

# TERMS AND CONDITIONS OF PURCHASE

1. **AGREEMENT.** The Agreement ("Agreement") between Mark Rite Lines Equipment Company, Inc. and/or its affiliates (the "Buyer") and its vendor (the "Seller") with respect to the purchase of goods (the "Goods") or performance of work or services (the "Services") shall consist of the terms appearing herein together with the purchase order (the "Order") to which these terms and conditions are incorporated, attached or appended. BUYER SHALL NOT BE BOUND BY ANY ADDITIONAL OR DIFFERENT TERMS APPEARING IN SELLER'S QUOTATION, PROPOSAL, ACKNOWLEDGMENT OR ANY OTHER FORMS OR COMMUNICATIONS FROM SELLER, ALL OF WHICH ARE HEREBY REJECTED, AND NO REFERENCE THEREIN SHALL BE DEEMED TO INCORPORATE ANY SUCH ADDITIONAL OR DIFFERENT TERMS UNLESS SUCH TERMS ARE MUTUALLY AGREED TO IN WRITING AND SIGNED BY BUYER AND SELLER. Acceptance of the Order will occur upon Seller executing and returning to Buyer the acknowledgment copy hereof or in lieu thereof, by Seller delivering any of the Goods or performing any of the Services herein ordered, whichever shall first occur.
2. **PRICE.** Prices shown on the Order shall not be subject to increase without the written consent of Buyer. If prices are not shown for any of the Goods or Services then prices to be charged by Seller shall not be higher than prices last quoted or charged to Buyer for the same or commercially similar Goods or Services, or at prevailing market price, whichever is lower, unless otherwise agreed upon in writing. The period of any cash discount shown on the Order shall extend from the date of receipt of the invoice by Buyer or from the date of receipt by Buyer of any correct invoice, whichever is later. Prices include all costs and charges for crating, wrapping and packing and all other expenses of Seller's performance of the Agreement except as otherwise shown on the Order.
3. **PRICE WARRANTY.** Seller warrants that the prices for the Goods or Services sold to Buyer hereunder are not less favorable than those currently extended to any other customer for the same or similar Goods or Services in similar quantities. In the event Seller reduces its price for such Goods or Services during the term of the Order, Seller agrees to reduce the prices hereof correspondingly. Seller warrants that prices shown on the Order are complete, and no additional charges of any type shall be added without Buyer's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, customs duties, taxes, storage, insurance, boxing, crating.
4. **TAXES.** Unless prices are expressly shown to be with taxes on the Order, all taxes shall remain the responsibility of Seller and Seller shall indemnify and hold Buyer harmless from and against the assessment or imposition of any excise, use or other tax (however designated) upon the production, sale or delivery of Goods shipped hereunder or upon the performance of Services rendered hereunder, unless such assessments or impositions are forbidden by law to be borne by Seller.
5. **DELIVERY.** Time is of the essence of this Agreement. Seller shall not deliver any of the Goods or perform any of the Services except at the time or dates indicated on the Order. No change in the scheduled delivery date or performance will be permitted without Buyer's prior written consent. No acceptance of Goods or Services after the scheduled delivery date will waive Buyer's rights with respect to such late delivery, nor shall it be deemed a waiver of future compliance with the terms hereof. In the absence of designated times for delivery or performance, Seller shall deliver or perform in accordance with any directions subsequently given by Buyer or otherwise as expeditiously as possible. Failure of Seller to deliver or perform in accordance with the times required therefore, as herein provided, shall constitute a breach of the Agreement. At the election of Buyer, Buyer may notify Seller that the delay will result in damages and deduct the damages from the sale price upon acceptance of the Goods or Services.
6. **BREACH.** In the event that Seller shall breach any of its obligations hereunder, Buyer may purchase substitute Goods or Services, and Seller shall pay to Buyer any difference in the price of such substitute Goods or Services and the prices contracted for hereunder, together with expenses incurred by Buyer in obtaining such cover. The remedy provided in this paragraph shall be in addition to, and not in lieu of, any other remedies which Buyer may have under the Agreement or under applicable law. Acceptance by Buyer of any payment from Seller of amounts herein provided shall not waive Buyer's right to recover against Seller any other amounts, damages, or losses. Buyer is not required to accept replacements or substitutes or permit cure of defects in any Goods or Services rightfully rejected, and Seller shall remain liable for any actual, consequential or incidental damages relating to the breach.
7. **QUANTITIES.** Unless otherwise agreed in writing by Buyer, deliveries of Goods must be in the exact quantities stated on Buyer's order. If Seller ships or delivers a quantity of Goods greater than or less than the quantity prescribed for each shipment, Buyer shall have the right at its election to reject the shipment in its entirety or to accept any part thereof and reject the remainder or to accept the entire shipment. In no event shall Buyer be responsible for any additional shipping or transportation charges resulting from shipments by Seller in other than specified quantities or from partial shipments.
