain the appropriate Minimum Capacity to align with such Forecasts. Except to the extent specifically agreed in writing otherwise, all Forecasts provided by Distributor are non-binding and are provided only with the intent to assist Seller (a) in the scheduling of production and purchasing of required raw and packaging materials; and (b) maintaining compliance with the Minimum Capacity for all Products. Likewise, Seller's Minimum Capacity projection is also non-binding.
- 2.3.2. If Distributor fails to meet any Performance Metrics agreed to by the Parties in the Commercial Terms or a CT Schedule, as applicable, Seller may (a) terminate the Agreement upon 30 days prior written notice; (b) eliminate one or more of the Products from the Agreement; (c) modify or otherwise reduce or restrict the Market and/or Territory; or (d) eliminate or modify any exclusivity, preferential or pre-emptive rights, to the extent provided under the Agreement.
- 2.4. <u>Territory: Market</u> Seller will notify Distributor of its assigned or otherwise designated Territory and Market, as well as any changes thereto, in the Commercial Terms or through written notice with a CT Schedule.
- 2.5. Exclusivity. Seller may grant Distributor certain exclusive, preferential or pre-emptive rights with respect to Distributor's reseller authority. Any such grant or changes thereto will be notified to Distributor in the Commercial Terms or through written notice with a CT Schedule.

#### 2.6. POs.

- 2.6.1. Each PO must contain the Basic PO Terms as well as the (a) PO number; (b) Distributor's name; (c) contact name and number for the Delivery Location; (d) name of individual submitting the PO; and (e) shipping instructions, if applicable (i.e., preferred carrier, container size).
- 2.6.2. Distributor will issue POs to Seller containing the Basic PO Terms in the form mutually agreed to by the Parties. By issuing a PO to Seller, Distributor makes an offer to purchase Products pursuant to the terms and conditions of the Agreement and the Order Acknowledgement.
- 2.6.3. Any Delivery Date quoted in a PO will take into consideration the Lead Times applicable to the Products.
- 2.6.4. Seller is responsible for reviewing all POs and must seek immediate clarification from Distributor in the event of doubt or where information appears to have been omitted.
- 2.6.5. Seller accepts a PO by sending Distributor an Order Acknowledgement, which Seller agrees to do within 5 Business Days following receipt of the PO. The Order Acknowledgement will confirm the order and notify Distributor of the scheduled shipping date.
- 2.6.6. If Distributor is in default under the Agreement, Seller may reject or cancel a PO for which an Order Acknowledgement has already been sent by providing written notice to Distributor specifying the applicable date of rejection or cancellation. Any such rejection or cancellation will be without liability or penalty, and without constituting a waiver of any of Seller's rights or remedies under the Agreement or any PO.

## 2.7. Change Orders; Excusable Events.

- 2.7.1. Changes in the Products, quantities, pricing, Delivery Date or any other criteria for the Products under a PO can only be adjusted through a Change Order executed by the Parties.
- 2.7.2. All Change Order requests must be in writing and will be accepted by Seller subject to the availability of the Products. POs that require shipping by tanker truck are not subject to Change Orders, and no Change Order will be accepted by Seller if received more than 2 Business Days following the issuance of the Order Acknowledgement.
- 2.7.3. If, as a result of an Excusable Event, Seller's costs to perform its obligations materially increase or Seller's ability to perform its obligations are materially adversely affected, Seller will give notice to Distributor on or before the second Business Day after Seller becomes aware that such occurrence is an Excusable Event by stating, in writing, (a) the period of time the occurrence is expected to continue; (b) any potential impact to pricing or the Delivery Date and the estimated adjustment thereto, if any; and (c) the efforts being employed to ensure the effects of such Excusable Event are minimized.
- 2.7.4. If an Excusable Event has occurred, (a) Seller will not be considered in breach or default of its obligations to the extent that its performance is delayed or prevented due to the Excusable Event; (b) the Parties will negotiate the applicable changes to the PO;

## 3. PRODUCT MANAGEMENT

## 3.1. Labelling and Packaging.

- 3.1.1. Seller will properly pack and label the Products in such a manner suitable for handling, transportation and storage that protects the integrity of the Products and ensures they remain free of damages.
- 3.1.2. If repackaging is necessary to correct damaged packaging or labels, Distributor is authorized to do so only in accordance with Seller's instruction and consent. Otherwise, unless agreed to in writing, Distributor will not alter, repackage, combine with other goods, relabel, mislabel or modify any of the Products or put any Products to any use other than the use for which they are originally intended. If authorized to repackage, Distributor must place an order for required labels and labelling information through Seller.
- 3.2. Repackaged/Relabeled Goods. In order to adequately address (a) the economic benefit of reduced import duties by providing the Products in the Original Containers; (b) the needs of Distributor's Customers with respect to being able to purchase the Repackaged/Relabeled Goods in New Containers of varying volumes; and (b) applicable Laws in the Territory with respect to labeling requirements, Seller may grant Distributor the right to repackage and relabel the Products. Any authorization of Seller granting Distributor the right to produce Repackaged/Relabeled Goods will be set forth in the Commercial Terms or a CT Schedule (the appropriate box will be checked) and will be subject to the following terms and conditions:
  - 3.2.1. "Repackaged/Relabeled Goods" means any Products sold to Distributor that are (a) delivered in large volume containers (the "Original Containers"); (b) repackaged or otherwise removed from the Original Containers by Distributor and placed into smaller volume containers (the "New Containers"); and/or (c) relabeled by Distributor, including any Private Labeled Goods.
  - 3.2.2. Seller reserves the right, at any time and at its sole discretion, to restrict or otherwise terminate Distributor's repackaging and relabeling authority.
  - 3.2.3. Distributor will be responsible for purchasing all raw and packaging materials and labels used for the repackaging and relabeling process, including the New Containers. If any of the Original Containers are disposable containers, Distributor will be responsible for disposing of these disposable Original Containers. If any of the Original Containers are reusable containers, Distributor will comply with Seller's instructions regarding the return of these reusable Original Containers to Seller. Distributor agrees that the New Containers must be new and not refurbished, recycled or reused containers. Seller reserves the right to inspect the New Containers and reject them if they do not comply with Seller's standard packaging requirements, as same are provided to Distributor from time to time.
  - 3.2.4. Distributor may perform the repackaging and relabeling process only at Distributor's Facility or locations for which Distributor has received Seller's prior written consent, which may be withheld by Seller in its sole discretion. Seller has the right to conduct periodic unannounced visits to inspect Distributor's equipment, tanks, New Containers and operations used in connection with the Repackaged/Relabeled Goods.
  - 3.2.5. Distributor may not subcontract the repackaging and relabeling process to a Third Party without Seller's prior written consent, which may be withheld by Seller in its sole discretion.
  - 3.2.6. The Original Containers will not be less than 5 gallon pails. If the Original Container of a particular Product is less than a 5 gallon pail, Distributor is not authorized to repackage that Product. The New Containers cannot be less than 5 gallon pails.
  - 3.2.7. In addition to complying with all applicable Laws in the Territory, Distributor will ensure that all labels used by Distributor on the Repackaged/Relabeled Goods (a) bear the name and item number of Distributor; and (b) comply with any other instructions provided by Seller to Distributor. Distributor is prohibited from private labelling the Repackaged/Relabeled Goods with Distributor's or any Third Party's Trademarks.
  - 3.2.8. Distributor must maintain the identity of the Repackaged/Relabeled Goods as pertaining to Seller and accordingly, ensure that the labels on all New Containers comply with Seller's marketing guidelines and Trademark requirements.
  - 3.2.9. Distributor will make no addition, subtraction, substitution, or alteration to, nor in any way treat, process, or handle, the Products and the Repackaged/Relabeled Goods in any manner that may alter their Specifications. Distributor is prohibited from mixing or otherwise blending the Product or any Repackaged/Relabeled Goods with any other goods or materials.
  - 3.2.10.Distributor will retain a representative sample of the (a) Products from each Original Container; and (b) the corresponding Repackaged/Relabeled Goods for at least 6 months following completion of the repackaging process. Distributor will provide such samples to Seller upon request in order that Seller can test the quality of the Repackaged/Relabeled Goods.

- 3.2.11.Distributor will ensure the Repackaged/Relabeled Goods are stored and handled under the same conditions as the Products.
- 3.2.12.Seller will not be responsible for any failure of performance of any Repackaged/Relabeled Goods. Distributor will be solely responsible for any Repackaged/Relabeled Goods that are deemed nonconforming or defective.
- 3.2.13. Distributor acknowledges and agrees that the warranties for Repackaged/Relabeled Goods will be the sole responsibility of Distributor, and Distributor will be solely responsible for managing and remedying any warranty Claims for the Repackaged/Relabeled Goods.
- 3.2.14. Distributor will promptly notify Seller of any Customer complaints regarding the performance of the Repackaged/Relabeled Goods.
- 3.2.15.Distributor agrees to indemnify, defend and hold harmless, Seller, its Affiliates and their respective Representatives from and against all Claims (including first party Claims) for Losses incurred by any of them or any Third Party arising directly or indirectly out of any breach of the Agreement or act or omission of Distributor or its Representatives, including, without limitation (a) handling, repackaging, relabeling, storage, sale, distribution, transportation, or disposal of the Products or the Repackaged/Relabeled Goods, their waste, or their rinse; (b) the failure by Distributor to perform or comply with Distributor's obligations under this Section; (iii) the condition and/or operation of Distributor's Facility; and (c) any product liability Claim arising out of the Repackaged/Relabeled Goods.
- 3.3. <u>Private Labeled Goods</u>. Any authorization of Seller granting Distributor the right to private label the Products ("<u>Private Labeled Goods</u>") to either rebrand the Products with Distributor's Trademarks or cobrand the Products with both Parties' Trademarks (the "<u>Private Label Process</u>") pursuant to the Parties' respective Trade Dress Instructions will be set forth in the Commercial Terms or a CT Schedule (the appropriate box will be checked) and will be subject to the following terms and conditions:
  - 3.3.1. Distributor will make no addition, subtraction, substitution, or alteration to the Products during the Private Label Process, and will not in any way treat, process, or handle the Products that may change the Products' Specifications.
  - 3.3.2. Distributor may outsource the Private Label Process to a Third Party but will remain responsible for the overall quality assurance of the Private Label Process and the Private Labeled Goods.
  - 3.3.3. Seller shall not be responsible for any failure of performance of any Private Labeled Goods, if said failure is due to any factor beyond Seller's control or is due to Distributor's violation of the Agreement or Distributor's negligence in the Private Label Process.
  - 3.3.4. Unless agreed to otherwise in the Commercial Terms, Distributor will be responsible for purchasing all raw and packaging materials (including labels) used for the Private Label Process.
  - 3.3.5. With Seller's prior consent, Distributor is authorized to implement the Private Label Process for Distributor's sub-distributors and Customers.

