



CIGNYS PURCHASING STANDARD TERMS AND CONDITIONS

TERMS OF PURCHASE

SERVICES & DELIVERABLES - Seller agrees to provide to CIGNYS (or its subsidiaries, if such subsidiaries are designated as the contracting parties in the purchase order) (hereinafter referred to as "CIGNYS") the goods ("Goods") and/or services ("Services"), described in any purchase order ("**Purchase Order**," or "**PO**"), in accordance with these Terms and Conditions. These terms and conditions, together with CIGNYS' Supplier Requirements Manual, CIGNYS' Confidentiality and any other referenced exhibits, attachments or other documents, constitute the entire agreement (collectively, the "Agreement") between CIGNYS and the seller named on the Purchase Order ("Seller"). **These Terms of Purchase and this Agreement prevail over any of Seller's general terms and conditions regardless of whether or when Seller has submitted its sales confirmation or such terms.** No course of prior dealings between CIGNYS and Seller and no knowledge of the trade shall be relevant to supplement or explain this Agreement. This order and any agreement resulting here from cannot be modified or amended without the written consent of CIGNYS.

ACCEPTANCE – Seller's commencement of work on such goods or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of CIGNYS' offer to purchase contained in the purchase order. Any acceptance of this purchase order is limited to acceptance of the express terms of the offer contained on the face of the PO and this document. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance is hereby objected to and reject but such proposal shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by the Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained on the face and the back hereof. Additional or different terms or any attempt by seller to vary in any degree any of the terms of this purchase order shall be deemed material and shall be rejected. However, this purchase order shall not operate as a rejection of the seller's offer unless it contains variance in the terms of the description, quantity, price, or delivery schedule of the goods.

For items purchased to CIGNYS' drawings, no deviations from the drawing specification shall be made without approval. CIGNYS requests Seller to notify as far in advance as possible when changes are planned in their standard product when the product is used in conjunction with CIGNYS' product.

PRICE – The price shown on the purchase order is the total price. Any price reduction by Seller subsequent to this order for goods and/or services of the kind or quality shall be applicable to this order. If no price is specified herein, the price shall be not higher than Seller's last previously quoted or charged to CIGNYS for goods and/or services of like kind or quality. If Seller has not previously quoted or charged CIGNYS prices as to any goods and/or services ordered hereby, the price shall be the lowest price charged by Seller to any customer for goods and/or services of like kind and quality from the date hereof until date of delivery.

FORCE MAJEURE – Neither CIGNYS nor the seller shall not be liable for any failure to perform due to any circumstances beyond their reasonable control which make such performance commercially impractical including, but not limited to, acts of God, fire, flood, acts of war, government action, accident, labor difficulties or shortage, inability to obtain materials, equipment, or transportation. In the event that performance of the purchase order is hindered, delayed or adversely affected by causes of the type described above, ("Force Majeure"), the Party whose performance is so affected shall notify the other Party in writing and at CIGNYS's option, the purchase order shall be completed with such adjustments as are reasonably required by the existence of Force Majeure.

WARRANTIES & PATENTS - Seller warrants that all goods and/or services provided by it (i) shall be of good quality and workmanship and free from defects, latent or patent; (ii) shall conform to all specifications, drawings, descriptions and samples furnished, specified and adopted by CIGNYS; (iii) shall be merchantable and suitable and sufficient for their intended purposes; (iv) shall be free of any claim of any third party, whether or not Seller is merchant of such goods and/or services.

NONE OF THE REMEDIES AVAILABLE TO CIGNYS FOR THE BREACH OF ANY OF THE FOREGOING WARRANTIES MAY BE LIMITED EXCEPT TO THE EXTENT AND IN THE MANNER AGREED UPON BY



CIGNYS IN A SEPARATE AGREEMENT SPECIFICALLY DESIGNATING SUCH LIMITATION AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF CIGNYS.

CIGNYS' inspection and/or acceptance of and/or payment for goods and/or services shall not constitute a waiver by it of any warranties. CIGNYS' approval of any sample or acceptance of any goods shall not relieve Seller from responsibility to deliver goods and to perform services conforming to specifications, drawings and descriptions.