8. **REJECTION.** Rejected Goods may, at the election of Buyer, be returned to Seller at Seller's expense and risk or be held at Seller's risk for Seller's instructions. Acceptance of a portion of the Goods shall not preclude subsequent rejection of the remainder in whole or in part. Any inspection of the Goods or Services by Buyer shall not constitute a waiver or acceptance as to any defects therein or breaches by Seller discovered by Buyer pursuant to such inspection.
9. **WARRANTIES.** In addition to Seller's customary warranties and any other warranties implied in fact or by law, Seller warrants to the Buyer and to any third party ultimately using any item, whether such third party is a customer of Buyer or not, unless otherwise agreed in writing and signed by the parties, that the Goods delivered and Services performed shall conform to all descriptions and specifications and to samples furnished by the Buyer and shall be of merchantable quality, free of defects, latent or patent, in design, material and workmanship, and fit for its particular purpose or purposes. SELLER'S WARRANTY SHALL EXTEND FOR A PERIOD OF 12 MONTHS AFTER THE GOODS ARE DELIVERED AND ACCEPTED BY BUYER, AND APPLIED TO ITS INTENDED USE AND PURPOSE. If Buyer incorporates Goods into a product of Buyer to be delivered to its customer, Seller's obligation under this provision shall be for the benefit of Buyer's customer and shall extend for one year after application of the item to its intended use. Unless otherwise agreed in writing by Buyer, Seller may not disclaim any warranties provided to Buyer by applicable law or statute.
10. **DEFECTIVE GOODS.** If any of the Goods fail to meet the warranties contained in paragraph 9, Seller, upon notice from Buyer, shall promptly correct or replace the same with conforming Goods at Seller's expense. If Seller fails to do so, Buyer may cancel the Order as to all such Goods and in addition, may cancel the then remaining balance of the Order. After notice to Seller, all such Goods will be held at Seller's risk and all transportation charges both to and from the original destination, shall be paid by Seller. Any payment for such Goods shall be refunded by Seller unless Seller promptly corrects or replaces the same at its expense.
11. **FORCE MAJEURE.** Buyer may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such Goods at the direction of the Buyer and shall deliver them when the cause affecting the delay has been removed. Buyer shall be responsible only for Seller's direct additional costs in holding the Goods or delaying performance of this Agreement at Buyer's request. Causes beyond Buyer's control shall include, but are not limited to, governmental action or failure of the government to act where such action is required, strike or other labor trouble or unrest, war, terrorism, fire, unusually severe weather, health epidemic or pandemic, or other acts of God.
12. **INDEMNIFICATION.** Seller shall defend, indemnify, save and hold Buyer harmless from and against all damages, claims or liabilities (including attorneys' fees) arising out of or resulting in any way from any defect in the Goods or Services purchased hereunder, or from any act or omission of Seller, its agents, employees or subcontractors in breach of this Agreement. This indemnification shall be in addition to the warranty obligations of Seller.
13. **RISK OF LOSS.** Regardless of shipping terms, Seller agrees to bear all risk of loss, injury or destruction of the Goods and materials ordered herein that occur prior to acceptance by Buyer. No such loss, injury or destruction shall release Seller from its obligations hereunder.
14. **SHIPPING COSTS.** All Goods are to be shipped freight prepaid, F.O.B destination, unless otherwise stated. Where Buyer has authorized in writing, Goods may be shipped F.O.B. shipping point. Seller shall prepay all shipping charges, route the Goods by the least expensive common carrier, or the carrier specified, and list all shipping charges as a separate item or items on Seller's invoice.
15. **COMPLIANCE WITH LAW.** Seller warrants that all applicable laws, rules and regulations of governmental authorities shall be complied with, including any applicable Executive Order mandating use of American materials covering the production, sale and delivery of Goods and the performance of Services under this Agreement.
16. **CHANGES.** Buyer may at any time cancel this Agreement with respect to any Goods not then delivered or Services not then performed. If such cancellation shall be for other than breach of the Agreement by Seller, Buyer shall pay to Seller cancellation charges as may be agreed between Buyer and Seller, but not to exceed the lesser of the purchase price applicable to such canceled Goods or Services or the labor, material and manufacturing overhead costs actually incurred by Seller through the date of cancellation, in each case, however, less the reasonable resale or salvage value of materials and work in progress. Notwithstanding the foregoing, Buyer shall not be liable for cancellation charges if the Goods are standard or stock items of the Seller. Buyer may also issue additional instructions and make changes in connection with the Agreement in any one or more of the following: (i) designs or specifications; (ii) method of shipment or packing; and (iii) time and destination of deliveries. If any such change results in an increase or decrease in the cost of performance by Seller, the parties shall agree in writing upon an equitable adjustment to the purchase price. Seller shall perform in accordance with the change pending the assertion of any such claim and pending agreement upon any equitable adjustment.
