

Global Supplier Purchase Order Terms and Conditions

Vertical Supply Group

Document	Supplier Purchase Order Terms and Conditions
Effective date	September 30, 2026
Applies to	Vertical Supply Group LLC and its subsidiaries and affiliates

Publication notice

These Terms apply to purchases made by VSG and are incorporated into each Purchase Order as described below. Suppliers should retain a copy for their records.

Scope and application. These Global Supplier Purchase Order Terms and Conditions (“Terms”) apply to every purchase order, release, scheduling agreement, statement of work, or other purchasing document (“Purchase Order”) issued by Vertical Supply Group, LLC or any of its subsidiaries or affiliates (“VSG”) to the supplier identified in the Purchase Order (“Supplier”).

1 Acceptance and Controlling Terms

This Purchase Order is not an acceptance of any offer to sell but is an offer to purchase made by VSG. The Purchase Order, these Terms, and any documents expressly incorporated by VSG constitute the complete agreement between VSG and Supplier concerning the goods or services covered by the Purchase Order.

Supplier accepts the Purchase Order and these Terms by acknowledging the Purchase Order, beginning work, shipping goods, providing services, or accepting payment. By accepting this Purchase Order, Supplier expressly assents to the terms and conditions contained herein. Each and every term and condition of this Purchase Order is deemed to be of the essence.

Any additional or inconsistent terms contained in Supplier’s quotation, acknowledgment, invoice, website, portal, or other document are rejected and will not apply unless expressly accepted in a writing signed by an authorized VSG representative.

If a separately executed agreement between VSG and Supplier conflicts with these Terms, the separately executed agreement will control only to the extent of the specific conflict.

2 Purchase Order Acknowledgment

Supplier shall acknowledge each Purchase Order within one business day and confirm the price and currency, quantity, delivery date, ship-to location, transportation terms, product specifications, country of origin, and shall notify VSG of any known constraint or risk affecting performance.

Supplier shall promptly notify VSG of any change or discrepancy and shall not proceed on a conflicting assumption without written direction from VSG.

3 Prices Taxes and Additional Charges

Prices stated in the Purchase Order are firm and include all packaging, labeling, testing, inspection, documentation, duties, and other costs unless the Purchase Order expressly states otherwise.

Supplier shall not impose a price increase, surcharge, expedited charge, minimum-order charge, tooling charge, or other additional fee without VSG’s prior written approval. Applicable taxes, freight, duties, and approved ancillary charges must be separately stated on Supplier’s invoice.

Supplier represents that its prices are competitive and no less favorable than prices offered to similarly situated customers purchasing comparable quantities under comparable commercial conditions.

4 Forecasts

Any forecast, estimate, planning quantity, or anticipated requirement provided by VSG is nonbinding unless expressly identified as a firm commitment in a Purchase Order.

Supplier shall use forecasts only for capacity and material planning and shall not purchase noncancelable material or manufacture finished goods beyond firm Purchase Order requirements without VSG’s written authorization.

5 Packaging Labeling and Documentation

Supplier shall package and protect goods to prevent loss, damage, contamination, deterioration, and corrosion during handling, transportation, and storage. Unless VSG approves otherwise in writing, Supplier may not charge for packaging, pallets, boxing, crating, or labeling.

Each shipment must contain an accurate packing list identifying the VSG Purchase Order number; VSG and Supplier item numbers; description and quantity; applicable lot, batch, serial, and date codes; country of origin; number of packages; and applicable certificates and test reports. Should a purchase order be delivered, without the necessary packing list, the supplier has 24 hours from notification to resolve before a an administrative cost recovery equal to a 5% credit adjustment to the PO price is applied.

Supplier is responsible for loss, damage, delays, and costs resulting from inadequate packaging, labeling, or documentation.

6 Delivery and Transportation

Time and quantity are of the essence. Shipments must be made no later than the ship date on the Purchase Order or, if no ship date is specified, as otherwise specified by VSG. Delivery means receipt at the location and on the date stated in the Purchase Order.

Unless otherwise stated, delivery terms are DDP VSG's named destination under the Incoterms edition identified in the Purchase Order, or the then-current Incoterms if no edition is identified.

Supplier shall not make early, partial, excess, short, or substituted shipments without VSG's prior written approval. VSG may reject, return, store, or defer payment for unauthorized shipments at Supplier's risk and expense. In the event of an untimely, incomplete, unsatisfactory or improper delivery or shipment, VSG may terminate the Purchase Order in whole or in part, purchase substitute goods and/or expedite freight and Supplier shall bear all additional costs or charges resulting therefrom.