Seller warrants that (i) neither the goods furnished hereunder nor the sale or use thereof will infringe any United States or Foreign Letter Patent, trademark, copyright, or other proprietary or similar rights; (ii) Seller will, at its own expense, defend any suit that may arise in respect thereto; and (iii) Seller will indemnify and hold CIGNYS harmless from all loss and expense incurred on account of any alleged or actual infringement. CIGNYS shall promptly notify Seller of any such infringement claim made against it.

PACKING, SHIPMENT AND DELIVERY - Unless otherwise specifically provided herein, delivery shall be made to CIGNYS' place of business designated on the purchase order. Risk of loss and/or damage shall be upon the Seller until the goods are physically delivered to CIGNYS. Unless otherwise provided, CIGNYS will not accept COD shipment. If not given specific packaging instruction, the Seller shall suitably pack, mark and ship all goods to prevent damage and to conform to requirements of common carriers. Where practical, the Seller shall at a minimum mark each package with the CIGNYS' order number and address and shall place inside each package a memorandum showing the Sellers name, contents thereof and CIGNYS' order number. Seller shall reimburse CIGNYS for all expenses incurred by CIGNYS as a result of improper packing, marking or routing. No charge shall be made for packing, boxing, drayage or storage without CIGNYS' specific written authorization. Delivery shall be made in quantities and at the time specified in CIGNYS' order or instructions. CIGNYS expressly reserves the right to change delivery schedules. If this order requires or authorizes the delivery of goods in separate lots and any goods do not conform hereto, CIGNYS may, at its sole discretion reject any or all goods affecting the entire lot, and any undelivered lot. Delivery dates specified herein are of the essence. Deliveries not made on the date or dates specified may be cancelled and/or rejected by CIGNYS.

INSPECTION/TESTING/REJECTION – CIGNYS shall have a reasonable time after receipt of Goods or Service deliverables and before payment to inspect them for conformity hereto, and performance hereunder shall not be deemed accepted until CIGNYS has run an adequate test to determine whether the Goods and Services conform to the specifications hereof. Use of a portion of the Goods for the purpose of testing shall not constitute an acceptance of the Goods. If performance tendered does not wholly conform to the provisions hereof, CIGNYS shall have the right to reject such performance. Nonconforming Goods will be returned to Seller freight collect and risk of loss will pass to Seller upon CIGNYS' delivery to the common carrier. CIGNYS reserves the right to inspect and test all supplies called for by the contract, to the extent practicable, at all places and times, including the period of manufacture, and in any event before acceptance. Also, if CIGNYS performs inspection or test on the premises of the Contractor or subcontractor, the Contractor shall furnish, and shall require furnishing, without additional charges, all reasonable facilities and assistance for the safe and convenient performance of these duties.

INVOICING/PAYMENT – As full consideration for the performance of the Services, delivery of the Goods and the assignment of rights to CIGNYS as provided herein, CIGNYS shall pay Seller (i) the amount agreed upon and specified in the applicable purchase order, or (ii) Seller's quoted price on date of shipment (for Goods), or the date Services were started (for Services), whichever is lower. Applicable taxes and other charges such as shipping costs, duties, customs, tariffs, and government-imposed surcharges shall be stated separately on Seller's invoice. Payment is made when CIGNYS' check is mailed. Payment shall not constitute acceptance. All personal property taxes assessable upon the Goods prior to receipt by CIGNYS of Goods conforming to the purchase order shall be borne by Seller. Seller shall invoice CIGNYS for all Goods delivered and all Services actually performed on the date of shipment of goods. Unless written notice to the contrary is given to CIGNYS by the Seller prior to shipment, all invoices for goods shipped shall be tendered by and be payable to Seller. If prepaid transportation charges are for CIGNYS account, the invoice must be supported by the prepaid receipted transportation bill. Payment dates shall be computed from the date of shipment or from the date invoices are received by CIGNYS, whichever is later. Each invoice submitted by Seller must be provided to CIGNYS within ninety (90) days of completion of the Services or delivery of Goods and must reference the applicable purchase order. CIGNYS reserves the right to return all incorrect invoices. Unless otherwise specified on the face of a purchase order, CIGNYS shall pay the invoiced amount within thirty (30) days after receipt of a correct invoice.