## 3.4. Shipment and Delivery.

- 3.4.1. Shipment and delivery of the Products will be governed by Incoterms.
- 3.4.2. Each shipment will constitute a separate sale, and Distributor will pay for the Products shipped, in accordance with the payment terms specified in the Agreement, whether such shipment is in whole or partial fulfillment of a PO. In any case, Distributor is required to receive the entire order on the scheduled ship date.
- 3.4.3. Shipments of Products to locations other than Distributor's Facility will be allowed; *provided, however*, that (a) the new location is within the Territory (if applicable); (b) the Product is new or for a new Customer or application that is not normally stocked by Distributor and Distributor agrees to maintain inventory for future orders; and (c) a handling charge will be added (as specified by Seller in writing).
- 3.4.4. The Parties agree to provide each other with all appropriate documentation related to the shipment and delivery of the Products, including, without limitation, documentation showing the PO number, Product numbers, Seller's name and identification number for the Products, the quantity of pieces in shipment, the number of cartons or containers in shipment, the bill of lading number, the country of origin, verification of export earnings, entrustment certificates of customs clearance, electronic packing list, invoice, sales contract, packing list, Tax declarations, compliance certificates and other related paperwork.
- 3.4.5. Special transport (such as air, bus and express shipping), as well as any excess charges beyond any common carrier delivery point, will be the responsibility of Distributor.
- 3.4.6. Distributor acknowledges that any time quoted for delivery is an estimate only. Seller will use commercially reasonable efforts to

- deliver all Products on or before the Delivery Date specified in the corresponding PO.
- 3.4.7. Generally, Products will be shipped by Seller within 10 Business Days for domestic orders and 15 Business Days for international orders, subject to Product availability.
- 3.4.8. Distributor must notify Seller in writing of any claims for packing shortages within 5 days following receipt of the Products.
- 3.4.9. In the event Seller is or might be unable or is not willing to comply with the Delivery Date for a PO, Seller will promptly notify Distributor in writing duly stating the reasons, the anticipated duration of the delay as well as all corrective measures being taken.
- 3.4.10.If Seller has delayed shipment of all or any Products for more than 20 days following the Delivery Date, and such delay is not due to an Excusable Event, Distributor may, as its sole remedy, cancel the portion of the related PO covering the delayed Products by giving Seller written notice at any time after such delay but prior to shipment. Subject to Distributor's rights under this Section, no delay in the shipment or delivery of any Product relieves Distributor of its obligations, including accepting delivery of any remaining installment or other orders of Products.
- 3.4.11. The responsible Party will maintain adequate insurance covering the Products in transit and will supply a copy of the covering policy to the other Party, as well as copies of all extensions or amendments thereto, within 30 days after the Effective Date and will thereafter promptly supply copies of any subsequent amendments, extensions or substitutions. Claims for damages that occurred to the Products during transit will be made by the responsible Party to its transportation and/or insurance carrier.
- 3.5. <u>Transfer of Title and Risk of Loss</u>. Risk of loss to the Products transfers to Distributor in accordance with the Shipping Terms. Title to the Products will transfer to Distributor simultaneously with the transfer of risk of loss.
- 3.6. Safety Stock; Inventory; Handling; Storage.
  - 3.6.1. If required (a) by Distributor, Seller will always carry adequate safety stock of the Products at Seller's cost and expense, in order to minimize potential Losses for Distributor as a result of a default in delivery, Nonconforming Products or other unforeseen events; or (b) by Seller, Distributor will always carry adequate safety stock of the Products to mitigate the potential Losses mentioned in (a) and address the needs of its Customers. Any applicable minimum for safety stock will be set forth in the Commercial Terms.
  - 3.6.2. Distributor is responsible for purchasing and providing suitable storage facilities consistent with generally accepted industry standards for maintaining an inventory of the Products sufficient to satisfy Customer demand. Distributor will institute a process to ensure rotation of inventory so that the Products with the earliest expiration dates are distributed first.
  - 3.6.3. Distributor will abide by the instructions listed on the Products for the handling and storing of the Products, as well as by such instructions separately provided by Seller. Distributor will store all shipments of the Products in a physically secure area under conditions that are designed to maintain their stability, integrity and effectiveness.
- 3.7. <u>Stored Goods</u>. Any agreement between Seller and Distributor with respect to Distributor storing Products on Seller's behalf (the "<u>Stored Goods</u>") will be set forth in the Commercial Terms or a CT Schedule (the appropriate box will be checked) and will be subject to the following terms and conditions:
  - 3.7.1. In order to meet the demands of Customers in the Territory, Seller will periodically send shipments of Stored Goods to Distributor from time to time during the Term, and Distributor will provide Seller warehousing/distribution center, storage, handling, delivery and related services (the "Services") for the Stored Goods at its facility located at the "Address" in the Commercial Terms or such other location set forth therein (the "Warehouse"). Shipments of Stored Goods from Seller to Distributor will be pursuant to DAP the Warehouse Incoterms.
  - 3.7.2. Distributor will inspect the Stored Goods upon delivery to the Warehouse and agrees to accept the bill of lading, express receipt or similar delivery document as conclusive evidence of quantity, condition and quality of the Stored Goods, unless Distributor immediately notifies Seller in writing of any Stored Goods that would qualify as Nonconforming Products. Distributor agrees to return any Nonconforming Products to Seller at Seller's expense pursuant to EXW the Warehouse Incoterms.
  - 3.7.3. If applicable, Seller will grant Distributor a license to access and use the System for purposes of entering Customer POs directly into the System on Seller's behalf. Distributor agrees to maintain proper records of all POs received from Customers. Distributor further agrees that if a Customer returns Product on the basis that the Customer did not authorize the purchase (a "Disputed Purchase"), (a) Distributor will be charged a Restocking Fee equal to 15% of the Net Sales Price of the Disputed Purchase if returned to Seller; (b) Distributor will not be eligible to receive any Commissions on the Disputed Purchase; and (c) Seller may claw back any Commissions paid to Distributor for the Disputed Purchase and deduct same and any Restocking Fee from future Commission earned by Distributor.

- 3.7.4. Following Seller's acceptance of a PO for Stored Goods from a Customer (whether received directly from the Customer or through Distributor via the System), Seller will send Distributor confirmation to release and drop ship or otherwise deliver the Stored Goods to the Customer (a "Release Confirmation"). Upon receipt of a Release Confirmation, Distributor will deliver the Stored Goods to the Customer pursuant to the shipping terms set forth in the Release Confirmation. Seller may cancel a Release Confirmation at any time without obligation. Seller authorizes Distributor accept card-present credit card payments from Customers and deliver Stored Goods to such Customers; provided, however, that Distributor enters the corresponding PO into the System and maintains records of the sale.
- 3.7.5. Distributor will (a) use commercially reasonable efforts to deliver all Stored Goods to Customers on or before the date specified in the Release Confirmation; and (b) properly pack the Stored Goods in such a manner suitable for handling and transportation to protect the integrity of the Stored Goods and ensure they remain free of damages.
- 3.7.6. Distributor will provide the Services in accordance with all applicable Laws and all current warehousing best practices, as well as any rules and regulations applicable to the packaging, handling, storage and delivery of the Stored Goods in the Territory. The Stored Goods will at all times be subject to the direction and control of Seller. Upon Seller's request, Distributor will promptly return the Stored Goods or any portion thereof to Seller.
- 3.7.7. Distributor represents and warrants that the Warehouse is appropriate for and conducive to the storage of goods such as the Stored Goods and will maintain the Warehouse in suitable condition for storing the Stored Goods consistent with generally accepted industry standards for warehousing, free from hazards and damage of any nature whatsoever at all times during the Term. If, at any time, Seller believes that the Warehouse is no longer appropriate for the proper storage of the Stored Goods, Distributor may (a) relocate the Stored Goods to an alternate facility suitable for the storage of the Stored Goods, at Distributor's expense; or (b) terminate the Services.
- 3.7.8. Distributor will not alter, combine with other products, re-label, mislabel or modify any of the Stored Goods or put any of the Stored Goods to any use other than for the fulfillment of Release Confirmations.
- 3.7.9. Specifically, Distributor will (a) abide by the instructions listed on the Stored Goods for their handling and storage; (b) clearly identify the Stored Goods located at the Warehouse as the property of Seller by conspicuous sign or placard; (c) to the extent practicable, segregate the Stored Goods from any and all other goods and property of Distributor located at the Warehouse; (d) store the Stored Goods in a physically secure area in the Warehouse under conditions that are designed to maintain their stability, integrity, and effectiveness, and protect them from damage or deterioration; and (e) institute a process to ensure rotation of inventory of the Stored Goods to ensure that the Stored Goods with the earliest expiration dates are distributed to Customers first.
- 3.7.10. Distributor will maintain adequate insurance covering the Stored Goods while stored at the Warehouse and while in transit for delivery to Customers, and will include Seller as additional insured under such insurance policies.
- 3.7.11. Seller reserves the right to charge Distributor the cost of any Stored Goods that must be destroyed or returned for rework due to shelf-life expiration as a result of Distributor's failure to properly rotate the inventory of Stored Goods.
- 3.7.12.Distributor must conduct a physical count of the Stored Goods once a year, or as requested by Seller and report the results of the inventory to Seller. Furthermore, at least once a year, Seller may audit the Warehouse to make a physical inventory of the Stored Goods.
- 3.7.13.In consideration of the Services, Seller will pay Distributor a Commission on the Net Sales Price of the Stored Goods delivered to Customers as outlined in the Commercial Terms.
- 3.7.14.Risk of loss to the Stored Goods transfers to Distributor in accordance with the Shipping Terms. Title to the Stored Goods will be retained by Seller unless and until they are purchased by a Customer, in which case transfer of title will transfer to the Customer simultaneously with the transfer of risk of loss pursuant to the shipping terms set forth in the Release Confirmation (Incoterms).
- 3.7.15.Distributor will cooperate with and assist Seller with establishing and maintaining Seller's (a) title to the Stored Goods which have not been purchased by a Customer; and (b) priority of ownership interest in and to such Stored Goods.
- 3.7.16.Distributor will maintain the Stored Goods free and clear of and from and against all liens and encumbrances of any nature whatsoever. Distributor will indemnify and hold Seller harmless from and against any Losses caused by acts of Distributor which result in any such liens or encumbrances being placed upon any of the Stored Goods, including all costs, fees and expenses incurred by Seller in commencing or participating in such proceedings as are necessary for Seller to defend its ownership interest in the Stored Goods.
- 3.7.17. Either Party may terminate the Services pursuant to the terms and conditions of the Agreement. Distributor will ship the inventory of Stored Goods to Seller EXW the Warehouse Incoterms within 10 days following termination of the Services. Distributor agrees

that if Distributor fails to return the Stored Goods within this period of time Distributor will have been deemed to purchase the remaining inventory of Stored Goods, payment for which will be due within 10 days following Distributor's receipt of Seller's invoice for same.

### 3.8. Product Returns.

- 3.8.1. If the Product is resalable, it may be returned to Seller by Distributor for a credit. To be considered resalable, the Product must (a) pertain to a current product listed in the Pricelists in effect at the time of return; (b) be in sealed, undamaged, original packaging; (c) pass Seller's quality inspection; and (d) be, in the judgment of Seller, susceptible to being returned directly to Seller's stock.
- 3.8.2. To return Product to Seller, Distributor must (a) request return goods authorization from Seller in writing; (b) follow Seller's instructions; (c) provide Seller all required documentation; and (d) return the Product to Seller within 30 days of the original authorization request date. The request and return process must be fully completed within 6 months of the original ship date of the Products.
- 3.8.3. Return freight for returned Products is the responsibility of Distributor.
- 3.8.4. Opened case goods are not returnable. Leaking containers and Products returned without all required documentation will not be accepted for return.
- 3.8.5. Once determined resalable, Seller will issue Distributor a credit on the returned Product at the price originally paid by Distributor minus a Restocking Fee.
- 3.9. <u>Tote Management</u>. Any agreement between Seller and Distributor with respect to Seller providing Distributor reusable land rig totes used in the supply of the Products ("<u>Totes</u>") will be set forth in the Commercial Terms or a CT Schedule (the appropriate box will be checked) and will be subject to the following terms and conditions:
  - 3.9.1. the Totes (a) are for domestic use within the contiguous United States only; and (b) are and will always remain the property of Seller;
  - 3.9.2. the terms and conditions applicable to the distribution of the Totes by Distributor to a Customer will be solely between Distributor and the Customer, including, but not limited to terms and conditions relating to (a) the price of any products contained in the Totes; (b) payment terms; (c) Taxes, costs and expenses related to the Totes; (d) shipment and delivery of the Totes; and (e) inspection and acceptance of the Product contained in the Totes;
  - 3.9.3. the Totes are provided to Distributor free of charge in consideration for the purchase of the Products contained in the Totes, however (a) if Distributor fails to return a Tote within 120 days following Distributor's delivery of the Tote to the Customer, Seller has the right to charge Distributor, and Distributor agrees to pay Seller, a monthly rental fee which will be no less than \$150.00 per month per Tote; (b) if a Tote is returned to Seller with any damage beyond normal wear and tear, Seller has the right to charge Distributor, and Distributor agrees to pay Seller, the costs incurred by Seller to repair the Tote; and (c) if a Tote is returned to Seller with damages that are beyond repair or if a Tote is lost, Seller has the right to charge Distributor, and Distributor agrees to pay Seller, the replacement value of the damaged/lost Tote; and
  - 3.9.4. Seller will not give Distributor nor any Customer a credit on any unused Product returned in a Tote.
- 3.10. <u>Additional Services or Authorizations</u>. From time to time the Parties may expand their business relationship to include additional services or authorizations, each of which will be mutually agreed to in a written rider to the Agreement executed by the Parties or through a CT Schedule.
- 3.11. Availability of Products. Seller may, in its sole discretion (a) discontinue the sale of the Products; (b) reduce or allocate its inventory of Products; and (c) effect changes to any of the Products (except where continued availability is required by Law).

## 4. WARRANTIES

4.1. General Warranties. Each Party represents and warrants to the other Party that (a) it is duly organized, validly existing, and in good standing as a corporation or other Entity as represented herein under the Laws of its jurisdiction of incorporation, organization, or chartering; (b) it has the full right, power, and authority to enter into the Agreement and to perform its obligations hereunder; (c) the execution of the Agreement by a Representative whose signature is set forth on the Commercial Terms or any PO has been duly authorized by all necessary action of the Party; (d) when executed and delivered by the Party, the Agreement will constitute the legal, valid and binding obligation of that Party, enforceable against that Party in accordance with its terms; (e) it is the unencumbered legal and beneficial owner and/or has sole control (by ownership, license, or otherwise) of the entire right, title and interest in and to its IP; (f) it has, and throughout the Term will retain, the unconditional and irrevocable right, power and authority to grant the rights hereunder pursuant to the terms and conditions of the Agreement; and (g) it is under no obligation to any Third Party that would interfere with or constitute a breach of its representations,

warranties or obligations under the Agreement.

- 4.2. <u>Seller's Warranties</u>. Seller represents and warrants that (a) the Products will be manufactured, packaged, labeled, stored and delivered in conformity with all applicable Laws and industry standards; (b) it will use reasonable commercial efforts to assign qualified, adequately trained and efficient Personnel who will exercise reasonable commercial efforts and care in performing their obligations under the Agreement; and (c) all manufacturer warranties for the Products, including those of Seller and those of any Third-Party suppliers, will pass to the Customer that purchases the Product for personal consumption.
- 4.3. <u>Distributor's General Warranties</u>. Distributor represents and warrants that (a) it will use reasonable commercial efforts to assign qualified and efficient Personnel who will exercise reasonable commercial efforts and care in performing their obligations under the Agreement; (b) its Personnel is adequately trained and knowledgeable of the Products, the Market and the Territory; and (c) it will perform its obligations under the Agreement exercising the professional standard of care and skill exercised by other members of the profession in the industry in a prompt and professional manner.
- 4.4. <u>Limited Warranty</u>. The terms and conditions regarding warranty of the Products and potential remedies are those established by Seller from time to time and either provided directly to Distributor with the Products or published on Seller's website (the "<u>Limited Warranty</u>"). The Parties agree that (a) Distributor will serve as the administrative contact for Seller with respect to Customer claims under the Limited Warranty; and (b) as the Product manufacturer, Seller is ultimately responsible for satisfying all such claims.
- 4.5. <u>Inspection and Acceptance</u>. Seller will inspect the Products prior to shipment to confirm that they comply with the terms of the Agreement, the Specifications and the Order Acknowledgement. Distributor will have a period of 15 days to inspect the Products following physical receipt of the Products at Distributor's Facility ("<u>Inspection Period</u>") and either (a) approve and accept the Products as delivered; or (b) notify Seller of any Nonconforming Products on or before the expiration of the Inspection Period, stating with specificity all defects and nonconformities, and furnishing such other written evidence or other documentation as may be reasonably required by Seller (including the subject Products, or a representative sample thereof, which Distributor contends are Nonconforming Products).

#### 4.6. Exclusive Remedies.

- 4.6.1. If Distributor timely notifies Seller of the rejection of any Nonconforming Products identified during an Inspection Period, Seller, in its sole discretion, may choose to (a) repair the Nonconforming Products; (b) replace the Nonconforming Products with conforming goods; or (c) terminate the corresponding PO and reimburse the fees paid by Distributor to Seller in consideration for the Nonconforming Products (including transportation and insurance costs directly related to the Nonconforming Products).
- 4.6.2. If Seller terminates the PO and reimburses Distributor for any fees paid by Distributor to Seller for same, such Nonconforming Products will be deemed "Rejected Products" for purposes of the Agreement. Seller, in its sole discretion, may instruct Distributor to (a) return the Rejected Products to Seller FCA Distributor's Facility– Incoterms, or to such other location as Seller may instruct Distributor in writing; (b) destroy the Rejected Products at Seller's expense; or (c) re-label the Rejected Products according to Seller's written instructions and resell the Rejected Products.
- 4.6.3. If Distributor is authorized to resell the Rejected Products, any reimbursement due pursuant to this Section will not include any transportation and insurance costs directly related to the Nonconforming Products.
- 4.7. Withdrawal of Nonconforming Products. If Seller determines that any Products sold to Distributor may be Nonconforming Products, at Seller's request, Distributor must withdraw all such Nonconforming Products from sale and, at Seller's option, either (a) return the Nonconforming Products to Seller at Seller's expense and risk of loss; or (b) destroy the Nonconforming Products and provide Seller with written certification of such destruction. In either case, consistent with Seller's instructions, and unless any such defect has not been caused or contributed to by any of the factors described under the Limited Warranty, Distributor will have the remedies set forth in Section 4.6.
- 4.8. <u>Distributor's Sole Risk.</u> Distributor acknowledges that (a) the business pertaining to the import, purchase, advertisement, marketing, distribution, installation and sale of the Products in the Territory may involve significant business and financial risks; (b) Distributor has the capability and ability to assess such risks; (c) it alone bears such risks; and (d) its success will depend largely on its ability to conduct its independent business operations in a manner that reflects its best interests. Distributor agrees that Seller has not made, nor has Distributor relied on, any representation, warranty or guarantee as to the potential volume, profits or success of the business venture contemplated by the Agreement. Except as otherwise provided in the Agreement, Distributor is solely responsible for all expenditures, liabilities and obligations incurred or assumed by it for the purpose of the Agreement.
- 4.9. <u>DISCLAIMER OF WARRANTIES</u>. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THE AGREEMENT, EACH PARTY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, EITHER ORAL OR WRITTEN, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES, REPRESENTATIONS, GUARANTEES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR THE PERFORMANCE OF THE PRODUCTS TO STANDARDS SPECIFIC TO THE COUNTRY OF IMPORT, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. NO ORAL ADVICE OR WRITTEN INFORMATION GIVEN BY A PARTY OR ITS

## 5. PRICES; PAYMENT TERMS

- 5.1. Prices. In consideration for manufacturing and supplying the Products and providing all ancillary services necessary for the delivery of the Products to Distributor, Distributor agrees to pay Seller the prices set forth in the Pricelists. Unless otherwise specified, the prices are inclusive of all costs, expenses and profits, direct or indirect, of manufacturing and supplying the Products, as well as all Taxes levied by any Governmental Authority. The Parties acknowledge and agree that Distributor has full discretion and control in establishing the pricing for the Products for resale and distribution within the Territory. Seller may adjust prices by providing Distributor an updated Pricelist. Any adjusted prices will apply to all POs submitted by Distributor after the effective date of the price adjustment.
- 5.2. <u>Quotes</u>. If Distributor requests Seller to provide a quote or other proposal for Products to be resold by Distributor (each, a "<u>Quote</u>"), Seller agrees to cooperate with Distributor and prepare the Quote in a timely fashion. Unless agreed to otherwise in the Quote, all pricing in the Quote will be valid and therefore honored by Seller for a period of 30 days following the Quote's date of issuance.
- 5.3. Rebates; Discounts. Distributor may be eligible to (a) receive a discount on the Net Sales Price of the Products; and/or (b) participate in Seller's rebate and awards programs as determined by Seller from time to time in its sole discretion (the "Rebate Program"). Any such discounts or rebates will be subject to additional terms and conditions, including, but not limited to, timeliness of payments and volume of sales under the Agreement as further detailed in the Rebate Program documentation, and will be communicated to Distributor in the Commercial Terms or through a CT Schedule.
- 5.4. Payment. Distributor will pay Seller all properly invoiced and undisputed amounts due under the Agreement in accordance with the Payment Terms. If no such terms are established the default payment term is net 30 days calculated from the date of Seller's invoice. Distributor will make all payments in US dollars by check, electronic funds transfer or wire transfer in accordance with Seller's instructions. All invoices must indicate the corresponding PO numbers. If the Payment Terms require that Distributor authorize Seller to direct debit (automatic transfer, authorized withdrawals, auto-pay, etc.) Distributor's bank account, Distributor agrees to execute and deliver any authorizations and other documents necessary to implement same.
- 5.5. <u>Late Payments</u>. Any amount due under the Agreement that is not paid when due will be charged interest at the rate of 1.5% per month or the legal limit pursuant to applicable Laws, whichever is less. Furthermore, Seller, in its sole discretion, may impose a limit to the total amount of any outstanding and unpaid amounts that Distributor owes Seller at any given time during the Term (the "A/R Outstanding Limit").
- 5.6. <u>Disputes</u>. Distributor may withhold payment of specific charges within a given invoice that it in good faith disputes or for which it may require additional information from Seller to verify the amounts being charged; *provided, however*, that Distributor delivers to Seller a written statement on or before the date in which such payment is due describing in reasonable detail (a) the specific charge or charges being disputed and the basis of the dispute; (b) if applicable, the supporting documentation that is reasonably required for verification of the charge or charges; and (c) the amount being withheld.
- 5.7. <u>Taxes</u>. Distributor will be solely liable for the payment of any Taxes arising from the purchase, sale, use, possession, ownership or storage of the Products purchased by Distributor, or arising in respect to any payment to be made by Distributor to Seller.
- 5.8. <u>Costs.</u> Distributor is responsible for all expenses incurred by Distributor in connection with the implementation and performance of Distributor's duties and obligations under the Agreement, including but not limited to (a) the expenses incurred in fulfilling its duties and responsibilities, including expenses related to warehousing and otherwise storing the Products after delivery to Distributor; (b) costs, expenses and salaries of its personnel associated with establishing and maintaining its sales organization and offices; and (c) any and all taxes, duties, tariffs or charges that may be imposed on Distributor in Territory.
- 5.9. <u>Invoice Review</u>. The Parties will have the right to review invoices generated hereunder and claim any under charged or over paid amounts; *provided, however*, that any such Claim is made within 90 days following the date of the invoice.
- 5.10. No Right to Set-Off. Distributor will not, and acknowledges that it will have no right, under the Agreement, any PO, any other agreement, document or Law to set-off, counterclaim or otherwise withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Seller or any of its Affiliates, whether under the Agreement or otherwise, against any other amount owed (or to become due and owing) to it by Seller or Seller's Affiliates, whether relating to Seller's or its Affiliates' breach or non-performance of the Agreement, any PO or any other agreement.

