



## **1. TERMS OF AGREEMENT**

- 1.1. The purchase order, together with these terms and conditions, and any attachments, exhibits, specifications, drawings, notes, instructions, and other information, whether physically attached or incorporated by reference (collectively the "Purchase Order"), constitutes the entire and exclusive agreement between CCX Corporation ("Buyer") and the supplier ("Supplier").
- 1.2. Placement of this order constitutes an offer to purchase the products and services described herein. Supplier's written or electronic confirmation of, or commencement of performance under, this Purchase Order shall constitute acceptance of the Purchase Order. If a master agreement covering procurement of the Products or Work described in the Purchase Order exists between Buyer and Supplier, the terms of such master agreement shall prevail over any inconsistent terms described the Purchase Order.

## **2. DELIVERY**

- 2.1. Delivery of goods shall be made pursuant to the Purchase Order. Supplier will notify Buyer immediately if Supplier's timely performance under the Purchase Order is delayed or likely to be delayed. In the event Supplier fails to deliver the goods within the time specified, Buyer may, at its sole discretion, decline to accept the goods and terminate the agreement. Supplier shall preserve, package, and handle Purchase Order deliverables so as to protect them from loss or damage and in accordance with best commercial practices in the absence of any specific instruction provided by Buyer. Supplier shall include with each delivery pursuant to the Purchase Order, a packing list identifying the Buyer's purchase order number, the Buyer's part number, and the quantity of each deliverable. All documentation must reference Buyer's purchase order number.



### **3. PRICE AND PAYMENT**

3.1. Unless otherwise specified in the Purchase Order, pricing for all goods and services shall include all taxes and other charges such as shipping and delivery charges, duties, customs, tariffs, imposts and government-imposed surcharges. Any change must be authorized in writing by Buyer. Buyer will pay Supplier the price in accordance with payment terms set forth in the Purchase Order following the later of: (i) the delivery date; (ii) the date of Buyer's acceptance of all deliverables; or (iii) Buyer's receipt of a properly prepared invoice. Buyer may, at any time, offset any amounts Supplier owes Buyer against any amounts Buyer owes Supplier.

### **4. WARRANTY**

4.1. Supplier warrants that all goods furnished under the Purchase Order shall be free from defects in materials and workmanship, and shall conform to all specifications, descriptions and drawings. Buyer shall have the right to return or reject, after inspection, any of such goods that are defective within 180 days (See return policy section 3) upon receipt of product. At Buyer's option, Buyer may (i) return the nonconforming goods to Supplier, transportation collect, for a refund or credit; (ii) require Supplier to replace the nonconforming goods; or (iii) repair the nonconforming goods at Supplier's cost so that they meet requirements. Buyer will make all reasonable effort to apprise Supplier of added costs of (iii), which shall be borne solely by Supplier.

### **5. RETURN POLICY**

5.1. All returns of CCX products for replacement or credit that were shipped in error; were delivered with defects; or have been specifically authorized for return by CCX, will be processed taking into consideration the following:

5.1.1. All returned product for replacement or credit must be in saleable condition, defined as follows:



- 5.1.1.1. Unopened
  - 5.1.1.2. Unmarked
  - 5.1.1.3. Undamaged
  - 5.1.1.4. In original packaging
- 5.1.2. All Returned Products must include a Returned of Materials Authorization ("RMA") number. Customer must contact the respective CCX Sales department in order to request such RMA number. The following information will be required for the assignment of the RMA number:
- 5.1.2.1. Reason for the Return
  - 5.1.2.2. Item/Product Number
  - 5.1.2.3. Quantity of Returned Products
  - 5.1.2.4. Original Purchase Invoice Number
  - 5.1.2.5. Date of Invoice
  - 5.1.2.6. Purchase Order Number
  - 5.1.2.7. Lot Number (if applicable)
  - 5.1.2.8. Date Code (if applicable)
- 5.1.3. All Returned Product requests must be initiated with CCX Sales within 180 days following the date of invoice for the Returned Product.
- 5.1.4. All returns must include the RMA # to ensure the applicable credit is applied to the respective return product order. If a Returned Product does not have a RMA #, a credit cannot be processed.
- 5.1.5. The Customer must contact CCX Sales for issuance of a new RMA #, to confirm that the product is still eligible for return.
- 5.1.6. Damaged in Transit/Shipped in Error/Shortages/Overages.
- 5.1.6.1. Damaged in Transit/Shipped in Error. In the event damage or breakage that occurred during or resulting from freight handling and / or loading is noted upon arrival at Customer's location, the Customer should do the following or no credit will be allowed:



- 5.1.6.1.1. Accept the Products delivered by the carrier and note the visible damage or breakage on the carrier's delivery documents and have the carrier sign the document.
- 5.1.6.1.2. Within forty-eight (48) hours of receipt from the carrier, promptly notify CCX Customer Service Department of the damage or breakage.
  