Supplier shall immediately notify VSG of any actual or anticipated delay and provide the cause, affected items, recovery plan, and revised delivery date. Notification does not excuse late performance. If expedited transportation is required because of Supplier's failure, Supplier shall bear the incremental cost.

7 Title and Risk of Loss

Unless otherwise stated in the Purchase Order, title and risk of loss pass to VSG only upon delivery and acceptance at the named destination.

Title to goods for which VSG has made progress or advance payments passes to VSG when payment is made, without relieving Supplier of responsibility for loss, damage, completion, delivery, or acceptance.

8 Product and Process Requirements

Goods and services must conform to the Purchase Order; approved drawings, specifications, and samples; Supplier's published specifications; applicable laws and industry standards; VSG quality and packaging requirements; and requirements communicated for the intended use.

Supplier shall not make any material, design, formulation, manufacturing-process, manufacturing-location, sub-supplier, tooling, labeling, packaging, or country-of-origin change without VSG's prior written approval. No substitute or alternate product may be supplied without written approval.

9 Inspection and Acceptance

VSG is not required to inspect goods before use, resale, or payment. Payment, inspection, testing, receipt, or resale does not constitute final acceptance or waive any warranty or remedy.

VSG may inspect goods, services, facilities, processes, quality systems, and applicable records at reasonable times. Supplier shall provide appropriate access and assistance without additional charge.

VSG may reject nonconforming goods discovered before or after acceptance. At VSG's option, Supplier shall promptly repair or replace the goods, reperform the services, refund the purchase price, or reimburse VSG for inspection, sorting, testing, rework, administration, and transportation costs.

10 Quality Traceability and Records

Supplier shall maintain a quality-management and inspection system appropriate for the goods and their intended use.

For life-safety products, critical components, regulated products, and items identified by VSG, Supplier shall maintain complete traceability, including raw-material sources and certifications; production and inspection lots; manufacturing dates and locations; equipment and processes used; inspection and test results; and nonconformance and corrective-action records.

Supplier shall retain relevant records for at least seven years after delivery, or longer when required by law, specification, customer requirement, or the Purchase Order. VSG, its customers, and applicable regulatory authorities shall have reasonable access to relevant facilities and records.

11 Certificates and Test Reports

When required by the Purchase Order, specification, law, or VSG policy, Supplier shall provide certificates of analysis, certificates of conformity, raw-material certifications, inspection reports, testing reports, or other required documentation with the shipment. Missing or inaccurate documentation may cause the shipment to be treated as nonconforming.

12 Warranties

Supplier warrants that all goods and services furnished, together with packaging and labeling, are new and of merchantable quality; free from defects in design, materials, manufacture, and workmanship; conform to all specifications, descriptions, samples, and representations; are fit and safe for their intended and reasonably foreseeable purposes; are properly packaged and labeled; are free of liens and encumbrances; comply with all applicable federal, state and local laws, rules, regulations, codes, ordinances, testing requirements, and standards; do not contain counterfeit or unauthorized components; and are produced and supplied in accordance with these Terms. These warranties will be in addition to all other warranties, express and implied, and will survive acceptance of and payment for all goods and services ordered and will run to VSG, its successors and assigns, customers, and users of the products and services.

Unless a longer period applies, these warranties continue until the later of eighteen months after delivery to VSG or twelve months after VSG's sale to its customer. The warranties extend to VSG, its affiliates, customers, and end users and survive inspection, acceptance, payment, resale, and termination.

13 Corrective Action and Product Recall

Supplier shall immediately notify VSG of any actual or suspected safety issue, defect, nonconformance, regulatory violation, stop-sale, market withdrawal, recall, or corrective action involving goods supplied to VSG.

Supplier shall provide containment, root-cause analysis, corrective action, affected-lot identification, and supporting records within the timeframe required by VSG.

To the extent caused by Supplier or the goods, Supplier shall reimburse VSG for reasonable costs associated with customer and regulatory notifications; product identification and traceability; inspection, sorting, testing, and containment; removal, return, repair, replacement, or disposal; transportation, handling, and storage; customer service and administration; and field service and corrective action.

VSG may take immediate action when reasonably necessary to protect customers, employees, the public, or VSG's reputation.