## 6. TERM; TERMINATION

6.1. <u>Initial Term.</u> The Agreement enters into effect on the Effective Date and, unless earlier terminated in accordance with the Agreement, will continue in full force and effect for the Initial Term.

- 6.2. Renewal. Upon expiration of the Initial Term, the Agreement will continue to automatically renew for successive Renewal Periods, unless (a) either Party gives written notice to the other Party not less than 60 days prior to the expiration of the Initial Term or then applicable Renewal Period of its intent not to renew the Agreement; or (b) the Initial Term or any Renewal Period is otherwise earlier terminated in accordance with the Agreement. Any renewal of the Agreement will be upon the same terms and conditions in effect immediately prior to such renewal. The Parties agree that if the Agreement is not renewed (a) Distributor will be entitled to issue POs up until the expiration of the Initial Term or then applicable Renewal Period; (b) Seller will honor and perform all such issued POs; and (c) the effective date of termination will be the date on which the last of such POs is fulfilled by Seller.
- 6.3. <u>Termination</u>. The Agreement or any PO, individually or collectively, may be terminated by either Party, by written notice with immediate effect:
  - 6.3.1. if termination is required by Law, by a Governmental Authority or necessary to preserve rights or mitigate damages to the terminating Party's reputation;
  - 6.3.2. if the other Party commits a material breach of the Agreement or any PO, which breach, if capable of cure, is not cured within 30 days following receipt of notice specifying the nature and extent of such breach;
  - 6.3.3. if the other Party makes any assignment of the Agreement, except as expressly provided herein;
  - 6.3.4. if the other Party (a) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (b) files, or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency Law; (c) makes or seeks to make a general assignment for the benefit of its creditors; or (d) applies for or has appointed a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business;
  - 6.3.5. if either Party is affected by an event of Force Majeure and delays performance under the Agreement for more than 60 consecutive days; or
  - 6.3.6. 60 days following notice of termination by either Party.

### 6.4. Effect upon Termination.

- 6.4.1. Upon the termination of any PO, (a) all further obligations of the Parties pursuant to the PO will terminate (except the obligation of Distributor to make a payment for any unpaid and properly invoiced amounts) without further liability of either Party to the other Party; and (b) all remaining POs will continue in full force and effect.
- 6.4.2. Upon the expiration or earlier termination of the Agreement:
  - 6.4.2.1. the Agreement and all POs for which no Order Acknowledgement has been received, will terminate, including all further obligations of the Parties pursuant to the Agreement (except the obligation of Distributor to make a payment for any unpaid and properly invoiced amounts) without further liability of either Party to the other Party;
  - 6.4.2.2. Seller will deliver to Distributor or an Entity designated by Distributor all Products subject to Order Acknowledgements received by Distributor prior to such expiration or termination;
  - 6.4.2.3. Distributor will be entitled to sell down any remaining inventory of the Products; *provided, however*, that if termination is on account of a breach of the Agreement by Distributor, Seller may, at its option and in its sole discretion, purchase from Distributor any or all such remaining inventory in its possession that is merchantable at a price equal to the inventory cost for such remaining inventory;
  - 6.4.2.4. each Party's limited licenses to use the other Party's IP, if any, will immediately terminate; and
  - 6.4.2.5. Receiving Party's rights to possession and use of any Confidential Information in connection with the performance of its obligations under the Agreement or otherwise will terminate, and Receiving Party will return to Disclosing Party any Confidential Information it has in its possession or, upon Disclosing Party's request, destroy such Confidential Information and certify in writing to Disclosing Party that it has complied with the requirements of this clause.
- 6.4.3. The expiration or earlier termination of the Agreement (a) will be without prejudice to any rights or remedies either Party may have arising out of any breach of any material representation, warranty, covenant or condition by the other Party; (b) will not release the Party that terminates from any liability which at the time of termination had already accrued to the non-terminating Party; and (c) will not constitute a waiver of any of either Party's rights, remedies or defenses under the Agreement, at Law, in equity or otherwise.

- 6.4.4. Neither Party will be liable to the other Party for Losses of any kind solely as a result of terminating the Agreement (including non-renewal) or any PO in accordance herein.
- 6.5. <u>Survival</u>. This Section 6 and provisions relating to confidentiality, warranties, limitation of liability, indemnities, payment and governing law, as well as any other provisions that expressly or by their nature are intended to continue to have effect following the expiration or earlier termination of the Agreement, will survive such expiration or earlier termination.

## 7. CONFIDENTIALITY; IP

- 7.1. <u>Use of Confidential Information</u>. The Parties acknowledge that in the course of their dealings Receiving Party may receive Confidential Information of Disclosing Party and agree as follows:
  - 7.1.1. Receiving Party agrees to protect and hold the Confidential Information in strict confidence (using in any case, the same degree of care used to protect its own confidential and proprietary information of a like nature, which in no event will be less than a reasonable degree of care), and to take all reasonable steps necessary to protect the Confidential Information from unauthorized and/or inadvertent disclosure.
  - 7.1.2. Receiving Party (a) will not use the Confidential Information to circumvent Disclosing Party with regards to any Third-Party relationships that it may currently have in place; (b) will not use, reproduce, modify or disclose any of the Confidential Information for any purpose other than in pursuance of its obligations under the Agreement and then only in strict compliance with the provisions hereof and subject to any applicable Laws; (c) agrees to promptly notify Disclosing Party in writing of any misappropriation or unauthorized use, disclosure or duplication of the Confidential Information, including a detailed description of the circumstances of the disclosure and the identity of the Entities involved; and (d) will cooperate in a commercially reasonable manner with Disclosing Party to obtain the return of such Confidential Information.
  - 7.1.3. Receiving Party may disclose the Confidential Information to Representatives of Receiving Party who (a) have a reasonable need-to-know the Confidential Information in pursuance of the performance of their obligations under the Agreement; (b) have been advised of the confidential and proprietary nature of the Confidential Information and of the obligations in the Agreement; and (c) have agreed to be bound by the Agreement. Receiving Party will be liable for the acts of its Representatives to whom it discloses the Confidential Information. In the event the employment or association of any such Representative is terminated, Receiving Party agrees to use reasonable efforts to recover or destroy any Confidential Information in such Representative's custody or control.
  - 7.1.4. Receiving Party may disclose the Confidential Information where required pursuant to a legal process (i.e., subpoena, interrogatories or similar legal process) or by Law; provided, however, that in such instance Receiving Party, to the extent legally permissible, will use commercially reasonable efforts to provide advance written notice of such event to Disclosing Party and to reasonably cooperate with Disclosing Party, at Disclosing Party's expense, so that Disclosing Party may seek an appropriate protective order or waive compliance by Receiving Party with the provisions of the Agreement, or both. If, absent the entry of a protective order or receipt of a waiver, Receiving Party is legally compelled to disclose such Confidential Information, Receiving Party may disclose such Confidential Information to the extent required without liability under the Agreement so long as Receiving Party uses commercially reasonable efforts to obtain confidential treatment for any Confidential Information so disclosed. Receiving Party also may disclose the existence and summary of the Agreement in regulatory filings if required by Law.
  - 7.1.5. Except as otherwise authorized under the Agreement, Receiving Party agrees not to duplicate, reproduce, distribute, exhibit, translate, analyze, reverse engineer, reconstruct, disassemble, decompile, adapt or otherwise attempt to ascertain the nature of the Confidential Information nor will Receiving Party attempt to develop any products that contain the "look and feel" of any of the Confidential Information without Disclosing Party's prior written authorization, except to the extent that Receiving Party already possesses something similar or develops something similar without the use of the Confidential Information.
  - 7.1.6. Disclosing Party represents and warrants that it has the unqualified right to transmit and otherwise dispose of the Confidential Information disclosed under the Agreement in accordance with the terms and conditions of the Agreement. Receiving Party acknowledges and agrees that Disclosing Party provides the Confidential Information "AS-IS" without any other warranty of any kind, and Receiving Party agrees that in no event will Disclosing Party or its Representatives be liable for errors, omissions, inaccuracies or Losses of any kind arising from or relating to Receiving Party's use of or inability to use same. Both Parties must adhere to all applicable Laws relating to the export of technical data and will not export or re-export any technical data, any products received from a Disclosing Party, or the direct product of such technical data to any proscribed country or Entity under such applicable Laws.
  - 7.1.7. Receiving Party acknowledges and agrees that all applicable IP rights in and to the Confidential Information will remain with Disclosing Party. It is the Parties' intent that neither Party will deliver Trade Secrets under the Agreement. If, however, Trade Secrets are disclosed, nothing herein is intended to limit or abridge the protection of Trade Secrets under applicable Trade Secrets Law, such Trade Secrets will receive the same protection as any other Confidential Information disclosed pursuant to the Agreement, and the obligation of confidentiality with respect to such Trade Secrets will survive any termination of the Agreement for so long as they remain Trade Secrets or otherwise fall into the public domain. Receiving Party agrees not to remove any proprietary notices included

on any of the Confidential Information.

- 7.2. <u>Term of Obligation</u>. The Parties' obligations under this Section 7 will survive the expiration or earlier termination of the Agreement for a period of 3 years. At any time upon the request of Disclosing Party, Receiving Party will (a) return the Confidential Information to Disclosing Party or destroy all such Confidential Information; (b) certify said return or destruction in an affidavit to Disclosing Party (if so requested); and (3) refrain from making any further use of any of the Confidential Information for any purpose. Should Receiving Party be required by Law to retain any of the Confidential Information for a period longer than required by the Agreement, then Receiving Party's obligations under this Section 7 will remain in full force and effect until the expiration of any such legally mandated retention period.
- 7.3. <u>Prohibition on Publicity</u>. Except as otherwise provided in the Agreement, neither Seller nor Distributor may use the corporate name of the other in any public announcement (i.e., press release) without in each instance express written consent.

