

SCOT INDUSTRIES, INC., (SCOT)
Terms and Conditions for Purchase Orders

Issued Oct 2023

The following terms and conditions (“SCOT INDUSTRIES, INC.”, (hereafter SCOT) Terms and Conditions for Purchase Orders) are the terms and conditions applicable to any SCOT company mentioned on the purchase order as the company to which the products are sold/for which the services are performed or (ii), if such reference does not appear on the purchase order, the company to which the products and/or services are invoiced (herein collectively referred to as “SCOT”), purchases products and/or services from a supplier (“Supplier”). For clarity, Supplier acknowledges and agrees that only the buyer named on the purchase order or the buyer to which the products and/or services are invoiced shall be liable to Supplier for any products and/or services supplied under that purchase order, including payment obligations in connection with said purchase order.

All exceptions must be approved by Scot Industries, Inc. Return Acknowledgement promptly upon receipt of order. Place Order Number on all packages, bills of lading and invoices. Seller warrants goods shipped are produced in accordance with applicable provisions fair labor standards act. No charges for packing or crating will be accepted unless previously agreed on. Any process changes affecting form or function must be approved in advance. Original Mill Test Reports Required. Invoice Promptly. Scot Industries, Inc. will not accept any material that incorporates iron and/or steel products originating in Russia.

ARTICLE 1 – PROVISION OF PRODUCTS AND/OR SERVICES

Subject to the terms and conditions hereof, SCOT may, from time to time, purchase from Supplier the products and/or services set forth in the purchase order submitted by SCOT (herein the “Products and/or the “Services”) at the price indicated therein, and Supplier may provide the same to SCOT.

ARTICLE 2 - ORDERS

2.1 To purchase Products and/or Services, SCOT shall issue a purchase order (“Order”). The Order shall set out the type, quantity, price and required date of delivery of the Products and/or performance of Services, and other relevant information. Supplier shall expressly/formally notify its acceptance or refusal of the Order within five (5) working days from Order issuance (unless a different period is stated on the Order). Orders not formally accepted in accordance with the preceding sentence shall be deemed rejected by Supplier and SCOT reserves the right to cancel such rejected Orders. SCOT shall have no obligation of payment with respect to such cancelled Orders. Orders may be submitted manually or through any procurement system used by SCOT to purchase Products and/or Services. The procurement systems used by SCOT to place and manage Orders shall be equally referred to as “Electronic Purchasing Systems”. An “Electronic Order” is an Order sent automatically (i.e. without human intervention) after Order approval by any of the SCOT Electronic Purchasing Systems. An Order which is sent manually (i.e. not sent by any of SCOT Electronic Purchasing Systems) is a “Traditional Order”, and usually sent by fax, post or email of the individual submitting the Order, or hand delivered.

2.2 SCOT shall not be obligated to purchase and pay for any Products and/or Services which have not been included in an Order. SCOT shall not be obligated to purchase and pay for any Products and/or Services which have been included in an Order (i) not approved by the duly authorized representative of SCOT with respect to traditional Orders, or (ii) not submitted in accordance with the methods described hereunder with respect to Electronic Orders.

ARTICLE 3 – ORDER OF PRECEDENCE; DEFINITION OF AFFILIATE

3.1 In case of conflict or inconsistency between an Order and these SCOT Terms and Conditions for Purchase Orders, these SCOT Terms and Conditions for Purchase Orders shall prevail. In case of conflict or inconsistency between the provisions hereof and any applicable laws or regulations, the provisions hereof shall prevail, to the extent legally possible (and to the extent legally impossible, be amended accordingly).

3.2 Except as provided for in Articles 3.3 and 3.4, any additional, contrary or different terms (i) provided by Supplier during the performance of the Order, (ii) contained or referred to in any form generally used by Supplier, or any correspondence which may have been applicable to the subject matter hereof, or (iii) implied by trade, custom, practice or course of dealing, are void and unenforceable, and any purported provisions to the contrary are hereby excluded or extinguished. Any attempts to modify, supersede, supplement or otherwise alter these SCOT Terms and Conditions for Purchase Orders, are deemed rejected by SCOT and will not modify these SCOT Terms and Conditions for Purchase Orders or be binding on the parties, unless such terms have been fully approved in a written instrument signed by the duly authorized representatives of the parties.

3.3 If a separate agreement exists or is subsequently entered into between the parties named on the Order with respect to the Products and/or Services covered in such Order, that agreement shall apply in place of these SCOT Terms and Conditions for Purchase Orders.

3.4 If a confidentiality agreement, a licensing agreement, joint development agreement or other intellectual property related agreement entered into by the parties with respect to the Products and/or Services covered in the Order (“IP Agreement”) exists and is valid at the time of the purchase of Products and/or Services, that agreement shall govern all intellectual property related matters and all disclosures between the parties and shall apply in addition to these SCOT Terms and Conditions for Purchase Orders. In case of conflict or inconsistency between the provisions of the IP Agreement and the provisions of the SCOT Terms and Conditions for Purchase Orders, the provisions of the IP Agreement shall prevail.

3.5 For the purposes hereof, “Affiliate” of a party means an entity that directly or indirectly through one or more intermediaries, controls or is controlled by that party, or an entity that is controlled by the same entity that controls the party. Control means having the right to decide, directly or indirectly, the manner of exercising more than fifty percent (50%) of the votes in a general meeting of an entity or more than fifty percent (50%) of the votes in a meeting of the executive body of an entity.

ARTICLE 4 – TERMS AND CONDITIONS FOR PURCHASE ORDERS; AGREEMENT

4.1 Except as provided for in Articles 3.3 and 3.4, each Order shall be subject to and governed by these SCOT Terms and Conditions for Purchase Orders. These terms and conditions shall apply to all Electronic Orders as well as to all Traditional Orders, regardless of whether they are referenced in the Order.

4.2 SCOT's submission of an Order shall be deemed an offer to purchase the Products and/or Services under the terms and conditions contained or referred to herein. Once Supplier (i) accepts an Order; (ii) initiates performance (by shipment/delivery of the Products and/or performance of the Services in whole or in part), or (iii) uses any other method to express its assent to the provisions hereof, there shall

be a binding contractual relationship/agreement between the parties consisting of the Order and the terms and conditions contained or referred to herein.

ARTICLE 5 – ACCESS TO SCOT SYSTEMS

5.1 For the purpose of this Article 5, any information of SCOT which is made available to Supplier shall be deemed Confidential Information of SCOT (as defined in Article 22) and shall be subject to the provisions hereof.

5.2 These provisions apply to the parties when an Order, request or other communication is sent automatically through certain SCOT Electronic Purchasing Systems, networks, computer systems, storage device, mobile computing device or software (“Systems”) and/or when SCOT grants an access to certain Systems to Supplier and its employees:

5.2.1 Supplier and its employees will access and shall use the Systems and Confidential Information solely for legitimate business purposes in furtherance of Supplier’s business relationship with SCOT or its Affiliates. Supplier shall be liable for actions or omissions of its employees in accessing and using the Systems. Supplier shall prevent terminated employees from accessing Confidential Data by immediately terminating their physical and electronic access to such information and systems

5.2.2 Supplier’s access to the Systems as well as utilization of access codes, passwords and access procedures may be denied, changed or terminated at any time by SCOT without cause or liability to Supplier, at SCOT’s sole discretion. Upon expiration, termination or cancellation of the Order, Supplier will cease all attempts to access the Systems and shall return or destroy all tangible SCOT Confidential Information made available to Supplier as a result of such access.

5.2.3 Supplier shall not access the Systems through a virtual private network or any other means that obfuscates the origin of Supplier’s access to the Systems or obfuscate the origin of data Supplier provides to the Systems.

5.2.4 Except for information owned by Supplier prior to input into the Systems, all information including data created, stored or contained in the Systems, including messages, (herein referred to as “Information”) is the property of SCOT. Supplier hereby assigns, to the extent it has the right to do so, all of its interests in, rights and title to SCOT of such Information.

5.2.5 SCOT will not be liable to Supplier for content, any loss or corruption of Supplier’s data stored in or transmitted through the Systems, incorrect results obtained by using the Systems, interruption of access or use of the Systems for whatever reason, access of any Supplier data by third parties, or toll fraud in accessing or using the Systems.

5.2.6 Supplier shall not install or distribute illicit or malicious code such as viruses, backdoors and password crackers on the Systems nor shall install code or data which is designed to corrupt or facilitate the theft of data from Systems.