- 5.1.7. Shortages. To ensure appropriate credit is issued in the event a shortage occurs in transit, Customers should accept all Products delivered by carrier, note visible shortages on the carrier's delivery documents and contact CCX sales Department.
  - 5.1.7.1. CCX will make arrangements for a replacement shipment, if requested by Customer.
  - 5.1.7.2. CCX will investigate shortage claims by reviewing carrier Proof of Delivery, pallet architecture (for pallet shipments) and distribution center product cycle count.
  - 5.1.7.3. CCX will issue a credit for shortages if CCX concludes the shortage is validated and subject to the following conditions:
    - 5.1.7.3.1. Shortages must be reported to the CCX Sales Department within five (5) business days of receipt. This applies to dropped trailers, live unload palletized and small package shipments, and includes shortages within an over-packed corrugate. Note, Customer must sign for number of pallets received.
    - 5.1.7.3.2. Shortages within full cases should be reported to CCX Sales department immediately when encountered.
  
- 5.1.8. Overages. To ensure appropriate processing (billing or return authorization) is completed in the event an overage occurs in transit, Customers should accept all Products delivered by carrier, note visible overage on the carrier's delivery document and report the overage to CCX Sales department. CCX will make arrangements for a carrier to pick up the over- shipped Product within a reasonable timeframe.
  - 5.1.8.1. CCX will issue an invoice for over-shipped Product at Customer request.



- 5.1.8.2. Overages must be reported to the CCX Sales Department within five (5) business days of delivery. This applies to dropped trailers, live unload palletized and small shipments and includes overages within an over-packed corrugate.
  
- 5.1.9. Concealed Damage. Concealed damage or breakage which occurred during or resulting from freight handling or loading of Products must be reported within five (5) business days of delivery. Customer must notify CCX Sales of the following concealed damage or breakage:
  - 5.1.9.1. Over-packs (e.g., multiple SKUs in a master case); or,
  - 5.1.9.2. Damage or breakage concealed within palletized shipments.
  
- 5.1.10. Defective/Mislabeled Products the Customer must report receipt of any defective/mislabeled product to CCX Sales department within twenty-four (24) hours of discovery, providing the following information:
  - 5.1.10.1. Customer name and address
  - 5.1.10.2. Customer contact and phone number
  - 5.1.10.3. Product number and description
  - 5.1.10.4. Lot number, if applicable
  - 5.1.10.5. Nature of problem and quantity involved
  
- 5.1.11. CCX will investigate the potential defect/mislabeled and will notify the Customer of any action to be taken. Determination of a product defect or mislabeling will be made by CCX, which determination will be final.
  
- 5.1.12. The authorization to accept any Returned Product, and provide a replacement or credit for such return, will be granted in CCX sole discretion and CCX reserves the right to refuse the return of any CCX product.

## **6. FORCE MAJEURE**

- 6.1. Neither party shall be liable for failure to perform any of its obligations under the Purchase Order during any period in which such party cannot



perform due to matters beyond their control, including, but not limited to, fire, strike, flood or other natural disasters, or war, provided that the party so delayed immediately notified the other party of such delay. Failure of subcontractors and inability to obtain materials or labor shall not be considered as a force majeure delay.

## **7. ASSIGNMENT AND SUBCONTRACTING**

7.1. If Supplier chooses to subcontract any portion of work pursuant to the Purchase Order, Supplier will: (i) guarantee and remain liable for the performance of all subcontracted obligations; (ii) indemnify Buyer for all damages and costs of any kind (pursuant to Section 7 below) incurred by Buyer or any third party and caused by the acts and omissions of Supplier's subcontractors; and (iii) make all payments to subcontractors as required. If Supplier fails to timely pay a subcontractor for work performed, Buyer will have the right, but not the obligation, to pay the subcontractor and offset any amount due to Supplier by any amount paid to the subcontractor. Supplier is responsible for flowing down any and all Purchase Order requirements to subcontractor. Supplier takes responsibility for performance of subcontractor and shall be held responsible for subcontractor's performance.

