

# JON RENAU

## PURCHASING GENERAL TERMS AND CONDITIONS

1. Entire Purchase Order. The purchase order ("PO") relating to the purchase and sale of goods and/or services (collectively, "Goods") by Jon Renau Collection Inc. and its affiliates (collectively, the "Buyer") from the seller of the Goods (the "Seller") consists of this document, any purchase order issued by Buyer to Seller, and any purchase agreement or supplier quality agreement between Buyer and Seller. The PO is legally binding on Buyer and Seller, and contains all of the terms and conditions relating to the purchase and sale of Goods between Buyer and Seller. The PO may be modified pursuant to a written amendment that issued by Buyer to the Seller. Buyer and Seller are individually referred to herein as a "Party" and collectively as the "Parties".
2. Orders. From time to time Buyer may submit a purchase order for Goods to Seller. If Buyer provides Seller with Buyer's forecasted quantity requirements for the Goods, then such forecast shall be non-binding on Buyer. Any purchase order submitted by Buyer to Seller shall be subject to and deemed to incorporate the terms and conditions of this document. Unless agreed to in writing by a duly authorized representative of Buyer, Buyer objects to, and is not bound by, any term or condition that differs from or adds to the PO. Seller's acceptance of, or commencement of performance under, an Order or shipment of any part of the Goods covered by an Order shall be deemed to constitute assent to the Order and the terms and conditions herein.
3. Price. Buyer shall pay Seller the price for the Goods shown in the Order. The price on a PO is firm and not subject to increase without Buyer's prior written consent. If the price is omitted in the Order, the Goods shall be billed at the lesser of the price last paid or quoted, or at the prevailing market price.
4. Taxes. Unless specified in an Order, the prices stated do not include sales, use or similar taxes directly applicable to the Goods sold to Buyer.
5. Notwithstanding the foregoing, Buyer shall only be responsible for such taxes when Seller is required by law to collect such taxes from Buyer. Such taxes shall be separately stated on Seller's invoice. Seller shall not add such taxes to Seller's invoice if Buyer has furnished a valid tax exemption certificate to Seller.
5. Payment. Buyer shall pay Seller the price for the Goods within 30 days after delivery of the Goods to Buyer's facility, unless other payment terms are stated on an Order or agreed upon in writing. Seller shall send Buyer a detailed invoice for each purchase order. Buyer shall make payment to Seller by check or electronic funds transfer.
6. Delivery. Seller shall deliver Goods in accordance with the schedule in Buyer's purchase order. Time is of the essence in the performance of each purchase order. Buyer may select the mode of transportation and the carrier for the Goods. The Order shall indicate the shipping, freight, title transfer, and risk of loss terms that apply to the shipment. If Buyer requests in the Order that Goods be shipped 'collect', Seller shall use a Buyer approved transportation carrier and Seller shall not pre-pay shipping charges. Seller shall be responsible for excess transportation costs resulting from any deviation from Buyer's shipping instructions. If, prior to the delivery of the Goods, Seller has reason to believe that it will be unable to meet the delivery schedule in Buyer's purchase order, then Seller shall immediately notify Buyer in writing, indicate the cause of delay, and use its best efforts to cure the anticipated delay. Upon receipt of notice of the anticipated delay or upon occurrence of an actual delay in performance, Buyer may (i) direct expedited shipment of the Goods with excess costs paid by Seller, or (ii) cancel the purchase order. Buyer may return at Seller's expense Goods delivered early to Buyer. Goods shall be delivered by Seller to the delivery location specified in the purchase order, or if a delivery location is not specified in the purchase

- order then to Buyer's place of business from which the Goods were ordered.
7. Expediting. When an expedited shipping fee is pre-approved in writing by Buyer and charged by Seller, Seller shall assure delivery on or before the specific delivery date required by Buyer. If delivery is not made on or before the specific delivery date, the expedited shipping fee shall not be due or payable by Buyer.
  8. Packing. The Goods to be furnished on the Order shall be suitably packed to protect the Goods from damage, prepared for shipment to secure the lowest transportation rates possible (unless a premium shipment method is specified on the purchase order), and comply with carrier regulations. No charges shall be allowed for packing, crating, expedited shipping or cartage unless authorized on the purchase order.
  9. Inspection. Buyer may inspect Goods at Seller's premises during the manufacturing process, and Seller agrees to cooperate with Buyer during such inspection. Any inspection shall be performed in such manner as not to unreasonably delay or interfere with the work. All shipments shall be subject to final inspection and/or testing by Buyer at the delivery location. After receipt of Goods, Buyer shall have a reasonable time, but not more than thirty days, in which to inspect and accept or reject any Goods not conforming to the instructions, specifications, drawings, or data furnished under an Order or conforming to the warranties, express or implied. Rejected Goods shall be returned to Seller. For all rejected Goods, Seller, at Buyer's election, shall provide Buyer full credit or a refund for, or replacement of the Goods, at Seller's risk and expense, including transportation costs both ways. Acceptance by Buyer of part of the defective Goods shall not bind Buyer to accept the remainder thereof.
  10. Warranties. Seller warrants that all Goods delivered pursuant to an Order shall strictly conform to the terms, conditions, specifications, descriptions, drawings, and data specified in the Order and shall be of good design, material, and workmanship, free from defects, merchantable and fit for their intended purpose, and shall meet applicable governmental safety standards. Seller further warrants that Buyer shall have free and clear title to the Goods and the right to sell the Goods at the time of delivery to Buyer. All Goods shall be new and unused (unless otherwise specified in the Order) at the time of delivery to Buyer. Seller shall also without any additional charges assign or otherwise transfer to Buyer all warranties on Goods and services incorporated into the Goods. All warranties herein mentioned shall survive any intermediate or final inspections, delivery, acceptance or payment by Buyer, and all such warranties shall run to Buyer, its successors, assigns, customers, and users of the Goods. No warranties hereunder shall be deemed disclaimed or excluded except in writing signed by an authorized representative of Buyer. If Buyer deems the Goods defective, Seller, at Buyer's election, shall promptly repair or replace the defective Goods, or give Buyer a credit or refund for the price paid for the defective Goods, at any time within Seller's standard warranty period for the Goods (which in no event shall be less than one year (12 months) from the date of delivery). Alternatively, Buyer may repair defective Goods at Buyer's facility and charge Seller the reasonable cost thereof. Seller shall be responsible for all shipping charges (both to and from Seller's facility) for Goods which are repaired or replaced by Seller.
  11. Modification. Buyer may at any time, by written notice to Seller, make changes in the specifications, quantities, delivery schedules and shipping instructions in a purchase order. Seller shall notify Buyer within 3 days if any such change increases or decrease Seller's cost of performing the purchase order or the time required for its performance in which case an equitable adjustment shall be agreed upon by the Parties. Any stenographic or clerical errors of Buyer in any Order are subject to correction by Buyer.
  12. Termination. Buyer may at any time terminate for its convenience Seller's performance of an Order, in whole or in part, by written notice to Seller, whereupon Seller shall terminate its performance on such date of notice. If Seller has commenced performance of a purchase order, Buyer shall negotiate reasonable termination charges with Seller. Seller shall use best efforts to mitigate its losses as the result of any purchase order termination by Buyer. Buyer may terminate an Order for default with respect to all or any part of undelivered Goods if Seller (a) does not meet the delivery or performance schedule specified in the applicable purchase order, (b) breaches any terms hereof, including warranties, or (c) becomes