5.2.7 Supplier shall, to the extent permitted by law, indemnify, defend and hold SCOT harmless from and against all claims, liabilities (including reasonable attorney fees), damages, losses, penalties or expenses, including, without limitation, court costs, reasonable attorneys’ fees, liability for investigatory costs and governmental response costs, relating to : (i) use of and access to the Systems arising out of Supplier’s

breach of the provisions of this Article 5, (ii) Information submitted, transmitted or otherwise make available by Supplier via the Systems, including copyright infringement claims, and (iii) violation of law by Supplier in its use of the Systems or Confidential Information

5.3 Security Program. Supplier shall establish, implement, maintain and where necessary regularly update, physical, technical and administrative safeguards under a written information security program that are designed to: (i) be consistent with all applicable laws, (ii) at a minimum meet all relevant industry standards.

5.4 Security Breach Protocol. Supplier shall use its best efforts to assist SCOT in identifying and preventing any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Confidential Information transmitted, stored or otherwise processed caused by or resulting from a failure, breach of, lack of or inadequacy of security, physical intrusion of facilities, theft or loss of documents, laptops or storage media, or employee or contractor malfeasance

("Security Breach"). Supplier shall maintain policies and procedures for responding to Security Breaches consistent with accepted industry standards. In the event of a Security Breach, or if Supplier reasonably suspects that a Security Breach is threatened or has occurred, Supplier shall: (a) provide notice to SCOT within twenty-four (24) hours after Supplier discovered or reasonably suspected such Security Breach; and (b) promptly, and in no event more than two (2) business days after the date Supplier discovered or reasonably suspected a Security Breach, provide a written report to SCOT concerning such Security Breach, including a list of all individuals who have or have had access to SCOT Information. In the event of a Security Breach or cyber-attack, Supplier shall take all appropriate corrective action at the sole cost and expense of Supplier.

5.5 Security Assessment. Supplier shall employ assessment, monitoring and auditing procedures to ensure internal compliance with the security requirements set forth herein and conduct an annual security assessment against these security requirements and Supplier's security standards that shall be made available to SCOT upon request.

5.6 No rights, ownership, or licenses to any copyrights, patents, trade secrets, or other intellectual property rights are granted hereunder. In no event will Supplier copy, download, modify, reverse engineer, decompile, disassemble or create derivative works of any SCOT data, software programs, or third-party software programs licensed to SCOT, except with the prior written consent of SCOT.

ARTICLE 6 – NON-EXCLUSIVE RELATIONSHIP BETWEEN THE PARTIES; NO COMMITMENT TO BUY

6.1 The parties expressly acknowledge and agree that their relationship hereunder shall be non-exclusive, and that each of them may, subject to the obligations hereof pertaining to proprietary or confidential information or the like, enter into substantially similar agreements with other parties with respect to (i) products and/or services similar (or substantially similar) to the Products and/or Services contemplated hereunder, or part thereof, or (ii) as applicable, the Products and/or Services, or part thereof. If Products are customized for SCOT in accordance with SCOT's proprietary specifications, designs and requirements, Supplier shall not supply, manufacture, offer to supply or manufacture, otherwise provide, or enter into any agreement to provide any such SCOT-designed Products or articles of manufacture to others, unless otherwise expressly agreed to by SCOT in writing.

6.2 The parties expressly acknowledge and agree that SCOT makes no commitment of any kind with respect to a business volume or the like, notwithstanding anything herein to the contrary.

ARTICLE 7 – PRICES

7.1 SCOT shall pay Supplier the prices set out in the Order in the case of non-changing prices. For cases where the price is tied to an index or something similar, the price will change accordingly. However, the method of change will be clearly described on the order.

7.2 The applicable delivery terms shall be set out in the Order or in the separate document signed by the parties or their representatives to clarify the delivery terms, packaging and delivery requirements, and any other specific operational requirements mutually agreed upon. The prices include any applicable test performance and/or issue and filing of any required certificates. SCOT's access to and use of certificates and tests results shall survive the expiry or termination of the Order.

7.3 Supplier warrants that the applicable prices are no more than the prices charged to other clients for contemporaneous sales of similar Products and/or Services, in the same or substantially similar volumes, and under substantially similar terms and conditions.

ARTICLE 8 – TAXES

8.1 Except as otherwise agreed by the parties in writing, the prices (rates of compensation) provided in the Order shall include all applicable taxes, duties, and levies including, without limitation, those described in Articles 8.2, 8.3, 8.4, and 8.6, paid, payable, levied or assessed on Supplier or any of its employees, agents, subcontractors and similar by the relevant government, and arising directly or indirectly from the sale of Products and/or performance of Services by Supplier under the Order.

8.2 Supplier shall assume full and exclusive liability for the payment of all taxes (and associated penalties and interest) including, by way of illustration and not limitation, corporate tax, income tax, branch profit tax, capital gains tax, or franchise tax payable, levied, imposed, or assessed upon the revenue, profits, or assumed profits of Supplier arising directly or indirectly from the performance of the Order.

8.3 Supplier shall assume full and exclusive liability for the payment of all taxes (and associated penalties and interest), including, by way of illustration and not limitation, personal income tax, employment compensation insurance, old age benefits, welfare funds, pensions and annuities, national insurance contributions, social security benefits and disability insurance, and similar charges payable, levied or imposed on any of its employees, subcontractors or agents and arising directly or indirectly from the performance of the Order.

8.4 Supplier shall assume full and exclusive liability for the payment of all taxes (and associated penalties and interest), including, by way of illustration and not limitation, sales and use tax, value-added tax, customs and import duties and levies and similar charges payable, levied or imposed on the procurement of goods or services by Supplier or any of its employees, subcontractors or agents and arising directly or indirectly from the performance of the Order.

8.5 The prices are exclusive of Value Added Tax and/or Sales Tax. Notwithstanding the provisions of Article 8.4, if applicable, Value Added Tax and/or Sales Tax will be added to Supplier's invoices and such

invoices will be presented in accordance with applicable regulations with respect to Value Added Tax and/or Sales Tax.

8.6 SCOT may, without liability to Supplier, withhold any taxes or other government charges or levies from any payments which would otherwise be made by SCOT to Supplier to the extent that such withholding may be required by the existing or future legislation, orders, rules or directions of any competent taxing authority. SCOT shall provide a receipt in respect of any tax withheld. Where the requirements for any withholding are avoided by Supplier holding an appropriate valid exemption certificate it is the duty of Supplier to: (i) inform SCOT on a timely basis that such a certificate is held and to inform SCOT of any change to or cancellation of the certificate and; (ii) provide copies of the certificate or any other proper documentation evidencing the exemption or any further information that may be required to avoid such withholding. Failure on the part of SCOT to withhold or deduct any taxes from Supplier does not remove the liability for those taxes from being declared and paid by Supplier.

8.7 Supplier shall defend, indemnify, and hold SCOT harmless from and against any and all liabilities to any competent authority resulting from Supplier's failure to (i) make timely payment of or pay any of the charges specified in Articles 8.2, 8.3, 8.4 or 8.6 above, including interest, penalties and any other liability arising from such failure, or (ii) comply with the reporting, filing or other procedural requirements with respect to their payment.

8.8 In the event that SCOT receives a direct request from any governmental authority requesting information regarding Supplier, and upon written request by SCOT, Supplier shall provide evidence to confirm Supplier's compliance with governmental tax reporting and payment obligations.

ARTICLE 9 – WARRANTIES

9.1 General warranties. Supplier represents and warrants that: (a) it shall obtain and maintain all licenses and permits required under applicable laws and regulations in connection with the supply of Products and/or the performance of Services; (b) none of the Products and/or Services or SCOT's use and/or enjoyment thereof in accordance with the Order shall infringe any intellectual property right of any third party.

9.2 Tubular metal and Bar metal warranties. Warranties shall pass from originating supplier to Scot and, in turn, to the subsequent buyer or buyers.

Non tubular metal and Bar metal warranties. Products warranties and remedies, Supplier represents and warrants that for a period of twenty four (24) months from the date of delivery to SCOT or eighteen (18) months from the Products first being placed into service by the original end user, whichever is later (except as otherwise agreed in the Order): (i) the Products shall conform to the applicable specifications, and shall be merchantable, free from defects in workmanship, materials, manufacture and design, fit for the purposes intended and new (unless otherwise agreed by SCOT), (ii) the Products shall be certified (if applicable), and comply with all applicable laws (including without limitation environmental, health and safety laws, rules and regulations), (iii) Supplier shall have good and marketable title to all Products delivered to SCOT, free from and clear of any liens, claims, encumbrances, and (iv) Supplier is the owner or has the legal right to provide the Products to SCOT. Notwithstanding the foregoing, with regards to raw materials used in manufacturing by SCOT, Supplier's warranties of merchantability or fitness for the purposes intended are excluded. If any Products are found not to be as warranted, SCOT may return the same to Supplier, at Supplier's expense and risk, for correction, replacement, refund or credit, as SCOT

may direct. Any Products repaired or replaced shall be warranted for an additional period equal to the same duration as the Products initially furnished.