#### 7.4. IP Ownership.

- 7.4.1. Seller hereby grants Distributor a limited, non-exclusive, revocable, non-transferable, non-sublicensable license to use Seller's IP only to the extent necessary to perform its obligations under the Agreement, which authorization may be withdrawn at any time upon prior written notice.
- 7.4.2. Seller's IP rights (a) existing as of the Effective Date; or (b) acquired at any time during the Term and thereafter, including, but not limited to, as a result of the purchase of such IP from Distributor or assignment of such IP by Distributor in accordance herein, will remain the sole and exclusive property of Seller.
- 7.4.3. Distributor will not acquire any ownership interest in Seller's IP rights as a result of the Agreement.
- 7.4.4. If Distributor acquires any IP rights in or to Seller's IP (including any rights in any Trademarks, derivative works or Patent improvements relating thereto) by operation of Law or otherwise, such rights are deemed, and are hereby irrevocably assigned to, Seller without further action by Distributor. Distributor agrees to perform any action, including the execution of any documents, which may be required to perfect any ownership right of Seller in and to its IP.
- 7.4.5. Distributor agrees to use Seller's IP only in accordance with the Agreement and any instructions of Seller.
- 7.4.6. The Parties will comply with all Laws pertaining to IP at any time in force in the Territory, including, without limitation, any requirements for marking, designating or otherwise indicating the status of registration of IP, as well as disclosing the identification of the owner of the IP.
- 7.5. Prohibited Acts. Without Seller's express written consent, Distributor will not (a) use Seller's IP for any other purpose than in compliance with the Agreement; (b) sell, transfer, lend or lease Seller's IP to any Third Party or otherwise authorize any Third Party to use Seller's IP; (c) establish any pledge, mortgage, lien or any other encumbrance on Seller's IP; (d) challenge any right, title or interest of Seller's IP rights or otherwise make a Claim or take any action adverse to Seller's ownership of its IP and the exercise of its IP rights; (e) use, register or apply for registrations, anywhere in the world, for IP that is in Seller's sole opinion, confusingly similar to Seller's IP or that incorporates Seller's IP in whole or in confusingly similar part; (f) alter, obscure or remove any Trademark or copyright notices or any other proprietary rights notices denoting Seller's IP rights; or (g) engage in any action that tends to disparage, dilute the value of, or reflect negatively on the Products or Seller's IP.

## 7.6. Use of Trademarks; Domain Names.

- 7.6.1. Promptly following the Effective Date, the Parties will provide each other their respective Trademarks to be used with the Products, including any requirements outlined in the Parties' respective standards and policies applicable to their Trademarks. All images will be provided in high-resolution formats.
- 7.6.2. Distributor may use Seller's Trademarks to indicate on its letterhead and signage and in advertising that it is an authorized distributor of the Products. Seller may revise the Trademarks that Distributor is allowed to use from time to time, at its discretion, upon notice to Distributor.
- 7.6.3. The Products will be sold under Seller's Trademarks, however Promotional Materials used in the Territory may bear both Parties' Trademarks.
- 7.6.4. The Parties agree that neither will register any domain name containing the other Party's Trademarks or any phrase confusingly similar to such Party. In addition, the Parties agree that neither will create any account at a social media website (i.e., Facebook, Twitter, Google+, YouTube) utilizing the other Party's Trademarks. Further, Distributor will not, without Seller's prior written consent, register any domain name nor create any account at a social media website containing or otherwise utilizing the name of any Product or any name that is in Seller's sole opinion, confusingly similar to any Products' names.

- 7.7. <u>Corporate Brand Standards</u>. Distributor agrees that the purchase of Product from Seller serves as Distributor's acknowledgement that Distributor (a) has read Seller's Corporate Brand Standards available at <a href="https://www.whitmores.com/branding-assets/Whitmore-Jetlube\_Corporate-Brand-Standards.pdf">https://www.whitmores.com/branding-assets/Whitmore-Jetlube\_Corporate-Brand-Standards.pdf</a>; (b) acknowledges the importance of the Corporate Brand Standards; (c) understands its obligations set forth in the Corporate Brand Standards; and (d) agrees to abide by the Corporate Brand Standards at all times when using Seller's Trademarks.
- 7.8. Enforcement. Distributor agrees to immediately inform Seller of any unauthorized use of Seller's IP that comes to its attention. If at any time Seller discovers that Distributor has violated its obligations with respect to Seller's IP, Distributor will be liable to Seller for (a) all the benefits, including, but not limited to, revenue generated as a result of any unauthorized use of Seller's IP (through Distributor's or any Third Party's use); (b) liquidated damages equivalent to the market value of the IP; and (c) any Losses incurred by Seller as a result of Distributor's failure to comply. Upon Seller's request, Distributor must hand in and return Seller's IP and all relevant files related thereto (including but not limited to documents, photos and drawings) to Seller within 3 days following said request.
- 7.9. Equitable Remedies. Each Party acknowledges and agrees that (a) a breach or threatened breach by such Party of any of its obligations with respect to the use and protection of IP and Confidential Information would give rise to irreparable harm to the other Party for which monetary damages would not be an adequate remedy; and (b) in the event of a breach or a threatened breach by such Party of any such obligations, the other Party will, in addition to any and all other rights and remedies that may be available at Law, at equity or otherwise in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction (temporary or permanent), specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security and without any requirement to prove actual Losses or that monetary damages will not afford an adequate remedy. Each Party agrees that such Party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms and conditions of this Section. This provision with respect to injunctive relief will not, however, diminish either Party's right to claim and recover Losses.

## 8. COMPLIANCE

- 8.1. <u>Compliance</u>. The Parties will at all times comply with all Laws applicable to their respective performance under the Agreement and have and maintain in place during the Term policies and procedures to ensure such compliance. Without limiting the generality of the foregoing:
  - 8.1.1. each of the Parties (a) agrees to comply with all applicable Laws governing the export/import or sale of the Products, including all applicable Laws related to commerce, environmental, health, and occupational safety, employment and labor, including United States and foreign bribery and corruption Laws, including without limitation, the U.S. Foreign Corrupt Practices Act ("FCPA"), United States export control and economic sanctions and embargoes Laws (including without limitation the Export Administration Regulations and the economic sanctions programs administered by the Office of Foreign Assets Control), international customs requirements and the local Laws in countries of import, if applicable; and (b) represents and warrants that it has no public officials as direct or indirect owners, officers or employees, and agrees to immediately notify the other Party in writing if this representation and warranty changes at any time;
  - 8.1.2. Distributor is prohibited from selling the Products to an Entity that is designated by any U.S. Governmental Entity, including any person or entity that is a Specially Designated National ("SDN"), or any person or entity that is 50-percent owned or controlled by a designated entity (designated persons and entities can be found at the following link: https://legacy.export.gov/csl-search);
  - 8.1.3. if at any time Distributor intends to sell the Products to an Entity that is a non-US Governmental Authority, Distributor will (a) provide prior written notice to Seller with the name and location of the customer in order that Seller have the opportunity to determine if such proposed sale would represent a violation of any Law; and (b) refrain from any such sale if Seller determines that the sale would violate Law;
  - 8.1.4. Distributor is prohibited from selling the Products to an Entity that is located in a country or jurisdiction sanctioned by the United States, including Iran, and may not sell Products to any Entity if Distributor has reason to know or suspect that the Products may be re-exported to Iran, unless Distributor has obtained a specific license to do so, in which case Distributor must provide Seller with a copy of said license and the details of any such sales;
  - 8.1.5. Seller will (a) at its own expense, maintain all certifications, credentials, licenses and permits required by Governmental Authorities to conduct its business relating to the supply of the Products, as applicable; (b) at its own expense, manage and maintain all IP registrations in Seller's name as required by Laws for the sale of the Products in the Territory; and (c) be liable to Distributor for all Losses incurred by Distributor as a result of any Seller activity or transaction involving the Products that violates any Law;
  - 8.1.6. if the Laws of the Territory require that the Products be registered, inspected, tested or in any manner certified or approved by any Governmental Authorities, the Parties will cooperate with one another to ensure compliance with such requirements, and any official registrations, certificates or other documents issued by Governmental Authorities in relation to such requirements must be issued in Seller's name;

- 8.1.7. Distributor will at its own expense (a) obtain and maintain in its own name (or, to the extent permissible under the Laws of the Territory, in Seller's name) all market authorizations, permits, licenses or other government approvals that may be required or advisable for the importation, export, sale, marketing, pricing and distribution of the Products, including, but not limited to, any prior Governmental Authority approvals required for appointment of Distributor as a distributor of Seller (collectively, "Approvals"); (b) prepare and file, at the earliest possible date, all necessary and appropriate applications, submissions and filings to such Governmental Authorities as may be required or advisable in obtaining such Approvals (including filing the Agreement (or a certified copy of the Agreement, as appropriate) with such Governmental Authorities in the Territory as may be required in order to ensure the Agreement is enforceable in every part of the Territory); and (c) send to Seller copies of all submissions, filings and applications (complete with exhibits and attachments) and all correspondence thereto in connection with any Approval or other matter related thereto:
- 8.1.8. Distributor will comply with and keep Seller informed as to all Laws in the Territory that apply to the Products and the Parties' performance under the Agreement;
- 8.1.9. Distributor will use its best efforts to conduct its business at all times in a manner which will reflect favorably on Seller and the Products, and which is not deceptive, misleading, illegal or unethical, and in a manner that complies with all requirements necessary to perform its obligations under the Agreement;
- 8.1.10.no payments or benefits, if any, received by Distributor from Seller pursuant to the Agreement, or otherwise, under arrangements hereafter agreed to, will be paid to Third Parties except for reasonable and necessary business expenses not violative of applicable Laws, including the FCPA; and
- 8.1.11.Distributor will promptly answer any questions and provide Seller documentation related to Distributor's compliance with the foregoing that may be requested by Seller as part of Seller's ongoing due diligence and risk management procedures.
- 8.2. <u>Safety; Health; Environment; Quality.</u> Seller will maintain a system of quality control measures and techniques as specified and agreed upon for each specific Product. This system, however, does not release Seller from the duty to ensure the quality of the Products through further measures. In addition, Seller will maintain its current certifications under quality, environmental, health and safety standards and will, upon reasonable request of Distributor, use its best efforts to obtain certifications under quality, environmental, health and safety standards that Seller currently does not have.

### 8.3. Recalls and Safety.

- 8.3.1. Distributor will promptly notify Seller if any records or reports concerning use of the Products is required to be filed with any Governmental Authority in the Territory.
- 8.3.2. The Parties will cooperate with one another in the event of any required Product recall or modification. If any Governmental Authority seizes any of the Products or requires to requires the recall of any of the Products, then the Party receiving notice from such Governmental Authority must notify the other Party promptly of such seizure or recall. The Parties will consult with each other regarding the timely compliance with all Laws with respect to such seizure or recall. Seller will have decision making authority with respect to any seizure or recall relating to the Products in the Territory and Distributor will assist Seller in conducting any such seizure or recall.
- 8.3.3. Distributor understands and agrees that Seller may comply with any request from Governmental Authorities to disclose, by affidavit or otherwise, the identity of Distributor, as well as the identities of Distributor's principal and the amount of any payment made or to be made to Distributor under the Agreement.
- 8.3.4. If Seller requests Distributor to recall a lot or lots of the Products, Distributor must immediately cease all sales and take all appropriate action to recall such lot or lots of the Products. Seller will bear the expenses of any recall required by it or any Governmental Authority. For the purpose hereof, expenses of recall include, without limitation, the expenses of notification and destruction or return of recalled Products but not the expense or service fees associated with salespersons' time, which will be borne by Distributor.
- 8.4. Recordkeeping; Audit. Each Party agrees to maintain all pertinent books and records relating to its performance under the Agreement, including, but not limited to, accounting records reflecting invoicing and payments received under the Agreement, Tax records, and shipping and delivery records for a period of 2 years following the expiration or termination of the Agreement. Distributor grants Seller, its internal auditors and external auditors and their respective Representatives acting its behalf ("Auditors"), the right to assess and audit Distributor's operations, processes and productions related to its performance under the Agreement. In order to enable the exercise of Auditors' rights, Distributor (a) will make reasonable endeavors to cooperate with Auditors; (b) will provide Seller and its Representatives all reasonable assistance and access to its corporate offices and operational facilities, Representatives and books and records; and (c) will maintain complete and auditable documentation.

- 8.5. Certain Prohibited Acts. Notwithstanding anything to the contrary in the Agreement:
  - 8.5.1. neither Party will make any representations, warranties, guarantees, indemnities, or other commitments on behalf of the other Party or to any Entity with respect to the Products in any case that are additional to or inconsistent with any then-existing representations, warranties, guarantees, indemnities, or other commitments in the Agreement or any written documentation provided hereunder;
  - 8.5.2. Distributor will only communicate that it is an authorized distributor of Seller with respect to the Products and will not represent that it is an authorized representative or agent of Seller in any other capacity;
  - 8.5.3. Distributor is prohibited from committing acts or omissions that may materially adversely affect Seller or any of Seller's Affiliates' business reputations in the Territory or elsewhere; and
  - 8.5.4. Distributor is prohibited from directly or indirectly seeking Customers, establishing branches or other sales Entities or maintaining any warehouse facilities outside the Territory for the sale of the Products.
- 8.6. <u>Code of Conduct</u>. Distributor hereby acknowledges that it has read and understands, and fully agrees to adhere to, the Business Partner Code of Conduct which is available at <a href="https://cswindustrials.gcs-web.com/static-files/22a735f1-ab5a-42c0-bf98-43a0b49e08c5">https://cswindustrials.gcs-web.com/static-files/22a735f1-ab5a-42c0-bf98-43a0b49e08c5</a>.

## 9. LIMITED LIABILITY; INDEMNIFICATION; INSURANCE

- 9.1. Force Majeure.
  - 9.1.1. Neither Party will be in breach of the Agreement, nor liable for any Losses, non-performance, default, or delay in performance of any obligations under the Agreement caused by, due to, arising from or attributable to any event of Force Majeure; *provided, however*, that no event of Force Majeure will excuse or delay a Party's obligation to pay money.
  - 9.1.2. The Party claiming Force Majeure must promptly notify the other Party without undue delay and will promptly provide the other Party with the details in writing of such Force Majeure event, which will include, at a minimum (a) the impact on the performance of its obligations under the Agreement; (b) the expected duration of the event; (c) the efforts being employed to remedy the event or remove the disruptions hindering the fulfillment of its contractual obligations; and (d) the efforts being employed to minimize any Losses to the other Party.
  - 9.1.3. Subject to a Party's right to terminate the Agreement, the affected Party's time for performance or cure under the Agreement will be extended for a period of time equal to the duration of the Force Majeure event.
  - 9.1.4. Notwithstanding the foregoing, each Party is responsible for maintaining in place an adequate and appropriate disaster recovery and business continuity plan that addresses its ability to reasonably foresee and manage Force Majeure events, including, without limitation, substitute or backup equipment and facilities ("<u>DR Plan</u>"). Neither Party's failure to perform will be excused to the extent the Force Majeure event could have been prevented or mitigated if not for such Party's failure to maintain a DR Plan.
- 9.2. <u>LIMITED LIABILITY</u>. TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ANY OTHER ENTITY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, PUNITIVE, REMOTE, SPECULATIVE OR ENHANCED DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY INJURY TO OR LOSS OF GOODWILL, REPUTATION, BUSINESS, PRODUCTION, REVENUES, PROFITS, ANTICIPATED PROFITS, ROYALTIES, CONTRACTS, OR OPPORTUNITIES (REGARDLESS OF HOW THESE ARE CLASSIFIED AS DAMAGES), OR COST OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE OR MISCONDUCT), BREACH OF WARRANTY OR AN OBLIGATION ARISING THEREFROM, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE (INCLUDING THE ENTRY INTO, PERFORMANCE, OR BREACH OF THE AGREEMENT), REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE OR THE PARTY AGAINST WHOM SUCH LIABILITY IS CLAIMED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE, AND NOTWITHSTANDING THE FAILURE OF ITS ESSENTIAL PURPOSE OF ANY AGREED OR OTHER REMEDY; *PROVIDED, HOWEVER*, THAT THIS LIMITATION WILL NOT APPLY TO EITHER PARTY'S INDEMNIFICATION OBLIGATIONS.
- 9.3. MAXIMUM LIABILITY FOR DAMAGES. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY FOR DIRECT DAMAGES ARISING OUT OF OR RELATED TO THEIR RELATIONSHIP AND THE AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, DURING ANY 12-MONTH PERIOD EXCEED THE TOTAL OF THE AMOUNTS PAID AND AMOUNTS ACCRUED BUT NOT YET PAID TO SELLER PURSUANT TO THE AGREEMENT IN THE 12-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM; *PROVIDED, HOWEVER*, THAT THIS LIMITATION WILL NOT APPLY TO EITHER PARTY'S INDEMNIFICATION OBLIGATIONS.
- 9.4. <u>Mutual Indemnification</u>. Each Party ("<u>Indemnifying Party</u>") agrees to indemnify, defend and hold harmless the other Party and its Affiliates, successors and permitted assigns and their respective Representatives ("Indemnified Party") against any and all Losses incurred or suffered

by Indemnified Party that arise out of or result from any Third-Party Claim asserted against Indemnified Party in relation to (a) any breach of the Agreement by Indemnifying Party or any failure by Indemnifying Party to perform its duties under the Agreement and/or observe the terms and conditions contained therein, including incurring in any breach of a representation, warranty or covenant; (b) for damage to property and/or injury or death to the extent the damage, injury or death is caused by the negligent act or omission (including recklessness or willful misconduct) of Indemnifying Party; (c) failure by Indemnifying Party or its Representatives to materially comply with any applicable Laws; and (d) disclosure or unauthorized use of Indemnified Party's IP or Confidential Information by Indemnifying Party, its Affiliates and their respective Representatives.

9.5. Procedure. Indemnified Party will notify the Indemnifying Party promptly upon receipt of notice of a Third-Party Claim with details of all facts relating to such assertion within the knowledge of Indemnified Party and will afford Indemnifying Party the opportunity, at Indemnifying Party's sole cost and expense, to defend against such Third-Party Claim. In any such action or proceeding, Indemnified Party will have the right to retain its own counsel, but the fees and expenses of such counsel will be at its own expense unless (a) Indemnifying Party and Indemnified Party mutually agree in writing to the retention of such counsel; or (b) the named parties to any such suit, action or proceeding (including any impleaded parties) include both Indemnifying Party and Indemnified Party, and in the reasonable judgment of Indemnified Party, representation of Indemnifying Party and Indemnified Party by the same counsel would be inadvisable due to actual or potential differing or conflicts of interests between them.

#### 9.6. Infringement Indemnification.

- 9.6.1. Indemnifying Party will indemnify, defend and hold harmless Indemnified Party against any and all Losses incurred or suffered by Indemnified Party including Losses incurred or suffered by Indemnified Party that arise out of or result from any Third-Party Claim asserted against Indemnified Party directly or indirectly in relation to any allegation that the Indemnifying Party's IP infringes the IP rights of a Third Party.
- 9.6.2. Indemnifying Party will have no liability for any Third-Party Claims and thus no obligation to defend and indemnify Indemnified Party under this Section if the Third-Party Claim is based on (a) Indemnified Party's use of the affected IP without Indemnifying Party's written consent; (b) Indemnified Party's continued use of the affected IP after Indemnifying Party notifies Indemnified Party to discontinue use because of such a Third-Party Claim; (c) any modification of the affected by IP by Indemnified Party or a Third Party affiliated with Indemnified Party, but only to the extent that such Third-Party Claim would have been avoided, but for such modification; (d) Indemnified Party's use, operation or combination of the affected IP with IP, data, materials or items not supplied or approved by Indemnifying Party, but only to the extent that such Third-Party Claim would have been avoided but for such combined use; (e) Indemnified Party's use of the affected IP in a manner not intended by Indemnifying Party; or (f) Indemnified Party's misuse of the affected IP.
- 9.6.3. If Indemnifying Party receives notice of a Third-Party Claim of infringement or otherwise concludes that its IP may infringe the IP rights of a Third Party, Indemnifying Party may, in its sole discretion, (a) procure the right for Indemnified Party to continue using the affected IP; (b) modify the affected IP to make it non-infringing; (c) replace the affected IP with a functional equivalent; or (d) if Indemnifying Party determines that options (a) through (c) are not practicable, terminate Indemnified Party's right to use the affected IP.
- 9.6.4. Indemnifying Party's obligation to defend Indemnified Party under this Section is subject to (a) Indemnified Party must notify Indemnifying Party promptly in writing after the Third-Party Claim is asserted or threatened; (b) Indemnified Party must give Indemnifying Party sole control over its defense or settlement; (c) Indemnified Party does not take a position that is adverse to Indemnifying Party; and (d) Indemnified Party must provide Indemnifying Party with reasonable assistance in defending the Third-Party Claim for which Indemnifying Party will reimburse Indemnified Party for any reasonable out-of-pocket expenses that Indemnified Party incurs in providing such assistance.
- 9.6.5. This Section states Indemnifying Party's entire liability and Indemnified Party's exclusive remedies with respect to any Third-Party IP infringement and misappropriation Claims.
- 9.7. Exceptions and Limitations on Indemnification. Notwithstanding anything to the contrary in the Agreement, Indemnifying Party is not obligated to indemnify, hold harmless or defend Indemnified Party to the extent the Third-Party Claim arises out of or results from Indemnified Party's or its Personnel's (a) negligence or more culpable act or omission (including recklessness or willful misconduct); or (b) bad faith failure to materially comply with any of its obligations set forth in the Agreement.

### 9.8. Insurance.

9.8.1. Each Party will at all times during the Term and, with respect to claims-made coverages, for 2 years subsequent thereto, obtain and maintain in force, insurance policies with coverage and coverage minimums that are commensurate with each Party's respective business operations and consistent with generally accepted industry practices, including, as applicable, commercial general liability insurance, product liability insurance, all risk property insurance, automobile/motor liability insurance, workers' compensation insurance, employer's liability insurance and any other similar and appropriate insurance policies (the "Insurance Policies").