## **8. INDEMNIFICATION**

8.1. In the case of a material, product or article manufactured by Supplier according to a design furnished by Buyer, Buyer shall indemnify and hold harmless the Supplier from any claim against Supplier that such material, product or article sold to Buyer under the Purchase Order in and of itself infringes a US patent or patent right. In case of a material, product or article manufactured to a design not furnished by Buyer, Supplier shall indemnify and hold harmless Buyer from any claim against Buyer that such material, product or article sold to Buyer under the Purchase Order infringes a US patent or patent right.



## **9. TERMINATION**

9.1. Buyer may terminate this order, at any time, for no reason or for any reason, upon written notice to Supplier. Upon receipt of notice of such termination, Supplier shall inform Buyer of the extent to which it has completed performance as of the date of the notice, and Supplier will collect and deliver to Buyer whatever deliverables then exist. Buyer will pay Supplier for all work performed and accepted through the date of termination, provided that Buyer will not be obligated to pay any more than the payment that would have become due had Supplier completed and Buyer accepted the deliverables. Buyer shall have no further payment obligation in connection with any termination.

## **10. RISK OF LOSS**

10.1. Title to product shipped in fulfillment of the Purchase Order remains with Seller until receipt at Buyer's premises or at an alternative address as specified by the Purchase Order. Seller assumes all risk of loss with respect to deliverables shipped in fulfillment of the Purchase Order until title passes to Buyer.

## **11. RIGHT OF ACCESS**

11.1. Buyer, or its agent, shall have access to all facilities utilized in the performance of the Purchase Order, including any associated subcontractor or material supplier. Buyer shall give reasonable advance notice when Buyer or its agent will exercise right of access. Supplier shall afford right of access to Buyer and its agent to any documentation, records, or facilities related to performance under the Purchase Order.

## **12. INTELLECTUAL PROPERTY**

12.1. The parties expressly acknowledge and agree that at no time shall either party acquire or retain, or appropriate for its own use, any right, title or interest in or to any of the other party's intellectual property.



### **13.CONFIDENTIALITY**

13.1. Supplier shall maintain as confidential, and shall not disclose to any person outside of its employ, nor use for purposes other than performance of this order, any specifications, drawings, data, business information, or other confidential information which is learned by virtue of the performance of Buyer and Seller pursuant to the Purchase Order, except where required by law.

### **14.GOVERNING LAW**

14.1. The Purchase Order shall be construed in accordance with, and all disputes will be governed by, the laws of the State of Colorado, without regard to its conflict of laws rules. The parties specifically waive application of the UN Convention on Contracts for the International Sale of Goods. Supplier irrevocably consents to the personal jurisdiction of the state and federal courts in and for Boulder County, Colorado, and irrevocably waives any claim it may have that any proceedings brought in such court have been brought in an inconvenient forum.

### **15.RETENTION OF RECORDS**

15.1. Supplier agrees to retain all documents, work instructions, and records pertaining to performance of the Purchase Order for a minimum of one year from the date of delivery to Buyer. Records include actual production documentation and test results as required by applicable specifications. Upon request from Buyer and pursuant to Section 10 above, Supplier shall provide access to such records to Buyer and its agents in a timely manner.

### **16.QUALITY SYSTEM REQUIREMENTS**

16.1. Supplier, and any subcontractors utilized per 6 above, shall maintain a basic Quality Management System (QMS). QMS shall include, at a minimum:  
16.1.1. Documented general procedures describing the overall operation of the QMS;





- 16.1.2. Documented processes for positive control and disposition of nonconforming materials;
- 16.1.3. Documented processes for corrective and preventive action;
- 16.1.4. Control and calibration of gaging and test equipment, as appropriate; and
- 16.1.5. Internal auditing of the QMS.

16.2. Third-party registration to a recognized quality standard (ISO 9001, ISO 13485, AS9100, etc) is preferred but is not required. Upon request, Supplier shall provide documented evidence of QMS to Buyer or its agent.

## **17. GENERAL**

- 17.1. If there is a conflict between or among the Purchase Order and any documents attached or incorporated by reference, the conflict will be resolved as follows:
  - 17.1.1. A conflict between the terms of the Purchase Order and those set forth in an attached exhibit, specification, drawing, note, or instruction shall be resolved in favor of the Purchase Order.
  - 17.1.2. A conflict between a Purchase Order and a written master agreement shall be resolved in favor of the master agreement.
- 17.2. If any court of competent jurisdiction holds that any provision of the Purchase Order is illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining provisions of the Purchase Order will not be affected or impaired, and all remaining terms of the Purchase Order remain in full force and effect.