COMPLIANCE WITH LAW - Seller warrants that its performance hereunder shall comply with all applicable federal, state and local law, rules, regulations, administrative and executive orders and pertinent governmental procurement regulations. **Seller shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.** Seller agrees to indemnify CIGNYS for any loss sustained by reason of Seller's failure to comply with an applicable federal, state and local laws, rules, regulations, administrative and executive orders.

DISCLOSURE OF INFORMATION - Any unpatented knowledge or information concerning Seller's products, methods or manufacturing processes which may be disclosed to CIGNYS shall, unless CIGNYS otherwise specifically agrees in writing, have been disclosed in consideration for this order, and Seller shall not assert any claim against CIGNYS as the results of CIGNYS' use thereof.

All technical information in the nature of drawings, patterns, specifications, samples or other goods furnished by CIGNYS to Seller shall be considered and kept strictly confidential by Seller, shall not be used for any purpose other than the performance of work for CIGNYS. Unless otherwise agreed in writing, all dies, molds, patterns, jigs, fixtures and any other property furnished to Seller by CIGNYS, or paid for by CIGNYS, shall remain property of CIGNYS, and shall be used only in filling orders from CIGNYS. **All non-public, confidential or proprietary information of CIGNYS, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by CIGNYS to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the purpose of performing this Agreement and may not be disclosed or copied unless authorized in advance by CIGNYS in writing.** All such materials shall be returned to CIGNYS at CIGNYS' request upon termination of the work for which they were furnished.

CHANGES - CIGNYS reserves the right at any time prior to shipment to make changes as to: (a) specifications of any goods to be specifically manufactured for CIGNYS; (b) methods of shipment or packing; (c) place of delivery; (d) time of delivery, and (e) reduce, increase or cancel the quantities ordered. If any such change causes an increase or decrease in the cost of or the time required for performance of this purchase order, an equitable adjustment shall be made in the contract price or delivery schedule or both. Any claim by Seller for adjustment under this clause shall be deemed waived unless asserted in writing within (10) days from receipt by Seller of the change.

CANCELLATION - CIGNYS may cancel this order in whole or in part if (i) the goods and/or services furnished do not conform to warranties; (ii) Seller fails to make deliveries as provided herein; (iii) Seller breaches any other term or conditions herein; (iv) any representation by Seller proves to have been false when made; or (v) Seller is insolvent, makes an assignment for benefit of creditors, a receiver or trustee is appointed for any of Seller's assets, or any other type of insolvency proceeding or formal or informal proceeding for the dissolution, liquidation, or winding up of affairs of, Seller, is commenced. In the event of any such cancellation, CIGNYS shall have the right, in addition to its other rights; (i) to refuse to accept delivery of goods and/or performance of services; (ii) to return to Seller any goods already delivered and to recover all payments made therefore and for expenses incident thereto; (iii) to recover any advance payments to Seller for undelivered or returned goods and/or services not fully performed; and (iv) to purchase elsewhere and charge Seller with any additional cost resulting there from. CIGNYS' right to return goods is not affected by any assignment by Seller of moneys due or to become due hereunder. Upon cancellation by CIGNYS, CIGNYS shall be charged only (i) the allocable part of price for conforming goods delivered and services performed, and (ii) Seller's actual cost for undelivered goods and for services not performed (including sums payable to settle obligations reasonable incurred in reliance on this order), such total charge to be in no event greater than the price herein. Upon such payment, all goods, whether in process or finished, and raw materials therefore shall become CIGNYS' property and shall be delivered to CIGNYS as herein provided.