- 9.8.2. Indemnifying Party's Insurance Policies will be primary and any other insurance or self-insurance that may be maintained by Indemnified Party will be excess and noncontributory.
- 9.8.3. Each Party will (a) cause its insurers or its Representatives to issue certificates of insurance evidencing that the Insurance Policies are maintained in force and will deliver such certificates upon written request of the other Party; (b) include the other Party, its Affiliates and their respective Representatives as additional insureds on its Insurance Policies, as applicable, or will include the other Party as an indemnitee to principal; (c) provide at least 30 days' written notice to the other Party prior to any modification, cancellation or non-renewal of its Insurance Policies; (d) make all commercially reasonable efforts to ensure that its insurers waive any rights of subrogation they may have against the other Party arising in relation to the subject matter of the Agreement where applicable; and (e) be responsible for all deductibles, co-payments and other liabilities relating to its Insurance Policies.
- 9.8.4. If a Party uses any subcontractors in the performance of its obligations under the Agreement, the Party will require the subcontractor to obtain and maintain Insurance Policies equal or substantially similar to its own.
- 9.9. Allocation of Risk; Limitation of Actions; Risk of Loss. The Parties acknowledge and agree that these limits of liability allocate the risks between the Parties. Furthermore, the Parties acknowledge and agree that the consideration under the Agreement reflects this allocation of risk and limitation of liability. No action, regardless of form, arising out of any claimed breach of the Agreement or the Products may be brought by either Party more than 2 years after such Party has obtained actual knowledge of the cause of action or after the statute of limitations prescribed by applicable Law, whichever is less. Neither Party represents or warrants that the Insurance Policies are adequate to cover and protect the interests of the other Party. Each Party will be fully responsible for risk of damages to any real or personal property or other materials owned or leased by it and used to perform its obligations under the Agreement. Failure to maintain the Insurance Policies or provide certificates of insurance as required above will not relieve a Party of any liability.

## 10. MISCELLANEOUS

- 10.1. Entire Agreement; Binding Effect; No Third-Party Beneficiaries. This Manual, the Commercial Terms (including the CT Schedules, or the Standard T&Cs, if the Parties have not executed the Commercial Terms) and the Order Acknowledgements constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein and therein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter, which other agreements or understandings will be of no force or effect for any purpose. The Agreement may not be amended or supplemented in any manner except by mutual agreement of the Parties and as set forth in a writing signed by the Parties hereto or their respective permitted successors in interest. The Agreement and all the provisions hereof will be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. The Parties hereto intend that the Agreement will not benefit or create any right or cause of action in, or on behalf of, any Entity other than the Parties hereto.
- 10.2. Severability; Waiver. The Parties hereto intend all provisions of the Agreement to be enforced to the fullest extent permitted by Law. Accordingly, should a court of competent jurisdiction determine that the scope of any provision hereof is too broad to be enforced as written, the Parties intend that the court should reform the provision to such narrower scope as it determines proper to be enforceable. However, if for any reason a court of competent jurisdiction (a) holds any provision of the Agreement to be invalid or unenforceable, such provision will be reformed by such court as necessary to render same valid and enforceable to be enforced as so reformed; or (b) determines that any such provision cannot be so reformed, such provision will then be severed from the Agreement and the remainder of the Agreement will be valid and enforceable and will be enforced as if such provision had never been a part hereof. The tardiness or failure by either of the Parties hereto in exercising any right or privilege pursuant to the Agreement will not operate as a waiver thereof, nor will the exercise of any right by either Party serve as an obstacle to the exercise of any other rights, powers or privileges or any portion thereof. The waiver of any breach of any provision under the Agreement by either Party will not be deemed to be a waiver of any preceding or subsequent breach under the Agreement. No such waiver will be effective unless in writing.
- 10.3. <u>Assignment; Subcontracting.</u> Distributor will not, without the prior written consent of Seller, assign, transfer or otherwise dispose of its rights and obligations under the Agreement to any Third Party. Seller may at any time assign the Agreement, in whole or part, to any of its Affiliates by giving prior notice to Distributor. Distributor has the right to sub-contract the distribution and resale of the Products under the Agreement in whole or part, without Seller's prior written consent; provided, however, that Distributor will remain exclusively and fully responsible and liable towards Seller for the due performance by such subcontractors and there will be no direct relationship whatsoever between Seller and such subcontractors.
- 10.4. Notices. All notices, requests, demands, consents and other communications given or required to be given under the Agreement will be in writing and delivered to the applicable Party at the "Email" and/or "Address" set forth in the Commercial Terms. All such notices will be effective upon delivery or refusal of delivery.
- 10.5. <u>Cumulative Remedies</u>. Except as otherwise expressly provided herein, all rights and remedies provided for in the Agreement will be cumulative, non-exclusive and in addition to and not in lieu of any other rights and remedies available to the Parties at Law, in equity or otherwise. The exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now

or subsequently be available at Law, in equity, in any other agreement between the Parties or otherwise.

- 10.6. Governing Law; Choice of Forum; Trial by Jury. The Agreement and all matters arising out of or relating to the Agreement will be governed, construed and enforced by and in accordance with Seller's state of organization or the "Governing Law" set forth in the Commercial Terms without regard to or application of any principles of conflict of law. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to the Agreement. Each Party agrees that (a) it will not commence any action, litigation or proceeding against the other Party in any forum other than the state or federal courts in the location of Seller's headquarters or the "Venue" set forth in the Commercial Terms; (b) such courts will have jurisdiction over any such matter; and (c) a final judgment in any such action, litigation or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. The Parties hereby mutually agree that neither Party will seek a jury trial in any lawsuit, proceeding, counterclaim, any other litigation procedure based upon or arising out of the Agreement or any related agreement or instrument between the Parties. Neither Party will seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial has not been waived. The provisions of this Section have been fully negotiated by the Parties. The waiver contained herein is irrevocable, constitutes a knowing and voluntary waiver and will be subject to no exceptions.
- 10.7. <u>Dispute Resolution</u>; <u>Arbitration</u>. Any dispute, controversy or Claim arising directly or indirectly out of or related to the Agreement, or the breach, termination or invalidity hereof, whether contractual or non-contractual (each, a "<u>Dispute</u>"), will be submitted for negotiation and resolution to a Representative of each Party who holds a position of sufficient authority to make binding decisions for the Parties (the "<u>Authorized Representatives</u>"), by delivery of written notice (each, a "<u>Dispute Notice</u>") from either Party to the other Party. The Authorized Representatives will negotiate in good faith to resolve the Dispute. If the Authorized Representatives are unable to resolve any Dispute within 30 days after delivery of the applicable Dispute Notice, either Party may file suit in a court of competent jurisdiction. Furthermore, nothing contained herein will preclude either Party from filing a judicial proceeding seeking equitable or injunctive relief. However, should the Parties mutually agree to resolve the Dispute by arbitration rather than court proceedings then the Parties will submit the Dispute to Arbitration for resolution and final settlement under the Arbitration Rules by one or more arbitrators appointed in accordance with the Arbitration Rules. The Governing Law will be applied in relation to the Arbitration of any Dispute. The Arbitration proceedings will take place at the Venue and the language to be used in such proceedings will be English. The decision of the arbitrator will be final and binding.

## Appendix A – Defined Terms

"Agreement" means this Manual, together with (a) the Order Acknowledgements; and (b) the Commercial Terms (including the CT

Schedules, or the Standard T&Cs, if the Parties have not executed the Commercial Terms).

means in relation to either Party, any corporate legal Entity that from time to time Controls, is Controlled by or is under common Control with that Party.

"A/R Outstanding Limit" means the limit to the total amount of any outstanding and unpaid amounts that Distributor owes Seller at any given time

during the Term as set forth in the Commercial Terms.

"Arbitration" means (a) the International Court of Arbitration of the International Chamber of Commerce ("ICC") if Distributor is located

outside the United States; or (b) the American Arbitration Association ("AAA") Distributor is located within the United

States.

"Affiliates"

"Confidential Information"

"Arbitration Rules" means (a) the ICC's Rules of Arbitration; or (b) the AAA's Rules of Arbitration depending on where Distributor is located.

"Basic PO Terms" include (X) (a) a list of the Products to be purchased, including Seller's Product number; (b) the quantity of each of the

Products ordered; (c) the unit price for each of the Products to be purchased; (d) the Delivery Date; (e) the Delivery

Location and (f) the billing address; and exclude (Y) any general terms or conditions of any PO.

"Business Day" a day other than Saturday, Sunday or any day on which federally chartered banks are authorized or required by Law to

be closed for business.

"Change Order" means a written instrument delivered by Distributor to Seller notifying a change in Seller's obligations with respect to a

particular PO.

"Claim" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding,

litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or other,

whether at Law, in equity or otherwise.

"Commercial Terms" means Seller's Distributor Commercial Terms executed by the Parties for the purchase, resale and distribution of Seller's

Products (a) posted on Seller's website; or (b) sent to Distributor separately.

"Competing Goods" means any Third-Party goods that are identical or substantially similar to or that compete with the Products.

form, including any electronic or magnetic form or by inspection of tangible objects) to Receiving Party together with any and all notes, memoranda, analyses, compilations, studies or other documents prepared by Receiving Party which contain or otherwise reflect such Confidential Information, as well as any and all copies, extracts or other reproductions of any of the same, including, but not limited to (a) non-public information related to or covered under any IP rights; (b) financial information and projections, business models, business trends, strategic plans, sales and marketing plans, cost and pricing data and information, and other significant and valuable technical, financial or general business information; (c) the identities of and information concerning actual and prospective Customers, suppliers, vendors, dealers, business contacts and business partners; and (d) the existence or contents of the Agreement, the nature, purpose and status of the Parties' relationship as it pertains to the Agreement, whether or not disclosed, designated or marked as proprietary, confidential or otherwise. "Confidential Information" does not include information that (a) is or becomes generally

means the non-public information and related materials that are disclosed by Disclosing Party before, on or after the Effective Date of the Agreement (whether provided directly or indirectly, in oral, written, encoded, graphic or any other

available to the public without breach of the Agreement; (b) was available to Receiving Party on a non-confidential basis prior to its disclosure by Disclosing Party; (c) becomes available to Receiving Party from a Third Party; provided, however, that Receiving Party does not have knowledge, after reasonable inquiry, that such Third Party is subject to an obligation

of confidentiality with Disclosing Party; or (d) is independently developed by Receiving Party without reference to or

reliance upon the Confidential Information.

"Contract Year" means each consecutive 12-month period comprising April 1st through March 31st (both days inclusive) following the

Effective Date or as otherwise set forth in the Agreement.

"Control" means ownership or control of a majority of the voting rights, or the legal power to direct or cause the direction of the

general management of the relevant legal Entity (other than any power which arises in connection with administration,

receivership or insolvency or appointment as trustee).

"CT Schedule"

means the separate written notice sent by Seller to Distributor notifying Distributor of the assigned Territory, Market, Excluded Customers and any other updated terms and conditions particular to Distributor's business relationship with Seller with respect to the Commercial Terms.

"Customer"

means the ultimate end user customer who purchases the Product for use and consumption.

"Delivery Date"

means the date on which Seller will deliver the Products, as specified in the PO.

"Delivery Location"

unless expressly agreed otherwise in the applicable PO, means the transportation dock at Seller's Facility.