9.3 Services warranties and remedies Supplier warrants and represents that all Services shall be performed by skilled and experienced personnel with all due care and diligence, in a timely, workmanlike and safe manner, in accordance with the highest industry standards and in compliance with all applicable laws and regulations and all other requirements of the Order. The warranty period begins on the commencement date of the Services and ends twelve (12) months following the last date of performance of the applicable Service. Defective Services shall be re-performed or corrected by Supplier at Supplier's expense and risk, or credited, at SCOT's sole discretion. Any Services re-performed shall be warranted for the same duration as the Services initially performed.

9.4 Products and/or Services may incorporate components manufactured by third parties. To the extent that such components are warranted against defects by their original manufacturers, and to the extent that such warranties are assignable to SCOT, Supplier shall assign to SCOT any rights and remedies it has relating to such components. Supplier further agrees to perform any obligations of the original manufacturer under the manufacturer's warranty to the extent that such manufacturer authorizes Supplier to perform such warranty obligations.

9.5 SCOT may decide that Supplier's correction of the defects will be prejudicial to SCOT's interests. Should SCOT elect to undertake Supplier's responsibilities as described in Articles 9.2 and 9.3, directly or through a third party, SCOT shall notify Supplier accordingly and shall be entitled to recover from Supplier the full amount incurred by SCOT as a direct result of carrying out such responsibilities.

9.6 Supplier represents, declares, and warrants that any and all Products, or parts thereof, or the supply of Products or Services, shall not be provided to SCOT unless such Products or Services are one hundred percent (100%) free from asbestos when delivered by or on behalf of Supplier to SCOT. Supplier shall release, defend, indemnify, and hold SCOT Group harmless from and against any and all Claims or losses resulting from breach of this warranty

9.7 The foregoing warranties and remedies shall apply to the benefit of SCOT, its Affiliates, or its or their customers, and shall not be affected by delivery to, inspection, acceptance or payment by, SCOT.

ARTICLE 10 – TERMINATION; CANCELLATION

10.1 SCOT may cancel an Order, in whole or in part, without any penalty, at any time prior to its acceptance by Supplier, as set forth in Article 2.1.

10.2 Termination for cause

(a) Either party may terminate an Order, in whole or in part, if a Force Majeure event lasts for more than fifteen (15) consecutive days.

(b) SCOT may terminate an Order for cause, in whole or in part, without any penalty, in the event of Supplier's default or failure to (i) comply with the terms and conditions hereof, or (ii) comply with the requirements of an Order accepted by Supplier (including without limitation failure to timely deliver the Products and/or perform the Services, whether said failure occurred or was announced by Supplier), or (iii) provide reasonable assurance of future performance.

(c) SCOT may terminate an Order for cause, in whole or in part, without any penalty, if Supplier becomes bankrupt or insolvent, or if Supplier's business is placed in the hands of a receiver, assignee, or trustee, whether by voluntary act of Supplier or otherwise, or undergoes any proceeding analogous to the foregoing.

(d) If an Order is terminated pursuant to Paragraphs (a) to (c) above, SCOT may require Supplier to

- (i) transfer title to, and deliver to SCOT, in the manner, time, and extent directed by SCOT, any completed Products, or such partially completed Products and materials, parts, tools, designs, fixtures, plans, drawings and information, and transfer contract rights that Supplier acquired for the performance of the terminated part of the Order,
- (ii) grant to SCOT a royalty-free, assignable and non-exclusive license to use and permit the use of the Products, and
- (iii) grant to SCOT access to Supplier's designs, processes, drawings, and technical data to permit completion by SCOT of the terminated part of the Order.

(e) If an Order is terminated pursuant to Paragraphs (b) and (c) above, then at its discretion, SCOT may perform or have a third party perform the work reasonably necessary to repair, replace or complete the Services, and/or supply the defective Products. Supplier shall pay to SCOT the full amount expended by SCOT on such supply, repair, replacement or completion plus any other reasonable and direct loss or damage incurred by SCOT as a result of Supplier's default.

10.3 Termination for convenience

(a) SCOT may terminate an Order for convenience, in whole or in part, at any time after acceptance by Supplier. The termination notice shall specify the extent to which the performance of work related to the Order is terminated, and the time at which such termination becomes effective. After receipt of said notice, Supplier shall stop the performance of said work to the extent specified in the notice of termination.

(b) If an Order is terminated pursuant to Paragraph (a) above, the following shall apply:

- (i) With respect to standard/non-customized Products not manufactured according to SCOT's proprietary specifications, no payment shall be owed by SCOT if the termination occurs prior to the delivery of the Products. If the termination occurs after the delivery of the Products, Supplier shall be paid for those Products received and accepted by SCOT up to the date of termination/cancellation; and if the Products are not received or accepted by SCOT, prior to cancellation/termination, the Supplier shall be paid a reasonable termination charge reflecting the documented, non-recoverable, packing and shipment/delivery costs actually incurred by Supplier, if any, not to exceed a maximum of thirty percent (30%) of the applicable price for the terminated part of the Order.
- (ii) With respect to non-standard/customized Products manufactured according to SCOT's proprietary specifications, Supplier shall be paid a reasonable termination charge reflecting the work actually performed prior to the termination notice, not to exceed the applicable price for the terminated part of the Order reduced by the price of work not completed (and as the case may be, by the amounts already paid in respect thereof).

(iii) With respect to Services, Supplier shall terminate all work and commitments made under or pursuant to the Order to the extent specified in the termination notice. Supplier shall be paid for the Services satisfactorily performed up to the date of receipt of the termination notice.

(c) SCOT may, at any time, reschedule an Order, in whole or in part, to any date within fifteen (15) months from the most recently acknowledged Delivery Dates at no additional cost. The notice of reschedule shall specify which Order lines, Product numbers, and quantities shall be rescheduled. Upon receipt of such notice, Supplier shall immediately leave the Products at their current state and postpone all work and expenses associated with the rescheduled Order or the rescheduled portion of the Order as required to meet the rescheduled Delivery Date as notified by SCOT. Supplier shall provide SCOT within three (3) days from the receipt of such notice, with the status of the current state of the rescheduled Order or the rescheduled portion of the Order. If after fifteen (15) months SCOT has not requested the completed Products, the Order shall be terminated and SCOT shall pay Supplier for the costs defined in Paragraph (b) above.

(d) If an Order is terminated pursuant to Paragraphs (a) to (c) above, if applicable, Supplier shall submit to SCOT in writing a detailed and substantiated statement of any applicable termination charges set forth in this Article 10.3, within thirty (30) days from the receipt of the termination notice.

ARTICLE 11 – GENERAL PERFORMANCE

11.1 Supplier shall record each Order performed by Supplier and upon SCOT's request, Supplier shall provide SCOT with a report detailing the types and quantities of, and aggregate price for, the Products and/or Services purchased by SCOT during the period indicated by SCOT.

11.2 Neither party shall hire, solicit, or accept solicitation (either directly or indirectly) from the employees of the other party directly involved in the performance of an Order during the term of the Order and for a period of one (1) year thereafter, except as the parties may agree on a case-by-case basis. The foregoing does not affect the rights of either party's employees to apply for a position within the other party's organization.

11.3 Supplier shall take diligent steps to protect the environment, which includes proper management and disposal of all waste generated in the course of supplying the Products and/or performing the Services, in accordance with applicable laws and regulations and best industry practices. Supplier shall monitor its compliance with the foregoing.

11.4 If required by SCOT or any third party designated by SCOT, Supplier shall and shall cause each of the members of Supplier Group (as defined in Article 20.2) providing Products or Services under the Order to disclose environmental impact information and related actions undertaken by Supplier (including but not limited to climate change and human rights) in a timely and accurate fashion to SCOT or its designated third party.