- insolvent or commits or becomes subject to an act of bankruptcy.
13. Set-Off. Buyer may set off any amount Buyer owes to Seller against any amount that Seller owes to Buyer.
14. Infringement. Seller shall indemnify Buyer for any losses, costs, damages and expenses (including court costs and attorneys' fees) arising from a claim of infringement of any intellectual property right of a third party relating to any of the Goods delivered. Seller shall defend or settle, at its own expense, any lawsuit or proceeding brought against Buyer by a third party for such infringement. Furthermore, in the event Buyer should be enjoined from the use or sale of the Goods as a result of such lawsuit or proceeding, Seller shall pay all Buyer's costs and expenses including consequential damages and at Buyer's option shall: (a) procure the right for Buyer to continue using and selling the Goods at Seller's expense; (b) replace the Goods with non-infringing Goods at Seller's expense; and/or (c) remove the Goods from Buyer's premises and refund to Buyer the amount paid for the Goods. The provisions of this paragraph shall not apply to any claims, demands, lawsuits or injunctions brought by a third party where the Goods have been manufactured by Seller in accordance with Buyer's specific instructions, specifications, designs or drawings.
15. Indemnification. Seller shall indemnify Buyer from and against any and all losses, costs, damages, and expenses (including court costs and attorneys' fees) arising from any claims against Buyer for (i) injury or death to any individual, or damage to property, alleged to have been caused in whole or in part by defective Goods furnished by Seller or by any act or omission, negligence or otherwise, of Seller or any subcontractor of Seller or of any of their respective employees, workmen, or agents, or (ii) Seller's breach of its warranties and obligations hereunder. In no event shall Seller be required to indemnify Buyer for any injury, death, or loss caused solely by the negligence or willful misconduct of Buyer.
16. Limitation of Liability. UNDER NO CIRCUMSTANCES SHALL BUYER BE LIABLE TO SELLER FOR ANY LOST REVENUE, LOST PROFITS OR OTHER SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO A BREACH OF THE PO, ANY ORDER, EVEN IF BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE CUMULATIVE LIABILITY OF BUYER TO SELLER, ITS SUCCESSORS OR ASSIGNS FOR ANY CLAIMS ARISING OUT OF OR RELATING TO THE PO, ANY ORDER (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR UNDER ANY OTHER THEORY OF LIABILITY) SHALL NOT EXCEED THE AMOUNT ACTUALLY PAID OR PAYABLE BY BUYER TO SELLER UNDER THE PO, ALL ORDERS FOR THE GOODS DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING SUCH CLAIM.
17. Compliance with Laws. In the performance of work hereunder, Seller shall comply with all applicable international, federal, state, and local laws, rules and regulations. Seller is responsible for ensuring the Goods meet the requirements of all applicable environmental laws, including without limitation, the EU Restrictions of Hazardous Substances Directive 2011/65/EU; EU REACH Regulation June 1, 2007; the Waste Electrical and Electronic Equipment Directive 2012/19/EU of the European Parliament and of the European Council of 24th July 2012 and The Batteries Directive 2006/66/EC of the European Parliament and of the European Council of 6th September 2006 and its amendments and any other environmental product stewardship directives. In the event any of the Goods fail to comply with the requirements of this Section, in addition to any other remedies it may have, Buyer may, at its option, (i) terminate the applicable Order, (ii) defer acceptance of the Goods until they are brought into compliance with these requirements, or (iii) require Seller to replace the Goods with conforming Goods.
18. Cumulative Remedies. Any right or remedy of Buyer provided herein is in addition to Buyer's other rights and remedies provided herein or by law, and all of Buyer's rights and remedies hereunder are cumulative and nonexclusive.
19. Assignment. Seller shall not assign any of its rights or interest in the Agreement or subcontract its performance of the Agreement, without Buyer's prior written consent. Any prohibited assignment shall be void. Subject to the foregoing, the Agreement shall be binding upon and inure to the benefit of the Parties and their successors and permitted assigns.
20. Applicable Law and Jurisdiction. THE AGREEMENT, THE CONTRACTUAL AND NON-CONTRACTUAL RIGHTS AND OBLIGATIONS OF THE PARTIES, AND ANY CLAIMS OR DISPUTES RELATING THERETO, SHALL BE GOVERNED AND CONSTRUED BY THE LAWS OF THE STATE OF CALIFORNIA, UNITED STATES OF

AMERICA, WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THEREOF. THE PROVISIONS OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO THE AGREEMENT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY CONSENT TO VENUE IN THE STATE OF CALIFORNIA (AND HEREBY WAIVE ANY CLAIMS OF FORUM NON CONVENIENS WITH RESPECT TO SUCH VENUE) AND TO THE EXCLUSIVE JURISDICTION OF COMPETENT CALIFORNIA STATE COURTS IN DENTON COUNTY, CALIFORNIA OR FEDERAL COURTS IN THE NORTHERN DISTRICT OF CALIFORNIA FOR ALL LITIGATION WHICH MAY BE BROUGHT WITH RESPECT TO THE TERMS OF, AND THE TRANSACTIONS AND RELATIONSHIPS CONTEMPLATED BY, THE AGREEMENT. THE PARTIES FURTHER CONSENT TO THE JURISDICTION OF ANY STATE COURT LOCATED WITHIN A DISTRICT THAT ENCOMPASSES ASSETS OF A PARTY AGAINST WHICH A JUDGMENT HAS BEEN RENDERED FOR THE ENFORCEMENT OF SUCH JUDGMENT AGAINST THE ASSETS OF SUCH PARTY.

21. Confidentiality. Seller shall not, except as required in performance of an Order, disclose or use at any time any information which is not publicly known about Buyer's products, processes or services and which is disclosed to or learned by Seller prior to or during such performance. Seller shall, upon demand by Buyer, surrender to Buyer any and all confidential or proprietary documents and other information of Buyer in whatever form that is in Seller's possession or control.
22. Buyer's Information. Buyer retains title to all information and materials (including, but not limited to, all drawings, designs, specifications, technical data and production or product 'know-how') furnished to Seller to facilitate performance of an Order and the same shall be (i) treated as Buyer's confidential information, (ii) used exclusively by Seller to complete the Order, and (iii) returned to Buyer at Buyer's direction or upon completion, termination, or cancellation of the Order, along with all copies or reproductions thereof. Seller shall thereafter make no further use of any such drawings, designs, specifications, technical data and production or product "know-how" or of any information derived therefrom in the performance of work for any other customer without Buyer's prior written consent. Additionally, if Seller creates or develops any drawings, designs, specifications, or

technical data relating to Goods for which Buyer or Buyer's licensors own the intellectual property rights, then (a) Seller hereby assigns and transfers to Buyer the title and ownership of such items, and any intellectual property rights relating thereto, free and clear of all liens and encumbrances, (b) such items shall be provided to Buyer at Buyer's direction or upon completion, termination or cancellation of the Order, along with all copies or reproductions thereof, and (c) Seller shall make no use of any such items in the performance of work for any other customer without Buyer's prior written consent.

23. Buyer's Property. All property of Buyer furnished or made available to Seller for performance of work under any Order, including without limitation any tooling, molds, machines, and other manufacturing equipment, shall remain the property of Buyer ("Buyer's Property") and shall be segregated from Seller's property and be individually marked and identified as Buyer's Property. Buyer's Property shall be exclusively used by Seller for performance of work by Seller for Buyer. Buyer's Property shall be returned by Seller, at Seller's expense, to Buyer at Buyer's written request, or upon termination, cancellation, or completion of the applicable Order, unless otherwise agreed in writing by Buyer. Seller, at Seller's expense, agrees to (i) maintain Buyer's Property in good condition and assume all risks and liability for loss or damage thereto excepting normal wear; (ii) permit inspection of Buyer's Property by Buyer during normal business hours; and (iii) at Buyer's request, furnish to Buyer detailed inventory statements of Buyer's Property. Seller, at Seller's expense, shall be responsible for any needed upgrades, enhancements or replacements of Buyer's Property. Additionally, if Seller purchases, acquires, or develops any specialized or custom tooling, molds, machines, or other manufacturing equipment, primarily for the purpose of manufacturing Goods for which Buyer owns or Buyer's licensors own the intellectual property rights for such Goods, then Seller hereby assigns and transfers to Buyer the title and ownership of such items, and any intellectual property rights and specifications relating thereto in which Seller may have an interest, free and clear from all liens and encumbrances, and such items shall be treated by Seller as Buyer's Property in accordance with the provisions of this paragraph. Unless otherwise agreed upon in writing, Buyer shall have no