"Disclosing Party"

means the Party that discloses Confidential Information.

"Distributor's Facility"

means Distributor's facility located at the "Address" set forth in the Commercial Terms.

"Effective Date"

means the date the Agreement becomes effective as listed in the Commercial Terms (or the date of the first PO fulfilled by Seller, if the Parties have not executed the Commercial Terms).

"Entity"

means any individual, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, Governmental Authority or other entity of any kind and will include any assignee and/or successor (by merger or otherwise) of such entity in connection therewith.

"Excluded Customer"

means any Affiliate of Seller and any Entity that (a) does not operate within the Market; (b) is located outside of the Territory; (c) maintains a direct relationship with Seller; or (d) is expressly listed in the Agreement (in the Commercial Terms, a Rider and/or a CT Schedule), if applicable.

"Excusable Event"

means any delay or interference with, or suspension or stoppage of, Seller's obligations under the Agreement caused by (a) the acts (including the instruction) or omissions of Distributor; or (b) an event of Force Majeure.

"Force Majeure"

means causes beyond a Party's reasonable control, including, but not limited to, (a) acts of God, including acts of nature, zombie apocalypse, pandemics and epidemics; (b) natural disasters, including floods, fires, hurricanes, explosions or other national or regional emergencies or similar catastrophes; (c) acts of civil or military authority, including war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riots, and other civil commotion or unrest; (d) action by any Governmental Authority, including enforcement, implementation, repeal or modification of any Law; (e) strikes, labor disputes, labor stoppages or slowdowns, sabotage, or other industrial disturbances; (f) actions, embargoes or blockades in effect on or after the Effective Date of the Agreement; (h) shortages of or delays in receiving raw, packaging or other materials; (i) international disputes, including treaty disputes and tariff increases; (j) shortage of adequate power or transportation facilities or services; and (k) other similar events or disasters.

"Forecast"

means Distributor's good faith rolling projection or estimate of Distributor's requirements for Products during each Contract Year which, which is based on information available at the time to Distributor and approximates, as nearly as possible, the quantity of Products that Distributor may order for each such Contract Year.

"Governmental Authority"

means (a) the government or any agency of any country, nation, state, commonwealth, city, municipality or political subdivision; and (b) any Entity exercising executive, legislative, judicial, regulatory, supervisory, examination or administrative functions and authority with respect to the Parties, their respective operations or financial condition or the matters covered by the Agreement.

"Incoterms"

means the most recent version of the international commercial terms governing shipment and delivery of goods, as set forth in the Commercial Terms, a PO or elsewhere.

"Initial Term"

means the initial period of duration of the Agreement as set forth in the Commercial Terms or 1 year if the Parties have not executed the Commercial Terms.

"IP"

short for intellectual property, means (a) Patents; (b) Trademarks; (c) internet domain names, whether or not Trademarks, registered by any authorized private registrar or Governmental Authority, web addresses, web pages, website and URLs; (d) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights and copyrightable works, software and firmware, application programming interfaces, architecture, files, records, schematics, data, data files, and databases and other specifications and documentation; (e) formulae, processes, and other Trade Secrets; (f) Product samples and marketing materials related to the Products; and (g) all other intellectual, proprietary, industrial or moral rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, as well as any goodwill associated therewith, in each

case whether registered or unregistered, registerable or otherwise, and including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the Laws of any jurisdiction throughout in any part of the world.

"Jurisdiction"

means the jurisdiction where a Party is duly organized, as set forth in the Commercial Terms.

"Law"

means any statute, law, ordinance, regulation, rule, code, constitution, treaty, common law, order, writ, judgment, injunction, decree, stipulation, award or determination entered by or with any Governmental Authority or other requirement or rule of law of any Governmental Authority.

"Lead Time"

means the number of days allotted to Seller to manufacture the Products and have them ready for delivery to Distributor.

"Losses"

means losses, liabilities, damages, fines, expenses, penalties, interest expense, costs and fees and disbursements (including reasonable legal counsel and experts' fees and disbursements), net of any amounts recovered with respect thereto under Insurance Policies covering any liability thereof if and to the extent applicable in each case, individually or collectively.

"Market"

means the market within which Distributor is granted authority to solicit orders for Products from Customers as designated by Seller in the Commercial Terms (or CT Schedule) which, in turn, is based on the list of Seller's markets set forth in **Appendix B** of this Manual.

"Minimum Capacity"

means the minimum production capacity of Seller in terms of the volume of Products that Seller should be able to deliver during a Contract Year.

"MOQ"

short for Minimum Order Quantity, means the minimum quantity of each Product for an individual PO.

"Net Sales Price"

means the invoice price (exclusive of sales tax and freight and after applying any separately stated discounts, credits, rebates or adjustments) of the Products sold directly to a Customer, as reflected on the invoice applicable to such sale. For purposes of clarification, Net Sales Price does not include: (a) the value of any items that may be furnished to Seller by others without cost to Seller for its incorporation into the Product; (b) the value of any items that may be furnished by Seller to a Customer without cost to such Customer (for example, samples, prototypes, or free products furnished as part of any advertising or promotions program); (c) any payments that Seller may receive from a Customer for services, technical assistance, technical data, Restocking Fees, or other documentation provided by Seller; and (d) any reimbursement that may be received by Seller from a Customer for taxes, customs, duties and the like, as well as the cost of packing, crating, transportation and insurance during such transportation if separately charged to a Customer (including any small order handling charge for shipping Products in less than its standard box-lot quantities).

"Nonconforming Products"

means any Products received by Distributor from Seller pursuant to a PO that do not conform to the (a) Order Acknowledgement; or (b) Specifications.

"Order Acknowledgement"

means Seller's written confirmation of receipt of Distributor's PO.

"Patents"

means all patents (including any reissue, divisional, provisional, continuation and continuation-in-part, re-examination, renewal, substitution and extension thereof), patent applications, and other patent rights and any other Governmental Authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models).

<u>"Payment Terms"</u>

means the terms of payment set forth in the Commercial Terms or net 30 days calculated from the date of Seller's invoice if the Parties have not executed the Commercial Terms.

"Personnel"

of a Party means any agents, employees, professionals, contractors or subcontractors engaged or appointed by such Party.

"PO"

short for purchase order, means the ordering document through which Distributor orders Products from Seller.

"Pricelist"

means the list of products and their corresponding pricing, MOQs, Lead Times and other information provided by Seller to Distributor from time to time.

"Products"

means the products set forth in the Pricelists, (a) fully finished, packaged and labeled with Seller's Trademarks; and (b) ready to resell and distribute by Distributor without further intervention by Seller, Distributor or any Third Party.

"Receiving Party"

means the Party that receives Confidential Information from the Disclosing Party.

"Renewal Period" means the period of duration for which the Agreement is automatically renewed as set forth in the Commercial Terms or

1 year if the Parties have not executed the Commercial Terms.

"Representative" means with respect to a particular Entity, any Affiliate, director, officer, partner, member, shareholder, employee, agent,

consultant, advisor, or other representative of such Entity, including legal counsel, accountants, and financial advisors.

"Restocking Fee" means the fee charged by Seller for accepting the return of Product previously purchased by Distributor or a Customer.

"Seller" means Whitmore Manufacturing, LLC and/or any of its wholly owned subsidiaries.

"Seller's Facility" means Seller's facility located at the "Address" set forth in the Commercial Terms.

"Shipping Terms" means the terms and conditions of delivery and transport as established by Incoterms and set forth in the Commercial

Terms or EXW – Seller's Facility – Incoterms if the Parties have not executed the Commercial Terms.

"Specifications" means the details describing the materials, qualities and components which comprise the Products, including, but not

limited to size, technical standards, storage requirements, quality standards, shelf-life and any other pertinent features

of the Products as set forth in the Agreement.

"Standard T&Cs" means Seller's standard terms and conditions of sale (a) posted on Seller's website; (b) attached to or linked within

Seller's Order Acknowledgement; and/or (b) sent to Distributor separately.

"System" means Seller's ERP system used for transmitting and processing POs, Order Acknowledgements, invoices and other

documentation related to the commercial transactions carried out under the Agreement.

"<u>Taxes</u>" means any and all present and future sales, income, stamp and other taxes, levies, imposts, duties, deductions, charges,

fees or withholdings imposed, levied, withheld or assessed by any Governmental Authority, together with any interest or

penalties imposed thereon.

"Term" means the Initial Term and all Renewal Periods.

"Territory" means the geographic area set forth in the Commercial Terms (or CT Schedule), subject to the additional terms and

conditions set forth in the Agreement, if applicable.

"Third Party" means any Entity that is not a party to the Agreement and is not an Affiliate of the Parties to the Agreement.

"Trade Dress Instructions" means a Party's identity guidelines, corporate brand standards, Trademarks and other instructions with respect to the

overall design, packaging and labeling of the Products as determined by a Party from time to time.

"Trademarks" means all rights in and to US and foreign trademarks, service marks, trade dress, trade names, brand names, logos,

corporate names, business names, domain names, designs, logos, labels, titles, signs, emblems, insignia, symbols, slogans, or other branding materials and trade-identifying designations and other similar designations of source,

sponsorship, association or origin, including the "look and feel" of any of the foregoing.

"Trade Secrets" means all trade secrets as defined by applicable Law.

# **Appendix B – Markets**

Market	<u>Description</u>
Energy & Industry	
Oil & Gas	Entities that are involved in all stages of producing and refining crude oil stocks.
PetroChemical	Entities that process and refine petroleum stock and other chemical stocks to produce.
General Industry	Entities that consume industrial products for maintenance of plants or facilities or use industrial products as a component for manufacturing that don't fall within another Market.
Hygiene – Food & Beverage	Entities that manufacture food and beverage products for consumption and are required to follow international health and hygiene standards.
Hygiene – Well Water	Entities that drill water wells and pump water for consumption and are required to follow international health and hygiene standards.
Renewable Energy	Entities that produce electricity from wind, solar, geothermal and hydro-electric sources.
Heavy Industry	
Mining	Entities that mine minerals, metals and coal for processing and sale to the commodity market.
Steel	Entities that process iron ore into finished steel products.
Power Gen	Entities that convert coal and natural gas into electrical power.
Sugar	Entities that process sugar cane, sugar beets or other agricultural raw materials to produce products for commercial
	food manufacturers.
Cement	Entities that mine limestone, stone or aggregate for processing and manufacturing of construction materials for sale to the construction industry.
Transportation	
Rail – Metro Rail	Entities that build and maintain railway systems for commuter traffic within a metropolitan region or city (generally excludes intercity rail Entities).
Rail – Passenger/Light Rail	Entities that build and maintain intercity passenger transport railway systems, often using same track systems as Class 1 Rail.
Rail – Class 1	Entities that build and maintain railways for rail transport of cargo and intercity transport of passengers.
Automotive – Passenger	Entities that manufacture, sell, lease and/or service automotive vehicles.
Automotive – Heavy Duty	Entities that manufacture, sell, lease and/or service commercial heavy-duty vehicles for on-road/off-road use.
Aerospace	Entities that manufacture, sell, lease and/or service aircraft for commercial purposes.
Marine – Commercial	Entities that manufacture, sell, lease and/or service watercraft used commercially.
Marine – Recreational	Entities that manufacture, sell, lease and/or service watercraft used for pleasure.