RESPONSIBILITY AND INSURANCE – Seller shall be responsible for the actions and failure to act of all parties retained by, though, or under Seller in connection with the performance of this Purchase Order. Seller shall also maintain and cause its subcontractors to maintain such General Liability, Property Damage, Employer's Liability, and Workers' Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in this Purchase Order or, if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes. Seller shall provide Buyer with certificates evidencing required insurance upon Buyer's request.

DATA PRIVACY AND SECURITY – Seller warrants and represents that its access, collection, storage and disposal of CIGNYS's information does and shall comply with applicable federal and state statutes and regulations. Seller shall implement commercially reasonable data protection and data security policies and procedures. Seller will use best efforts to immediately contain and remedy any security breach and prevent any further security breach, including, but not limited to taking any and all action necessary to comply with applicable privacy rights, laws, regulations, and standards.

NONASSIGNABILITY - Seller may not assign any right or interest in this order and may not delegate performance of its obligations without CIGNYS' written consent. Any attempted assignment or delegation by Seller without such consent shall be void.

INDEMNITY AGAINST CLAIMS – (a) Seller shall keep its work and all items supplied by it hereunder and Buyer premises free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.

(b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees and agents harmless from and against (i) all claims (including claims under Workers' Compensation or Occupational Disease laws) and resulting costs, expenses and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods, services or other items supplied by Seller pursuant to this Purchase Order, including, without limitation, latent defects in such goods, services or other items, except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer, and (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors. Seller shall, at its expense, defend, indemnify and hold harmless CIGNYS against any and all losses arising out of or in connection with any claim that CIGNYS's use or possession of the goods or services provided by Seller infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party.

REMEDIES - If Seller breaches this Agreement, CIGNYS shall have all remedies available by law and at equity. For the purchase of Goods, Seller's sole remedy in the event of breach of this Agreement by CIGNYS shall be the right to recover damages in the amount equal to the difference between market price at the time of breach and the purchase price specified in the Agreement. No alternate method of measuring damages shall apply to this transaction. Seller shall have no right to resell Goods for CIGNYS' account in the event of wrongful rejection, revocation of acceptance, failure to make payment or repudiation by CIGNYS and any resale so made shall be for the account of Seller.

ATTORNEYS' FEES - In any action to enforce this Agreement, the prevailing party shall be entitled to recover all court costs and expenses and reasonable attorneys' fees, in addition to any other relief to which it may be entitled.

SEVERABILITY - If any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

LIMITATION OF LIABILITY – In no event shall CIGNYS be liable to seller or seller's subsidiaries, affiliates, agents, or any third party for an incidental, indirect, special, or consequential damages arising out of or in connection with, this agreement, whether or not CIGNYS was advised of the possibility of such damage, and whether or not there is a failure of any agreed remedy.



NONEXCLUSIVE AGREEMENT - This is not an exclusive agreement. CIGNYS is free to engage others to perform Services or provide Goods the same as or similar to Seller's.

RELATIONSHIP OF PARTIES – The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

GOVERNING LAW - This Agreement shall be construed in accordance with, and disputes shall be governed by, the laws of the state from which CIGNYS's purchase order was placed, excluding its conflict of law rules. Jurisdiction and venue over all controversies arising out of, or relating to, this Agreement shall be in the state from which CIGNYS' PO was placed. The applicability of the UN Convention on Contracts for the International Sale of Goods is hereby expressly waived by the parties and it shall not apply to the terms and conditions of this Agreement.

INJUNCTIVE RELIEF - Seller acknowledges and agrees that the obligations and promises of Seller under this Agreement are of a unique, intellectual nature giving them particular value. Seller's breach of any of the promises contained in this Agreement will result in irreparable and continuing damage to COMPANY for which there will be no adequate remedy at law and, in the event of such breach, COMPANY will be entitled to injunctive relief, or a decree of specific performance **without the requirement of posting bond. Such remedies are not exclusive, but in addition to any other remedies, whether legal or equitable, which may be available to CIGNYS.**

Survivability - Seller's obligations contained within the provisions of this Purchase Order, shall survive termination, expiration, or completion of this Purchase Order.