ARTICLE 12 – PAYMENT Supplier shall within thirty (30) days after the shipment or delivery of the Products and/or performance of the Services (unless otherwise agreed by SCOT) submit to SCOT an invoice for such Products and/or Services. Each invoice shall be in the format required by SCOT, accompanied by certification and documentation, including but not limited to, proof of delivery and written acknowledgement from SCOT of such delivery, as applicable, and shall state the Order

reference number. Any invoice submitted without all required information will be considered as an invalid invoice and will result in the invoice being returned without payment. Payment of correctly submitted invoices shall be made by SCOT within seventy (70) days from the date of receipt of invoice unless otherwise required by the applicable local laws, and unless, (i) in SCOT's reasonable opinion, the Products are defective and/or the Services are unsatisfactorily performed, or fail to conform to the warranties or representations provided hereunder, (ii) SCOT disputes the correctness of the invoice submitted, in which case the parties shall use their best efforts to settle their dispute at the earliest, or (iii) different payment terms are specified in the Order. Payments made by SCOT shall not constitute acceptance of the Products and/or Services, or be construed as a waiver of any rights SCOT may have hereunder for defective or non-conforming Products and/or unsatisfactorily performed Services. SCOT may set off any amount owed by SCOT to Supplier against any amount owed by Supplier to SCOT. Supplier shall be liable for any and all costs associated with incorrect invoicing. As applicable, any early payment discount may be mutually agreed upon in the Order. SCOT reserves the right to reject any invoice submitted more than six (6) months after the final goods receipt for Products or the completion of the Services contemplated under the corresponding Order.

ARTICLE 13 – QUALITY

Before starting the performance hereof, Supplier shall, as applicable, have implemented and documented a quality assurance program meeting the requirements of ISO 9001 2015 (5th Edition) or of an internationally recognized standard of the same level.

ARTICLE 14 – PRODUCTS INSPECTION; PACKING; SHIPMENT; DELIVERY

14.1 Supplier shall make a full inspection of the Products specified in an Order prior to shipment; however the same shall be subject to SCOT's inspection and approval prior to acceptance and/or payment. If in SCOT's reasonable opinion, the Products fail to conform to agreed specifications or are otherwise defective, SCOT has the right to reject the same, and require prompt replacement or rectification thereof by Supplier, at Supplier's expense and risk. Without prejudice to the foregoing, title to the Products shall pass from Supplier to SCOT upon delivery or payment, whichever comes earlier unless otherwise agreed by the parties in the Order. Additionally, SCOT may, at Supplier's expense and risk, return quantities in excess of the amounts specified in the Order.

14.2 As applicable, if after delivery of the Products to SCOT, the Products are sent back to Supplier's facility for Supplier to assess the need and cost of repairs not covered under the warranty (if any), the risk of loss of, or damage to, such Products while at Supplier's facility (excluding the transport phase to and from said facility, unless otherwise agreed by the parties) shall be borne by Supplier.

14.3 Unless otherwise specified, all Products shall be packed, marked and otherwise prepared for shipment in a manner which

- (i) complies with applicable regulations,
- (ii) is acceptable to common carriers,
- (iii) Provides necessary lifting, handling, and shipping information (and other relevant information identified by SCOT),
- (iv) is adequate for storage and protection against weather, and
- (v) is appropriate to ensure safe arrival of the Products at the named destination, in good condition (the foregoing includes as required, the use of cushioning material or vacuum

packing to prevent damage during transportation). In addition, the following requirements apply: if specific export packing requirements exist for a particular Product (i.e. said requirements result from the type/characteristics of the Product concerned), Supplier shall ensure that adequate documentation reflecting the same is furnished; additionally, wooden packaging or packing of any kind including wooden boxes, materials or pallets must only be made of heat treated timber, and must comply with as applicable, the International Standards for Phytosanitary Measures, also referred to as ISPM (<https://www.ippc.int/en/>), or the US Department of Agriculture Animal and Plant Health Inspection Service, also referred to as APHIS (<http://www.aphis.usda.gov/>).

14.4 SCOT reserves the right to select the means of transport and carrier for shipment of the Products, notwithstanding anything herein.

14.5 International customs regulations require that duty be paid on the true net value of imported goods. For this reason, and unless transportation is provided by SCOT, charges such as packing, freight, handling, etc., must not be separately itemized on invoices submitted for payment against Orders; therefore any such charges must form part of the price quoted by Supplier.

14.6 Supplier shall ensure that all Products containing radioactive or hazardous materials are properly classified, described, packaged, labeled and shipped in compliance with all applicable laws and regulations and in observation of any codes of practice pertaining thereto.

14.7 All deliveries shall be made during normal business hours on the scheduled delivery date and at the place indicated in the Order unless otherwise agreed to by SCOT. In the event that the Order specifies a "period for delivery", Supplier shall give reasonable notice of the proposed time and date of actual delivery of the Products. Partial deliveries shall not be accepted without SCOT's prior authorization.

14.8 If Supplier delivers the Products in a more expensive way than specified, any increased transportation costs shall be paid for by Supplier unless SCOT has caused the necessity for such expedited handling.

14.9 Supplier shall provide SCOT with product manuals, maintenance manuals and any other information relevant to the use and/or maintenance of the Products ("Product Documentation"). Supplier hereby grants SCOT the right to

- (i) make unlimited reproductions of the Product Documentation,
- (ii) upload the Product Documentation into any Systems accessible by SCOT's employees, contractors, subcontractors and agents,
- (iii) create derivative works of the Product Documentation,
- (iv) include the Product Documentation or derivative works thereof within SCOT's product manuals, maintenance manuals and/or any other information relevant to the use and/or maintenance of SCOT's products and services which include the Products set forth in the applicable Order, and
- (v) present or otherwise provide the Product Documentation or derivative works thereof to customers of SCOT.

14.10 If there is a discrepancy between the Order and the actual provision of Products or Services, Supplier shall notify SCOT in writing (but not through any Electronic Purchasing System) in respect thereof, in a prompt manner (and under no circumstances after invoice submission), with a detailed description of the Products or Services actually provided. Such discrepancy may or may not be accepted

by SCOT.

ARTICLE 15 – CHANGES TO ORDERS

15.1 SCOT shall have the right at any time to make changes in an Order including type of Products and/or Services and time, method and place of delivery/performance. If said changes trigger increased or decreased costs or a longer or shorter period for delivery and/or performance, or impacts any of the other conditions applicable to the Order as originally submitted, Supplier shall so notify SCOT within four (4) working days from Order changes receipt (unless a different period is stated on the Order change), in the form used for Order changes submission with respect to Electronic Orders. Should Supplier be unable to perform the requested changes, Supplier shall formally reject the change Order request. Should Supplier be able to perform the requested changes, the parties shall agree on the applicable changes in the original conditions, based upon the supporting documentation submitted by Supplier, and SCOT shall elect whether to proceed or not with the change.

15.2 Supplier shall not have the right at any time to make changes in any Order, unless SCOT expressly agrees thereto.

ARTICLE 16 – TIMELY PERFORMANCE

16.1 Supplier shall make the Products available to SCOT and/or perform the Services in accordance with any dates specified in the Order or as otherwise agreed by the parties (“Delivery Dates”). Supplier acknowledges that time is of the essence in relation to the timing of all Products deliveries and any Service performance under the Order.

16.2 If the Products are not delivered in accordance with the applicable Delivery Dates and/or the Services are not performed by the agreed upon date, then without limiting any other remedy, Supplier shall owe SCOT liquidated damages in an amount equal to one percent (1%) of the amount of the Order for each day after the specified Delivery Dates that the Products remain undelivered and/or for each day after the agreed upon date that the Services remain unperformed. SCOT shall be entitled to deduct any liquidated damages due from the applicable prices set forth in the Order. The maximum amount payable by Supplier for any one failure shall not exceed fifteen percent (15%) of the amount of the Order.

16.3 It is agreed that the payment of such liquidated damages shall be considered by the parties as a genuine pre-estimate of the loss that SCOT may incur due to delay, and not a penalty. Notwithstanding the provisions of Article 16.2, the parties may agree on a different schedule and percentage of liquidated damages in any applicable Order.

ARTICLE 17 – PROVISION OF EQUIPMENT AND PERSONNEL

17.1 Supplier shall provide all personnel, equipment and materials required for the performance of the Services, and such personnel, equipment and materials shall be compliant with Article 9. The applicable prices include payment for such personnel, equipment and materials, except as may be expressly agreed otherwise by the parties in the applicable Order. Supplier shall pay all costs associated with personnel provided by Supplier, including, but not limited to, wages, overtime, food and accommodation in accordance with Article 24.

17.2 In regards to personnel performing under an Order, Supplier will ensure that all required checks for any member of its personnel have been carried out, as follows: (i) the security checks that may be determined by SCOT for certain sites/projects, (ii) industry certification and/or qualification checks, (iii) other standard industry checks for compliance with applicable legal requirements (if any), and (iv) where the Services are performed in the United States, I-9 employment eligibility verification.

17.3 SCOT may instruct Supplier to remove from SCOT's premises any person engaged in any part of the Services who in the reasonable opinion of SCOT is:

- (i) incompetent or negligent in the performance of his or her duties;
- (ii) engaged in activities which are contrary or detrimental to the interests of SCOT; or
- (iii) is not conforming to SCOT's workplace policies and standards.

Where SCOT is dissatisfied with the performance of any of Supplier's workers, SCOT may notify Supplier of its dissatisfaction and terminate the Order in accordance with Article 10.2.

17.4 Supplier shall immediately report in writing to SCOT any claim or demand for injury, death, property damage or loss, or any accident involving any person or property in connection with the supply of Products and/or performance of Services under an Order.

17.5 SCOT accepts no responsibility for any loss or damage to personal belongings of Supplier's workers.

ARTICLE 18 – LIENS

Supplier shall not allow any liens to attach to the Products or to any property of SCOT, or to the property of SCOT's customers as a result of Products supplied and/or Services performed by Supplier, and Supplier shall furnish, upon request, receipts and releases showing that all related costs and expenses have been paid, and that no third party claims, liens or rights of liens exist by reason thereof against SCOT, its customers and its and their property. Supplier shall indemnify, defend and hold SCOT and its customers harmless from said liens and claims arising out of or connected with the manufacture, supply or delivery of the Products and/or performance of the Services by Supplier.

ARTICLE 19 – INTELLECTUAL PROPERTY RIGHTS

Subject to Article 3.4:

19.1 Except as specifically stated in the Order, nothing herein shall be construed as granting any rights under any patents, trademarks, copyrights, or other intellectual property of the parties, or to the Confidential Information of the parties (as defined in Article 22).

19.2 Any SCOT Background Intellectual Property will remain the exclusive property of SCOT whether or not such Background Intellectual Property is used in the performance of the Order. Any Supplier Background Intellectual Property will remain the exclusive property of Supplier whether or not such Background Intellectual Property is used in the performance of the Order. "Background Intellectual Property" means intellectual property relevant to the Products and/or the Services and already owned by the party on the effective date of the Order, or intellectual property created outside of the Order after its effective date. Notwithstanding the preceding, Supplier hereby grants SCOT and its Affiliates a royalty-free world-wide, irrevocable, non-exclusive, non-sub licensable license to use Supplier's Background Intellectual Property solely to the extent necessary for utilizing the Products, Services and/or Deliverables (as defined in Article 19.6) in SCOT and its Affiliates' normal business operations.

19.3 If SCOT provides any SCOT Background Intellectual Property to Supplier for the performance of an Order;

(a) Supplier shall keep such SCOT Background Intellectual Property confidential, and shall use it only for the supply of the Products and/or performance of the Services for SCOT; Supplier shall protect such SCOT Background Intellectual Property with at least the same degree of care as it protects its own Background Intellectual Property but in no event less than a reasonable degree of care for intellectual property. Supplier may provide its employees, contractors or agents with SCOT Background Intellectual Property provided that

- (i) they need to have the SCOT Background Intellectual Property to perform an Order and
- (ii) they are bound by confidentiality terms at least as restrictive as the terms set out in Article 22;

(b) SCOT shall remain the sole and exclusive owner of all improvements, modifications, derivative works and intellectual property rights to SCOT Background Intellectual Property; and (c) Upon termination or expiry of the Order, Supplier shall return all SCOT Background Intellectual Property to SCOT and shall not retain any copies.

19.4 If special tools are used to perform an Order and charged to SCOT, title to such special tools shall vest in SCOT. Supplier shall give SCOT (or any person or entity identified by SCOT) all the assistance reasonably required to perfect the rights of SCOT set forth in this Article 19.4.

19.5 The parties may, as a result of the performance of an Order, develop new information, solutions, concepts and inventions, including but not limited to drawings, tooling, molds, designs, specifications, manuals, computer programs, databases, parts or methods of manufacture of any Product specified in an Order (herein "Project IP"). All ownership, rights, title and/or interest in any such Project IP shall be owned

- (i) by the party whose employees first conceived such inventions for solely owned Project IP or
- (ii) jointly by the parties for Project IP jointly created by both parties.

19.6 Supplier acknowledges that any information, materials, reports, recommendations, analyses, models, files and other work product in any form that Supplier creates or develops as part of the Services (herein "Deliverables")

- (i) are works for hire,
- (ii) are the sole and exclusive property of SCOT and
- (iii) shall be treated by Supplier as SCOT's Confidential Information.

For any Deliverable that is found not to be a work for hire, Supplier hereby assigns all such Deliverables to SCOT. Supplier shall execute, and cause its employees to execute any and all documents and instruments of transfer and assignment that SCOT deems necessary or appropriate to carry out the foregoing. Compensation for the rights to such Deliverables shall be deemed included in the price and fees paid to Supplier.

19.7 The Deliverables may only be used by or on behalf of SCOT and members of the SCOT Group (as defined in Article 20.2) and/or its and their other suppliers for their respective business purposes. SCOT may disclose the Deliverables, including the fact of Supplier's involvement in providing the Deliverables, to any of the members of the SCOT Group and/or its and their other suppliers; provided however, that SCOT shall cause such members of the SCOT Group and/or its and their other suppliers to comply in all respects with this Article 19 regarding the use and disclosure of such Deliverables.

19.8 Nothing herein is intended to preclude Supplier from developing for itself or third parties, materials which are competitive with the Deliverables; provided however that (i) Supplier shall not use any SCOT Confidential Information or Background Intellectual Property in conjunction with the development of such materials, and (ii) such materials shall not incorporate or reflect any Deliverables.

19.9 If any Order is terminated pursuant Article 10.2, Supplier hereby grants SCOT a non-exclusive, royalty-free, irrevocable, world-wide license for any intellectual property rights to the extent necessary to enable SCOT to make, have made, use, sell, import, or export the Products and quantities that are the subject of the terminated Order and/or complete the Services that are subject of the terminated Order either directly or through a third party.

ARTICLE 20 – LIABILITIES AND INDEMNITIES

20.1 Regardless of where/when title to the Products is transferred, but subject to Articles 9 and 14, the risk of loss of or damage to the Products shall pass to SCOT at the time and place of delivery.

20.2 SUBJECT TO ARTICLE 20.1 SUPPLIER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD SCOT, ITS PARENTS, ITS AFFILIATES, ITS CONTRACTORS (EXCLUDING SUPPLIER) AND ITS AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS AND INVITEES (“SCOT GROUP”) HARMLESS FROM AND AGAINST ANY CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, PROCEEDINGS, AWARDS, DAMAGES, LOSSES, FINES, PENALTIES, COSTS, EXPENSES AND LIABILITIES, INCLUDING LITIGATION COSTS AND REASONABLE ATTORNEY’S FEES (“CLAIMS”) ARISING OUT OF DEATH, ILLNESS OR INJURY, PROPERTY LOSS OR DAMAGE, OR ANY OTHER LOSS, DAMAGE OR COST, AS A RESULT OF OR IN CONNECTION WITH (I) DEFECTS IN WORKMANSHIP, MATERIALS, MANUFACTURE AND DESIGN OF THE PRODUCTS, (II) FAILURE TO DELIVER THE PRODUCTS IN ACCORDANCE WITH THE RELEVANT SPECIFICATIONS, (III) THE NEGLIGENT ACT OR OMISSION OF SUPPLIER, ITS PARENTS, ITS AFFILIATES, ITS CONTRACTORS AND SUBCONTRACTORS (OF ANY TIER), CONSULTANTS, AGENTS AND ITS AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, AND INVITEES (“SUPPLIER GROUP”) UNDER THE ORDER, OR (IV) SUPPLIER GROUP’S BREACH OF THEIR OBLIGATIONS UNDER THE ORDER, INCLUDING WITHOUT LIMITATION AS A RESULT OF DEFECTS IN ANY PRODUCTS.