- obligation to reimburse Seller for the cost of any items that Seller purchases, acquires or develops to manufacture Goods for Buyer.
24. OSHA. Seller warrants that any Goods sold pursuant to the Agreement comply in all respects with the Occupational Safety and Health Act of 1970 (OSHA), and amendments thereto, and all applicable regulations, rulings, orders, and standards promulgated thereunder. In the event that the Goods sold hereunder do not conform to OSHA standards or requirements, Buyer may return the Goods for correction or replacement at Seller's expense.
25. C-TPAT Requirements. For Seller's Goods to be imported into the United States, Seller shall accept, implement, and comply with all applications, recommendations or requirements of U. S. Customs and Border Protection's (CBP) Customs-Trade Partnership Against Terrorism (C-TPAT) initiative (for information go to <http://www.cbp.gov>). At Buyer's and/or CBP's request, Seller shall certify in writing (on company letterhead signed by an officer of Seller) its acceptance, implementation, and compliance with the minimum security criteria of the C-TPAT program and any accompanying recommendations and guidelines. Seller shall indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses (including attorneys' fees or other professional fees) arising from or relating to Seller's acceptance, implementation, or compliance with CTPAT requirements.
26. Suspension/Debarment and Trade Restrictions. Seller shall provide immediate written notice to Buyer if Seller is suspended, debarred or declared ineligible by any government entity or upon receipt of a notice of proposed debarment from any such entity. If Seller is suspended, debarred or declared ineligible by any government entity, Buyer may terminate any and all Orders immediately without liability to Buyer. In addition, subject to applicable law, Seller agrees that it shall not supply any Goods to Buyer that are sourced directly or indirectly from a designated economic sanctioned country defined by the United States. In addition, Buyer may, from time-to-time and for business reasons, withdraw from and/or restrict its business dealings in certain jurisdictions, regions, territories and/or countries. Thus, subject to applicable law, Seller hereby agrees not to supply any Goods to Buyer that are sourced directly or indirectly from any such jurisdiction, region, territory and/or country identified by Buyer to Seller.
27. Conflict Minerals. Seller shall comply with all commercially reasonable requests for information regarding the source and chain of custody of any conflict minerals (e.g., cassiterite, columbite-tantalite (coltan), gold and wolframite and the following derivatives: tantalum, tin and tungsten), and shall comply with all policies promulgated by Buyer regarding any conflict minerals in materials or products purchased by Buyer from Seller, if any.
28. Anti-Bribery. Seller (including any of its directors, executive officers, agents and employees) agrees to fully comply with the U.S. Foreign Corrupt Practices Act (FCPA) when applicable, the UK Bribery Act 2010 when applicable and the provisions of any other local or internationally applicable anti-corruption laws. This compliance includes refraining from directly or indirectly giving, offering or promising to give, or authorizing or ratifying a delivery of anything of value in any form – including but not limited to money, securities, opportunities for future enrichment, influence in other venues, gifts, travel, and entertainment – to any government official or employee, or any political party or candidate for political office, for the purpose of obtaining, retaining, or directing business, or to secure any other improper benefit or advantage. Seller agrees that it shall immediately advise Buyer in writing should it learn of, or have reason to suspect or know, that a transaction of the sort prohibited above has occurred. For the purposes of this provision, an "official or employee" includes (i) any official or employee of any directly or indirectly governmental-owned or governmental-controlled entity, including state owned enterprises; (ii) any officer or employee of a public international organizational; or (iii) any person acting in an official or unofficial capacity on behalf of any such official or employee. Seller warrants that no government or political party official or candidate for political office or immediate family member of such an official or candidate has any direct or indirect ownership interest in Seller (other than publicly traded stock on a recognized stock exchange) or in the contractual relationship established by the Agreement (other than publicly traded stock on a recognized stock exchange). If there is an acquisition of an interest in Seller by such an official or candidate, or immediate family

member of an official or candidate, Seller agrees to make immediate disclosure to Buyer and further agrees that the Agreement and all Orders shall become subject to termination at Buyer's sole discretion. As they relate to dealings that may be conducted on behalf of Buyer, Seller further agrees to make and keep books, records and accounts in reasonable detail that accurately and fairly reflect such transactions and related dispositions of Seller's assets to ensure compliance with law. Seller shall establish and maintain precautions to prevent its employees, agents or other representatives from making, receiving, providing or offering substantial gifts, entertainment, payments, loans or other consideration to employees, agents or representatives of Buyer for the purpose of influencing those persons to act contrary to the best interests of Buyer. This obligation shall apply to the activities of the employees of Seller in their relations with the employees of Buyer and their families and/or third parties.

29. Labor Laws. Seller represents and warrants to Buyer that (i) no person under the minimum age set forth in the applicable child labor laws shall participate, either directly or indirectly, in the manufacture of Goods, and (ii) Seller shall not, either directly or indirectly, use prisoners or other non-paid workers, in the manufacture of Goods. Seller shall have a continuous duty to investigate that neither it, nor any supplier or contract manufacturer it uses shall be in breach of the foregoing representations and warranties. Seller shall abide by and follow all applicable regulations and legislation with respect to labor relations and labor safety. Seller shall ensure that any suppliers and contract manufacturers utilized by Seller are not in breach of any such regulations or legislation.
30. Insurance. Unless otherwise agreed in writing, Seller, at its sole expense, will have and maintain at least the following minimum insurance coverages: (i) commercial general liability insurance on an occurrence basis (including coverage for product liability, personal injury, completed operations, contractual liability, advertising injury, and property damage) with a minimum combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate, (ii) worker's compensation insurance or other similar social insurance in accordance with the laws of the country, state or territory exercising jurisdiction over the employee with minimum limits

of \$1,000,000 or the minimum limit required by law, whichever is greater, (iii) employer's liability insurance with limits of \$1,000,000, (iv) commercial automobile liability insurance, including owned, non-owned, and hired vehicles, with a minimum combined single limit of \$1,000,000, (v) umbrella or general liability excess coverage in a minimum amount of \$5,000,000 in excess of all coverage amounts indicated above. All coverages above will be primary, non-contributing with respect to insurance maintained by Buyer, include a waiver of subrogation, and endorsed to name Buyer, and Buyer's subsidiaries and affiliates as additional insureds. If, with Buyer's written consent, any coverage above carried by Seller is written on a claims-made basis, it will have a retroactive date prior to the date of the Agreement and will allow for reporting of claims for at least three years after the last product or service is sold or provided by Seller to Buyer. On an annual basis and at Buyer's request, Seller will provide evidence of the coverages above in the form of an ACCORD certificate of insurance or other form provided by Seller's insurance broker that is acceptable to Buyer, which will include the additional insured endorsements required above. At Buyer's written request, Seller will provide copies of the policies evidencing the coverages above. Acceptance by Buyer of delivery of any certificates of insurance does not constitute agreement by Buyer that the insurance requirements of this section have been met by Seller. The insurers selected by Seller will have an A.M. Best rating of A-, X or better, or, if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. Seller will provide Buyer with at least 30 days' written notice of any cancellation, non-renewal, or material modification of the policies for the coverages above. The insurance limits in this paragraph will not limit the liability of Seller to Buyer. Seller's failure to procure or maintain the coverages above will not relieve Seller from liability to Buyer.

31. Business Continuity. If requested by Buyer, Seller shall prepare and deliver to Buyer a disaster recovery plan that identifies actions Seller shall take to insure Seller's ability to deliver Goods to Buyer on an uninterrupted basis in the event of a natural disaster or other force majeure event.

32. No Publicity. Without Buyer's prior written consent, Seller shall not release any news release or publicity

regarding the Agreement or the fact that Seller is furnishing Goods to Buyer.

33. Non-Waiver. No waiver of any provision of the Agreement or any right or obligations of either Party shall be effective, except pursuant to a writing signed by the Party waiving compliance, and any such waiver shall be effective only for the specific instance and purpose stated in such writing.
34. Supplier Quality Agreement. The provisions of the supplier quality agreement between Buyer and Seller (if applicable) are incorporated herein.