17. **PROPERTY FURNISHED TO SELLER BY BUYER INCLUDING DIES AND MOLDS.** All dies, molds, patterns, jigs, fixtures, materials, supplies and any other property furnished to Seller by Buyer or paid for by Buyer for use in the performance of the Agreement shall (i) be and remain the property of Buyer; (ii) be subject to removal upon Buyer's instructions; (iii) be used only in filling orders from Buyer; (iv) be held at Seller's risk; and (v) upon recall by Buyer, be packaged at Seller's expense for shipment to Buyer in accordance with Buyer's instructions and kept insured by Seller at Seller's expense to the extent of full insurable value. Evidence of insurance shall be furnished to Buyer on request. Unless Buyer and Seller otherwise agree in a writing signed by both parties, any costs expended by Seller for dies, molds, or forms made in connection with this Agreement are included in the payments hereunder by Buyer and the cost thereof may not be otherwise recovered by Seller.
18. **CONFIDENTIALITY.** All descriptions and specifications, as well as samples, drawings, flow charts, data reports, photos, artwork, software and the like furnished to Seller by Buyer shall be and remain the property of Buyer. Seller shall consider all such information to be confidential and shall not disclose any such information to any other party or use such information for any purpose other than performing this Agreement, UNLESS Seller obtains the written permission from Buyer to do so. Seller agrees to immediately return such items to Buyer at Seller's expense upon the request of Buyer.
19. **INFRINGEMENT.** Seller warrants that the Goods shall not infringe on any United States or foreign letters patent of any other proprietary information or know-how. Seller shall indemnify and hold harmless Buyer and its customers and users of its products from and against all losses, liabilities, damages, costs and expenses (including attorneys' fees) incurred or arising in connection with any such infringement or claims thereof. After notice, Seller shall appear at and defend, at its own expense by counsel acceptable to Buyer, any suits based on any infringement or claim thereof. This warranty shall not apply to designs or specifications furnished by Buyer.
20. **SERVICES ON BUYER'S PREMISES.** If the Services are to be Performed on Buyer's premises, Seller shall indemnify and hold Buyer harmless from and against all losses, liabilities, damages, costs and expenses (including attorneys' fees and costs) caused by or arising out of the performance thereof. Seller shall maintain public liability, property damage, and worker's compensation insurance with liability limits and other terms and conditions reasonably satisfactory to Buyer, naming Buyer as an additional insured thereunder. Upon Buyer's request, Seller shall provide Buyer with copies of policies or certificates evidencing such insurance. Buyer shall have no obligation to pay for any of the Services until waivers of all applicable mechanics and materialman liens have been obtained and delivered. This provision shall apply equally to any subcontractors or other related parties of Seller.
21. **SUPPLIER CODE OF CONDUCT.** Seller agrees that it is familiar with, and will comply with, Federal Signal Corporation's "Supplier Code of Conduct" located at the following URL: [https://www.federalisignal.com/sites/default/files/corporate\\_governance/supplier\\_code\\_of\\_conduct\\_may\\_2019.pdf](https://www.federalisignal.com/sites/default/files/corporate_governance/supplier_code_of_conduct_may_2019.pdf)
22. **ASSIGNMENT.** This Agreement shall be binding upon and inure to the benefit of Buyer and Seller and their respective successors and assigns. Seller shall not assign the Agreement or any interest herein without Buyer's prior written consent.
23. **WAIVER.** Buyer's failure to insist on performance of any of the terms or conditions herein, or to exercise any right or privilege, or Buyer's waiver of any breach hereunder, shall not be deemed as consent to subsequent non-performance, acquiescence, or thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.
24. **SEVERABILITY.** If any term, clause or provision contained herein or in the Order is declared or held invalid by a court of competent jurisdiction, such declaration or holding shall not affect the validity of any other term, clause or provision contained herein or therein.
25. **LIMITATION ON BUYER'S LIABILITY. STATUTE OF LIMITATIONS.** In no event shall Buyer be liable for anticipated profits, loss of business opportunity, or for incidental or consequential damages. Buyer's liability on any claim of any kind for any loss or damage arising out of, in connection with, or resulting from this Agreement or from the performance or breach hereof shall, in no case, exceed the price allocable to the Goods or Services or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of any kind or description. ANY ACTION RESULTING FROM ANY BREACH ON THE PART OF BUYER AS TO THE GOODS OR SERVICES DELIVERED HEREUNDER MUST BE COMMENCED WITHIN ONE YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.
26. **GOVERNING LAW.** The laws of the State from which Buyer issued the Order shall govern this Agreement.
27. **CLAIMS OR CONTROVERSIES.** Any claim arising out of this Agreement shall be litigated exclusively in the State and Federal Courts of the State from which Buyer issued the Order, which Buyer and Seller agree is the most convenient forum for such purposes. Seller consents to service of process and submits to such jurisdiction. Seller hereby specifically waives any right to transfer or change the venue of any litigation brought in accordance with this paragraph.
28. **S.D.S AND CHEMICAL LABELING INCOMING.** It is Seller's obligation under the O.S.H.A Hazard Communication Standard to: (a) ensure proper labeling on all containers Buyer receives; and (b) supply Buyer with updated Safety Data Sheets. This requirement is a condition of all purchase orders Buyer issues. Buyer will consider Seller's failure to comply with this requirement as a basis for rejection of the shipment. All chemicals must comply with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS).