

## **PURCHASE TERMS AND CONDITIONS**

These Terms and Conditions and any terms and documents referred to on the face or back hereto constitute the entire agreement (the "Purchase Order") between the Mars entity issuing this Purchase Order ("Mars") and Company ("Company") that provides the products and/or services ("Products" or "Services" respectively).

- 1. FORECASTS, ACCEPTANCE. If Mars provides Company with a forecast, such forecast will only be used for Company's production planning and will not be a binding order for Products or create any minimum purchase obligation on the part of Mars or any sale obligation on the part of Company. Company's commencement of Services or delivery of Products, or any other event that constitutes acceptance under applicable law, will be deemed unconditional acceptance of this Purchase Order and Company's waiver of any other terms of any confirmation or other writing issued by Company.
- PRICE. Company will not charge a higher price than stated on the face of this Purchase Order. Any price change or extra charges must be preauthorized in writing by Mars.
- 3. DELIVERY, TITLE AND RISK OF LOSS. Company's delivery, specifications and quantity obligations are of the essence of this Purchase Order. Company assumes full responsibility for packing and transportation, and will bear liability for loss, destruction or damage of Products and retain title to Products until they are delivered to Mars's specified destination, even if Mars reimburses Company for transportation costs.
- **4. CHANGES.** Upon reasonable notice prior to shipment of Products or commencement of Services, Mars will have the right to make changes in quantity, specifications, and delivery.
- 5. PAYMENT. Company will issue an invoice within fourteen (14) calendar days of delivery of Products or completion of Services. Invoices will refer to this Purchase Order number. Unless otherwise agreed to in writing by Mars, Mars will pay within one hundred twenty (120) calendar days of receipt of Company's correct invoice unless prohibited by a country's local laws, in which case the statutory maximum payment term would be implemented.
- **6. INSPECTION.** Payment for Products delivered or Services performed will not constitute acceptance. Mars will have the right to inspect such Products or Services and to reject any or all of said Products or Services which are, in Mars's discretion, non-conforming to the agreed quantity, quality or specifications. Rejected Products may be returned at Company's expense, and Company will return to Mars any previously made payment by Mars within five (5) business days from the receipt of rejected Products.
- 7. INTELLECTUAL PROPERTY. Neither party will use the name or trademarks of, or refer to or identify, the other party in publicity releases, or promotional or marketing materials or correspondence to others without first securing the written consent of the other party. As a result of Company's access to Mars's confidential information and/or in the performance of Services and/or creation of Products, Company may produce materials, including know-how, designs, mask works, trademarks, processes, trade secrets, ideas, artwork or other copyrightable or patentable works ("Work Product"). Upon Mars's written request, Company will deliver all such Work Product to Mars, Property furnished by or on behalf of Mars to Company is and will remain owned by Mars. Company will assign and transfer, to Mars or its nominee, any and all titles, rights and interests in and to any Work Product, and all intellectual property associated therewith which was developed or acquired as a result of fulfilling Company's obligations under this Purchase Order, except for Company's intellectual property developed prior to this Purchase Order. Mars and its affiliated companies. through the aforementioned assignment and transfer, will acquire universal, perpetual and unlimited titles, rights and interests in and to any Work Product and associated intellectual property rights, free of any claims from Company and/or any employee, subcontractor or any other third party provided by Company. Mars will acquire such universal, perpetual and unlimited titles, rights and interests with regard to means, time and place and in every other way, including without limitation, all rights to reproduce, distribute, publicly communicate, prepare derivative works of, and transform any such Work Product as Mars determines.
- 8. WARRANTY. Company represents and warrants that: (a) Company has the right and power to provide Products and Services; (b) Company legally exists under the laws of the country or state of its incorporation and will comply with all applicable laws, rules and regulations; (c) Products will not be adulterated, misbranded or unsafe within the meaning of the Federal Food, Drug and Cosmetic Act, or within the meaning of any substantially similar country, state or local government laws or regulations; (d) any statement or claim made, and certification of origin supplied, by Company to Mars that Products qualify or are otherwise eligible for benefits or preferential treatment under any Free Trade Agreement, special preference program or the Generalized System of Preferences is true and accurate, and Mars may rely upon such

statements or claims; (e) Products are of merchantable quality, fit for their intended purpose, free from defects, conforming to all applicable Specifications and samples; (f) Products are free and clear of all liens and encumbrances; (g) Services are performed with the care, skill and diligence consistent with industry acceptable practices; (h) Products and Services are in compliance with applicable laws, rules and regulations; (i) Company will not give to any Mars employee, or gift or donate on behalf of, or for

the benefit of any Mars employee, anything of value; and (g) Products and Services do not infringe any intellectual property or other third party rights.

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- 9. TERMINATION AND SUSPENSION. If Company becomes insolvent or subject of bankruptcy proceedings or assigns its assets for the benefit of creditors, or if Company fails to cure any breach within ten (10) calendar days after written notice, Mars may suspend or terminate performance of its obligations under this Purchase Order. Mars may purchase substitute Products or Services elsewhere and recover its losses from Company and exercise any other legal rights. Mars reserves the right to terminate at will all or part of this Purchase Order by written notice to Company, provided that Mars compensates Company for all pre-approved costs incurred up to the date of termination.
- 10. DAMAGES. Mars will be entitled to charge Company 1% of the total price of Products or Services for each day of delay from the agreed delivery date up to the actual delivery date. Company agrees that such damages are a genuine estimate of Mars's losses but if Mars's actual losses are higher than stipulated in this Purchase Order, Mars's damages will not be limited to such amounts. Notwithstanding the foregoing, Mars will be entitled to cancel the order for delayed Products or Services if delay continues beyond ten (10) calendar days from the agreed delivery date. or if in Mars's sole discretion. Products or Services are nonconforming.
- 11. LIMITATION OF LIABILITY. MARS WILL NOT BE LIABLE FOR ANY
  CONSEQUENTIAL, INCIDENTAL OR EXEMPLARY DAMAGES, OR ANY LOSS OF
  PROFITS, SAVINGS, BUSINESS OPPORTUNITY OR GOODWILL.
- 12. INDEMNITY. COMPANY WILL INDEMNIFY, DEFEND AND HOLD HARMLESS MARS, ITS AFFILIATED COMPANIES AND THEIR OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL COSTS, FEES (INCLUDING ATTORNEYS FEES), EXPENSES, CLAIMS, LIABILITIES, LOSSES OR DAMAGES RELATING TO OR ARISING AS A RESULT OF COMPANY'S SUPPLY OF PRODUCTS OR RENDERING OF SERVICES UNDER THIS PURCHASE ORDER, OR COMPANY'S BREACH OF THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER. COMPANY WILL DEFEND SUCH CLAIMS AT ITS SOLE COST, AND MARS WILL HAVE THE RIGHT TO HAVE SUCH CLAIMS MONITORED BY MARS'S OWN COUNSEL. AT MARS'S REQUEST, COMPANY WILL COOPERATE WITH MARS IN SETTLING OR DEFENDING SLICH (1 AIMS
- 13. FORCE MAJEURE. Neither party will be liable to the other for any delay or failure to perform where such delay or failure is caused by events beyond the reasonable control and without the fault or negligence of the affected party. The affected party will promptly notify the other in writing of such delay or failure, and take all reasonable steps to mitigate the effect of such delay or failure on the other party. In the event such delay or failure continues for more than thirty (30) calendar days, Mars will have the right to terminate this Purchase Order with no liability to Company.
- 14. INSURANCE. Company warrants that it maintains sufficient insurance coverage of worker's compensation, employer's liability, comprehensive automobile liability, product liability, errors and omissions, and general comprehensive liability insurance in line with industry standards. Company agrees to provide a certificate of insurance prior to delivery of Products or commencement of Services.
- 15. CONFIDENTIALITY. Company agrees that any information obtained, observed or learned by Company in connection with this Purchase Order will be kept confidential and used only for the purposes of this Purchase Order and will not be disclosed to any third party except to those employees or agents of Company who have a specific need to know or when required by law. Company will ensure that such employees or agents are subject to like obligations of confidentiality as binds Company.
- 16. MISCELLANEOUS. Mars will have the right to conduct onsite audits upon reasonable notice. In addition to Mars's rights and remedies provided herein, Mars reserves the right to seek any other rights and remedies provided by applicable law or in equity. If any provision of this Purchase Order is declared invalid, illegal or unenforceable, the validity of the remaining provisions will not be affected. The parties agree that this Purchase Order will not be presumptively interpreted for or against any party by reason of that party having drafted or negotiated, or failed to draft or negotiate, all or any portion of any provision of this Purchase Order. This Purchase Order will be governed exclusively by the laws of the state, and/or country where Mars is located, without giving effect to any conflict of law rule or principle of such state or country. Any rights or obligations hereunder will not be subcontracted or assigned by Company without Mars's prior written consent. No waiver or amendment of any provision of this Purchase Order will be effective unless in writing and signed by both parties. Any dispute in connection with this Purchase Order will be submitted to a court within the jurisdiction of Mars's payment address under this Purchase Order. The relationship between Company and Mars is that of independent contractor, and Company will not be deemed to be an agent or employee

independent contractor, and Company will not be deemed to be an agent or employee of Mars. Sections 6, 7, 8, 10, 11, 12, 14, and 15 will survive the termination or expiration of this Purchase Order. Parties agree to exclude application of the United Nations Convention on Contracts for the International Sale of Goods.