20.3 SUPPLIER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD SCOT GROUP HARMLESS FROM AND AGAINST ANY CLAIMS ARISING OUT OF ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY OR PROPRIETARY RIGHT, OR ANY LITIGATION BASED THEREON, WITH RESPECT TO ANY PRODUCTS AND/OR SERVICES (OR PART THEREOF), OR USE THEREOF, EXCEPT TO THE EXTENT THAT SUCH INFRINGEMENT RESULTS SOLELY FROM THE MANUFACTURE OF THE PRODUCTS PURSUANT TO DETAILED PROPRIETARY DESIGNS FURNISHED BY SCOT. THE FOREGOING INDEMNITY IS CONDITIONAL UPON (I) PROMPT WRITTEN NOTICE OF ANY CLAIM TO SUPPLIER, PROVIDED HOWEVER THAT SCOT’S FAILURE TO PROVIDE OR DELAY IN PROVIDING SUCH NOTICE SHALL NOT RELEASE SUPPLIER OF ITS OBLIGATIONS UNDER THIS ARTICLE 20.3, EXCEPT TO THE EXTENT SUCH FAILURE OR DELAY PREJUDICES THE DEFENSE, (II) SUPPLIER’S CONTROL OF THE DEFENSE AND SETTLEMENT OF ANY CLAIM, AND (III) REASONABLE COOPERATION AND ASSISTANCE BY SCOT IN THE DEFENSE AND SETTLEMENT OF SUCH CLAIM AT THE EXPENSE OF SUPPLIER. SUPPLIER SHALL NOT BE RESPONSIBLE FOR ANY COMPROMISE MADE BY SCOT WITHOUT SUPPLIER’S PRIOR WRITTEN CONSENT. SCOT SHALL AT ALL TIMES HAVE THE RIGHT TO PARTICIPATE IN THE DEFENSE AT ITS OWN EXPENSE. IF ANY PRODUCTS AND/OR SERVICES (OR PART THEREOF), OR USE THEREOF, BECOME, OR IN SUPPLIER’S OPINION, ARE LIKELY TO BECOME, THE SUBJECT OF AN INFRINGEMENT CLAIM, SUPPLIER SHALL

PROCURE FOR SCOT THE RIGHT TO CONTINUE THE USE THEREOF, OR REPLACE OR MODIFY THE SAME SO THAT IT BECOMES NON-INFRINGEMENT (PROVIDED THE SAME LEVEL OF FUNCTIONALITY IS MAINTAINED). SUPPLIER SHALL ALSO BE LIABLE FOR ANY DAMAGES ASSESSED AGAINST SCOT GROUP OR ITS OR THEIR CUSTOMERS ARISING OUT OF THE USE OF THE SAME PRIOR TO THE DATE UPON WHICH SUPPLIER PERFORMED ANY OF THE FOREGOING REMEDIAL ACTIONS, AS SET FORTH ABOVE.

20.4 SUPPLIER SHALL INDEMNIFY AND HOLD SCOT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS WHICH ARE OR MAY BE ASSERTED BY ANY REGULATORY OR GOVERNMENTAL AUTHORITY OR THIRD PARTY ARISING OUT OF OR IN ANY WAY CONNECTED TO ACTIVITIES WHICH ARE UNLAWFUL OR IN BREACH OF ANY ORDER, OR WHICH ARE NOT AUTHORIZED UNDER TERMS OF ANY ORDER.

20.5 FOR THE PURPOSES HEREOF, "CONSEQUENTIAL LOSS" MEANS (I) ANY INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE UNDER THE GOVERNING LAW OF THE ORDER, AS SET OUT IN ARTICLE 29.1 HEREUNDER, AND (II) TO THE EXTENT THAT THESE ARE NOT INCLUDED IN (I) ABOVE, ANY PUNITIVE, SPECIAL, INCIDENTAL DAMAGES OR LOSSES SUSTAINED BY THE OTHER PARTY OR ITS RESPECTIVE GROUP, INCLUDING WITHOUT LIMITATION LOSS OF USE, LOSS OF ASSETS, LOSS OF PROFIT, LOSS OF REVENUE, LOSS OF PRODUCT, LOSS OR BUSINESS, BUSINESS INTERRUPTION, LOSS OF BARGAIN OR EXPECTATION OR OPPORTUNITY, IN EACH CASE WHETHER DIRECT OR INDIRECT AND, WHETHER OR NOT FORESEEABLE AT THE COMMENCEMENT OF THE ORDER. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, SCOT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD SUPPLIER GROUP HARMLESS FROM SCOT'S OWN CONSEQUENTIAL LOSS AND SUPPLIER SHALL SAVE, RELEASE, DEFEND, INDEMNIFY AND HOLD SCOT GROUP HARMLESS FROM SUPPLIER GROUP'S OWN CONSEQUENTIAL LOSS RESULTING FROM, ARISING DIRECTLY OR INDIRECTLY OUT OF OR IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF AN ORDER, AND ALL WITHOUT REGARD TO THE SOLE, JOINT, CONCURRENT, GROSS, ACTIVE OR PASSIVE NEGLIGENCE, BREACH OF CONTRACT OR BREACH OF DUTY (STATUTORY OR OTHERWISE) OF EITHER PARTY, AND REGARDLESS OF WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THE CORRESPONDING LIABILITY. THIS LIMITATION OF LIABILITY SHALL NOT APPLY TO ANY INDEMNITY PROVISIONS IN ARTICLE 5.2.7 ABOVE.

20.6 FOR THE PURPOSES OF THIS ARTICLE 20, SCOT IS HEREBY AUTHORIZED TO ACT AS AGENT AND TRUSTEE FOR THE LIMITED PURPOSE OF EXTENDING TO THE MEMBERS OF SCOT GROUP ANY RELIEF FROM LIABILITY, INDEMNITY OR BENEFIT EXPRESSED HEREIN AS BEING GRANTED BY SUPPLIER IN FAVOR OF SCOT GROUP. FOR THE PURPOSES OF THIS ARTICLE 20, SUPPLIER IS HEREBY AUTHORIZED TO ACT AS AGENT AND TRUSTEE FOR THE LIMITED PURPOSE OF EXTENDING TO THE MEMBERS OF SUPPLIER GROUP ANY RELIEF FROM LIABILITY, INDEMNITY OR BENEFIT EXPRESSED HEREIN AS BEING GRANTED BY SCOT IN FAVOR OF SUPPLIER GROUP. IF A CLAIM IS MADE AGAINST A PARTY, AND THAT PARTY CLAIMS A RIGHT TO BE INDEMNIFIED, IT SHALL PROMPTLY INFORM THE INDEMNIFYING PARTY. NO SUCH CLAIM SHALL BE SETTLED WITHOUT THE APPROVAL OF THE INDEMNIFYING PARTY. THE INDEMNIFYING PARTY SHALL BE ENTITLED TO ASSUME THE DEFENSE OF SUCH CLAIM.

ARTICLE 21 – INSURANCE

21.1 Supplier's indemnity obligations set forth herein shall be supported by appropriate insurance policies, acceptable to SCOT, including at least the following policies:

- (a) Comprehensive General Liability including but not limited to Contractual Liability Cover, with limits in respect of bodily injury and/or property damage of not less than US Dollars two million (US\$2,000,000) per occurrence;

- (b) Professional Liability with limits of not less than US Dollars two million (\$2,000,000) per occurrence if applicable;
- (c) Worker's Compensation and Employer's liability in compliance with local statutory requirements;
- (d) As applicable, Automobile Liability as may be required by statute or similar regulations in the country of operations; and
- (e) Any other insurance reasonably required by the applicable law.

21.2 Said policies shall be taken out by Supplier at its cost, with a reputable insurance company, and shall be evidenced by insurance certificates to be provided upon SCOT's request. Said policies shall name SCOT as an additional insured, to the extent of the liabilities assumed by Supplier hereunder (except for Worker's Compensation and Professional Liability), and shall be endorsed to provide that (i) no insurance policy shall be cancelled or materially changed without thirty (30) days prior written notice to SCOT, and (ii) Supplier's insurers shall waive their rights of subrogation against SCOT to the extent of the liabilities assumed by Supplier hereunder.

ARTICLE 22 – CONFIDENTIALITY

Subject to Article 3.4:

22.1 Supplier acknowledges that during the performance of an Order, any information of SCOT Group, disclosed to, or obtained by, Supplier Group as a result of said performance shall be deemed confidential and proprietary to SCOT ("Confidential Information"). Without limitation to the foregoing, Supplier acknowledges that (i) the specifications, requirements, designs and the like for the manufacture of the Products and/or the performance of the Services (as applicable), and (ii) the content of any Order (whether accepted or not by Supplier), shall be deemed confidential and proprietary to SCOT.

22.2 Supplier shall (i) store, protect and maintain all Confidential Information in secrecy and confidence for a period of seven (7) years from the date of disclosure thereof, except that trade secrets shall remain confidential for so long as they are considered trade secrets under applicable law, and (ii) not, at any time, disclose, distribute, publish, copy, reproduce, sell, lend, manipulate, or otherwise make use of (except for the purpose of performing an Order, provided that the disclosure is made to the employees of Supplier on a need-to-know basis), or permit use to be made of any Confidential Information, except with SCOT's express written consent.

22.3 The foregoing shall not apply to any Confidential Information that (i) can be shown by documentary evidence to have been previously known to Supplier at the time of disclosure, (ii) is independently developed by Supplier without breach of its obligations hereunder, (iii) is lawfully obtained from a third party without restriction on use or disclosure, (iv) is or becomes part of the public domain through no fault of Supplier, or (v) is disclosed pursuant to any judicial or governmental requirement or order, provided that Supplier takes reasonable steps to give SCOT sufficient prior notice in order to contest such requirement or order.

22.4 Supplier shall use the same degree of care to avoid unauthorized disclosure of the Confidential Information as it employs with respect to its own confidential/proprietary information of similar quality and nature, but employing no less than a reasonable standard of care.

22.5 Supplier expressly acknowledges that the disclosure made by SCOT does not grant Supplier any right other than the limited right to use the Confidential Information for the performance of the Order, and nothing contained herein shall be construed as granting or conferring any rights to SCOT's trademarks, inventions, copyrights, patents or the like.

22.6 Upon expiry, cancellation or termination of the Order for whatever reason, Supplier shall return all Confidential Information to SCOT, and shall not be entitled to make or retain copies thereof. The foregoing does not apply to the Order/the terms of the Order. If Supplier is unable practically or economically to destroy all electronically held Confidential Information, Supplier undertakes that such Confidential Information not so destroyed will not be used subsequently by Supplier or any persons to whom it has disclosed the same and will be held subject to the terms of these SCOT Terms and Conditions for Purchase Orders. The return or destruction of Confidential Information shall not release Supplier from any of its obligations under these SCOT Terms and Conditions for Purchase Orders. If Supplier fails to keep such Confidential Information confidential or uses such Confidential Information in violation of the provisions of this Article 22, Supplier acknowledges and agrees that SCOT will be irreparably harmed, will not have an adequate remedy at law, and will be entitled to injunctive relief to prevent Supplier from using or disclosing such Confidential Information.

22.7 It is SCOT's policy not to publicly endorse other organizations through press releases or marketing materials. Supplier acknowledges and agrees that Supplier does not have the right (i) to advertise or publish the fact that SCOT has contracted with Supplier, (ii) to use SCOT's name or logo in any advertisement, publication, articles, brochure or website, videos, social media, presentations or other marketing material, (iii) to make any press releases, either directly or indirectly, that are endorsements or create marketing collateral involving SCOT; or (iv) to quote any SCOT employee in any press release, except if SCOT has given his prior written authorization to such press release.

ARTICLE 23 – FORCE MAJEURE

Neither party shall be liable for delay or non-performance of its obligations hereunder (or part thereof) if the cause of delay or non-performance is an event which is unforeseeable, beyond the control of the party affected, and cannot be remedied by the exercise of reasonable diligence, including without limitation acts of God, acts of civil or military authority, governmental orders, war, fire, explosion, labor unrest (except if limited to the party affected) or epidemic ("Force Majeure"). The party affected shall be relieved from its obligations (or part thereof) as long as the Force Majeure lasts and hinders the performance of said obligations (or part thereof), it being understood that Force Majeure shall not excuse any obligation of SCOT to pay for invoices due in accordance with the provisions hereof. The party affected shall promptly notify the other party and make reasonable efforts to mitigate the effects of Force Majeure with reasonable dispatch.

ARTICLE 24 – INDEPENDENT CONTRACTOR

SCOT's Orders shall not be construed as creating a joint venture, partnership or the like between the parties. Neither party shall act or be deemed to act on behalf of the other party, or have the right to bind the other party. Each party shall remain an independent entity, and act as an independent contractor. Each party shall at all times during the performance hereof be responsible for the payment of wages and benefits to (including but not limited to holidays, absence and pension), and as applicable, tax withholding from its own employees. Without limiting the generality of the foregoing, the employees and subcontractors engaged by Supplier for the performance hereof shall be the direct

employees and subcontractors of Supplier, and Supplier shall remain solely responsible for all matters related to compliance with relevant employment laws.

ARTICLE 25 – AUDIT

SCOT shall have the right, at any time up to five (5) years after completion, termination or cancellation of any Order, to audit Supplier's books, records, worksite and/or data in any form to verify the compliance with the terms hereof (including but not limited to compliance with the provisions of Articles 13, 26, 28, 31 and 32) and/or the correctness of any invoice submitted to SCOT by Supplier. Said right shall be exercised solely for the purposes defined in this Article 25. Supplier shall obtain equivalent rights of audit from all subcontractors and will cause such rights to extend to SCOT.

ARTICLE 26 – COMPLIANCE WITH LAWS

26.1 Supplier warrants that no applicable laws rules or regulations (including without limitation anticorruption – such as the UK Bribery Act 2010 (UKBA) and the US Foreign Corrupt Practices Act 1977 (USFCPA), trade control, export controls, economic sanctions, anti-money laundering, health, safety, security, confidentiality, data privacy, environmental, labor and anti-slavery) shall be violated in the manufacture or sale of the Products and/or performance of the Services contemplated hereunder, and that Supplier shall comply with, and adhere to, all applicable laws and regulations which may apply to Supplier in connection with the Order

26.2 As applicable, Supplier represents and warrants to SCOT that (i) it complies and will remain in compliance with the Conflict Minerals provisions of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any similar rule or regulation promulgated by the European Union or any other country; (ii) it is not being the subject of any investigation by the SEC, OFAC, or other governmental entity regarding conflict minerals; (iii) it has corporate policies to ensure compliance with the Conflict Minerals Laws. Supplier must promptly provide SCOT, or a third party designated by SCOT, upon written request, accurate data regarding its efforts and actions to ensure compliance with the Conflict Minerals laws and its annual reporting requirements (i.e., RCOI, CMRT).

ARTICLE 27 – ASSIGNMENT AND SUBCONTRACTING

27.1 Neither party shall, without the prior written consent of the other party, have the right to assign its rights and obligations under any Order to any third party, and any purported assignment without such consent shall be null and void. However, SCOT shall have the right to assign, in whole or in part, its rights and obligations under any Order to any of its Affiliates. The Order and these SCOT Terms and Conditions for Purchase Orders shall be binding upon the parties' respective successors and permitted assigns.

27.2 Supplier shall not subcontract whole or part of its obligations under any Order without SCOT's prior written consent, and any purported subcontracting without such consent shall be null and void. SCOT's consent shall not relieve Supplier from its obligations under any Order and Supplier shall be responsible for the performance, acts or omissions of its subcontractors as if their performance, acts or omissions were its own performance, acts or omissions.

ARTICLE 28 – TRADE CONTROL

28.1 Without limitation to the provisions of Article 26.1, Supplier shall not – directly or indirectly – sell, provide, export, re-export, transfer, divert, loan, lease, consign, or otherwise release or dispose of any

equipment, product, commodities, services, software, source code, or technology subject to any Order to, or via any individual, entity, or destination, or for any use prohibited by the laws or regulations of any applicable jurisdiction without having obtained prior authorization from the competent governmental authorities as required by all such laws and regulations. Supplier shall provide SCOT with the Export Control Classification Number (“ECCN”), Harmonized Tariff Classifications (“HTC”) and the Country of Origin (“COO”) information for each Product. Supplier shall defend, indemnify, and hold SCOT harmless from and against any Claims in respect thereof.

28.2 Supplier shall be responsible to ensure that any licenses, permits, and authorizations required for items, commodities, technology or software shipped or transferred by Supplier in connection or association with the delivery of the Products and/or performance of Services are included in the export/import documentation as necessary to comply with all applicable laws and regulations. Where SCOT is responsible for providing Supplier with such license, permit or authorization, SCOT reserves the right to provide specific instructions to Supplier in relation to the above.

28.3 Supplier must provide certification or the corresponding Status Verification Interface number (“SVI#”), as to their participation in the Customs Trade Partnership Against Terrorism (“C-TPAT”) or the Partners in Protection Program for Canada (“PIP”). If Supplier is not a C-TPAT or a PIP member then Supplier shall provide either (i) evidence that Supplier is a member of a similar supply chain security program (e.g., AEO, STP, SES, ATTP, etc.); or (ii) a statement from a Supplier’s Senior Executive Officer stating the Supplier’s supply chain security meets or exceeds the C-TPAT or the PIP standard requirements or those of the applicable supply chain security program corresponding to Supplier’s country of operations.

28.4 FOR US and Canada ONLY: Supplier must provide SCOT with the 10 Importer Security Filing (“ISF”) data points at least seventy-two (72) hours (SCOT’s requirement) prior to Supplier’s cargo being loaded on an ocean vessel at point of origin. Failure to satisfy the requirement may result in “No Load” costs, fines, penalties and additional expenses. Supplier shall be solely responsible for any such fees/costs and Supplier shall reimburse SCOT in-full.

28.5 Supplier warrants and guarantees that neither Supplier, nor its founders, stockholders and officials are Denied Parties. Supplier is obliged to immediately notify SCOT in writing if the Supplier, its founder, participant and/or official becomes a Denied Party. Supplier shall be responsible for screening of its subcontractors against Denied Parties lists and, in the case of identification, to not engage such parties in any act intended to be performed under this Order. “Denied Party” means an entity or person that is on any official denied persons list, is blocked from import or export transactions, or has been sanctioned by a government for illegal acts such as involvement in terrorism, narcotics trafficking, money laundering, or weapons proliferation

ARTICLE 29 – GOVERNING LAW AND DISPUTE RESOLUTION

29.1 The Orders shall be governed by, and construed in accordance with the laws of (i) the state of Wisconsin (USA) for Orders entered into in the United States, (ii) the Province of Ontario (Canada) for Orders entered into in Canada, excluding any conflict of laws principle that would refer to the laws of another jurisdiction.

29.2 The parties shall first attempt to resolve any dispute, controversy or claim arising out of or relating to any Order, or the breach, termination or invalidity hereof (each, a “Dispute”), in good faith by

negotiation and consultation between themselves. Any Dispute that has not been resolved by negotiation within ninety (90) days after one party provides notice of a Dispute to the other party, shall be submitted to mandatory, final and binding arbitration. Such arbitration shall be conducted in English, at a mutually agreeable location in accordance with the (i) commercial arbitration rules of the American Arbitration Association for Orders entered into in the United States, (ii) National Arbitration Rules of the ADR Institute of Canada, Inc. for Orders entered into in Canada. The procedure for the arbitration shall follow the applicable arbitration rules, as specified above. The arbitration award shall be in writing, state the reasons for the award and be final and binding. Judgment thereon may be entered in any court of competent jurisdiction. By agreeing to arbitration, the parties do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction, pre-arbitral attachment, or other order in aid of arbitration proceedings, as permitted by applicable law, and the enforcement of any award.

29.3 The parties agree that the application of the United Nations Convention on Contracts for the International Sale of Goods is hereby specifically excluded and shall not apply to the performance of any Order.

ARTICLE 30 – NOTICES Notices shall be sent in writing to the address for notices communicated by the other party and shall be: (i) delivered by hand; (ii) sent by prepaid courier; (iii) sent by registered post; or (iv) sent by e-mail with confirmation receipt requested. Said notices shall be deemed received (i) the day it is personally delivered by hand, (ii) two (2) working days after it is mailed by prepaid courier or registered post, or (iii) the day it is sent electronically, and receipt confirmation is received.

ARTICLE 31 – BUSINESS CONDUCT

31.1 For purposes of this Article 31:

(a) “Facilitation Payment” means the giving of anything of value to speed up an on-going process and/or routine nondiscretionary government action that is for something to which the payer is already legitimately entitled.

(b) “Government Official” means: (i) any director, officer or employee, consultant or contractor of any Public Body; (ii) any person acting in an official capacity for or on its behalf; and (ii) any officer or employee or candidate of any political party or faction. Government Official also includes close family members including spouse or partner, grandparents, parents, siblings, children, nieces, nephews, aunts, uncles and first cousins; and any other individuals who share the same household with the Government Official.

(c) “Public Body” means any central or local government, or any ministry, department, agency, organ or instrumentality of state whether executive, legislative or judicial at all levels from national, state, local or town level, or entity owned or controlled by, a government or a state, including but not limited to oil and/or services national companies. Public Body also includes any public international organization (e.g. United Nations, World Bank).

31.2 Supplier warrants and represents that to the best of its knowledge and unless disclosed in writing to SCOT: (a) no member of the Supplier Group is the subject of any judicial or quasi-judicial investigation, inquiry or enforcement proceedings by any Public Body regarding any offence or alleged offence involving bribery, corruption, fraud, money-laundering, modern slavery or breach of trade control regulation; neither is listed by any Public Body as being proposed for or already debarred,

suspended, or otherwise ineligible for participation in procurement programs or contracts run or offered by such entities; (b) no Government Official owns or possesses, directly or indirectly, shares or any other beneficial interest in Supplier Group (other than through ownership of publicly traded securities that is not sufficient to constitute a controlling interest), (c) no Government Official is a director, agent, consultant or representative of Supplier Group, or has a direct or indirect interest in it or in an Order; and (d) no member of the Supplier Group has active political role in the countries where the Order will be performed.

31.3 Supplier represents, warrants and undertakes that: (a) no member of the Supplier Group has or will, directly or indirectly, in connection with any Order, the work or operations thereunder, pay, give, promise, request, accept, offer or authorize any inducement, bribe, kickback, expediting fee, Facilitation Payment or anything of value in any form (e.g. gifts, hospitality, favors) to any Government Official, any person or any employee, representative, contractor or agent of SCOT to influence the act, decision or omission of the aforesaid persons to obtain or retain business or gain an improper advantage; or otherwise breach any applicable laws; (b) all work secured, performed, maintained, contracted and extended under any Order whether directly or indirectly is made on the basis that Supplier has and will comply with Articles 26, 31 and 32; (c) it won't purchase goods or services sourced from anyone engaged in modern slavery; (d) it maintains adequate management systems to ensure compliance with the obligations herein; (e) it will cascade thru its supply chain, obligations similar to those herein, and monitor compliance; (f) it will notify SCOT in writing if any change to the foregoing, or if it failed to comply or is unable to comply with this Article 31; and (g) it shall be liable for all acts or omissions of members of the Supplier Group as if such acts or omissions were those of Supplier and as if all references in this Article 31 to Supplier were references to the aforesaid persons.

ARTICLE 32 – HEALTH, SAFETY AND ENVIRONMENT; WORKING CONDITIONS REQUIREMENTS

32.1 Supplier shall, in a timely manner, inform SCOT of any actions required by SCOT, or any limitations on SCOT's activities, that relate to Supplier's regulatory compliance obligations. Supplier shall show active commitment to the protection of people at all times and in all circumstances including the provision of adequate controls to protect people from exposure to physical, chemical, biological and psychosocial hazards in the workplace. Supplier shall show active commitment to the protection of the environment by minimizing its impact on the environment through pollution prevention, control of emissions and the efficient use of natural resources and the reduction and recycling of waste. Supplier shall have adequate provisions in place to respond to any HSE emergency. When on SCOT managed sites Supplier must at all times comply with the minimum site QHSE requirement, which will be provided on request.

32.2 Supplier shall perform their activities in a manner consistent with the 2011 United Nations Guiding Principles on Business and Human Rights.

ARTICLE 33 – GENERAL LEGAL PROVISIONS

33.1 These SCOT Terms and Conditions for Purchase Orders and the Order embody the entire agreement between the parties with respect to the subject matter hereof, and prevail over any previous oral or written understandings, commitments or agreements pertaining to the subject matter hereof (except to the extent otherwise stated in Articles 3.3 and 3.4).

33.2 SCOT reserves the right to update these SCOT Terms and Conditions for Purchase Orders; said revised/updated versions shall only apply to Orders placed once the same have been communicated to Supplier.

33.3 Any provision herein which in any way contravenes applicable laws or regulations shall be deemed severable to the extent of such contravention, and the legality, validity or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. The parties shall promptly negotiate to restore the provisions hereof as near as possible to their original intent and economic effect.

33.4 The provisions hereof which by their nature are intended to survive the expiry, cancellation or termination of the Order (including without limitation warranty, indemnity/liability, intellectual property and confidentiality provisions) shall remain in full force and effect after said expiry, cancellation or termination.

33.5 The headings contained herein are for convenience of reference only, and do not constitute a part hereof.

33.6 The terms and conditions contained herein may not be discharged in whole or in part by waiver, renunciation, or failure of enforcement, unless specifically agreed to in writing by the party to which said terms and conditions benefit. 33.7 The rights and remedies of SCOT under these SCOT Terms and Conditions for Purchase Orders are not exclusive, and shall apply in addition to any other rights and remedies available at law, in contract, in equity or otherwise. If either party exercises its rights and remedies under this these SCOT Terms and Conditions for Purchase Orders, under no circumstances shall it become liable for the consequential damages which may be sustained by the other party as a result thereof.

33.8 Supplier confirms it has reviewed, acknowledges and agrees that the contents of any guidelines, standards, requirements, terms etc. set out in documents, webpages and other sources accessed via the hyperlinks included in these SCOT Terms and Conditions for Purchase Orders form part of these SCOT Terms and Conditions for Purchase Orders. Hyperlinks appear throughout these SCOT Terms and Conditions for Purchase Orders and can be accessed by clicking on the link. If Supplier is unable to access a hyperlink, Supplier shall promptly provide notification to SCOT.

33.9 For the purposes of these SCOT Terms and Conditions for Purchase Orders, references to “days” shall mean calendar days. References to “working days” shall mean working days in the country where the Order is being performed.

33.10 If these SCOT Terms and Conditions for Purchase Orders are translated, the original English version shall prevail.

***** End of the SCOT Terms and Conditions for Purchase Orders