14 Invoicing and Payment

Supplier shall invoice only after shipment or completion unless VSG authorizes milestone billing. Invoices must reference the Purchase Order, item, quantity, shipment, currency, and applicable taxes. VSG may reject invoices containing discrepancies or insufficient documentation.

Payment terms begin upon the later of receipt of a correct invoice, receipt of conforming goods, or completion of conforming services. Invoices submitted more than twelve months after delivery or completion may be rejected unless delayed by VSG or prohibited by applicable law. Payment does not constitute acceptance.

15 Setoff and Chargebacks

VSG and its affiliates may set off amounts owed by Supplier against amounts otherwise payable to Supplier.

Supplier is responsible for reasonable chargebacks arising from nonconformance, shortages, unauthorized substitutions, labeling or documentation errors, late delivery, premium freight, recalls, corrective actions, and other Supplier-caused failures.

16 Product Returns

Defective, damaged, nonconforming, unauthorized, excess, or recalled goods may be returned at Supplier's expense for full credit, replacement, or other relief selected by VSG.

Any program allowing the return or rotation of unused, current, resaleable inventory shall be documented in the applicable supplier agreement, program terms, or Purchase Order.

17 Product Information and Data

Supplier shall provide accurate and complete product information reasonably required by VSG, including product descriptions and specifications; images and marketing content; dimensions and weights; safety and regulatory information; country of origin; HTS or tariff classifications; free-trade-agreement qualification; export-control classification; shelf-life and storage requirements; and certifications and test data.

Supplier grants VSG and its affiliates a worldwide, royalty-free, nonexclusive license to use, reproduce, format, publish, distribute, and provide this information to customers and service providers for VSG's business purposes. Supplier represents that it has the rights necessary to grant this license and shall promptly correct inaccurate information.

18 Country of Origin Customs and Trade Agreements

Supplier shall provide accurate country-of-origin, manufacturer, classification, valuation, marking, and qualification information. Supplier shall provide certificates and supporting documentation for USMCA and other applicable trade agreements upon request and at no additional charge.

Supplier shall immediately notify VSG of any change affecting origin, tariff classification, marking, qualification, antidumping or countervailing duties, sanctions exposure, or import eligibility. Supplier is responsible for losses, duties, penalties, and reasonable professional costs caused by materially inaccurate information supplied by Supplier.

19 Export Controls and Sanctions

Supplier shall identify goods, software, technology, or technical data subject to export controls and provide applicable classifications, including ECCN, ITAR category, or comparable non-U.S. classifications.

Supplier shall comply with applicable export-control, sanctions, antiboycott, and restricted-party laws and shall not provide goods or services from prohibited sources or parties. Supplier shall notify VSG before accepting an order it cannot lawfully fulfill.

20 Regulatory and Environmental Compliance

Supplier shall comply with all laws applicable to the goods, services, manufacture, packaging, labeling, transportation, importation, resale, and intended use.

Upon request, Supplier shall provide information reasonably necessary for VSG to evaluate compliance with REACH, RoHS, TSCA, California Proposition 65, conflict-minerals requirements, PFAS and other restricted-substance requirements, hazardous-material transportation and labeling, product-safety and chemical-disclosure laws, and recycling and extended-producer-responsibility requirements.

Supplier shall provide current safety data sheets in the language and format required for the destination jurisdiction.

21 Shelf Life and Controlled Products

Supplier shall disclose all expiration dates, useful-life limitations, temperature controls, humidity controls, storage requirements, and transportation restrictions.

Unless VSG approves otherwise, goods subject to expiration must be delivered with at least 80 percent of their original shelf life remaining. Supplier shall clearly mark applicable production, lot, expiration, and storage information on the goods and packaging.

22 Supply Chain Security

Supplier shall maintain appropriate physical, personnel, cargo, transportation, and information-security controls.

Supplier shall support reasonable VSG supply-chain-security questionnaires, validations, and audits. CTPAT-certified suppliers shall provide current certification information; other suppliers shall reasonably cooperate with VSG's CTPAT requirements.

Supplier shall promptly report suspected cargo tampering, unauthorized access, counterfeiting, diversion, theft, cyber incidents affecting VSG information, or other material supply-chain-security events.

23 Compliance with the Law and Ethical Sourcing Practices

Supplier agrees to comply fully with all applicable laws, ordinances, rules, regulations, and orders of the United States and of all applicable foreign nations and of each of the governmental subdivisions thereof pertaining to the production and sale of the goods or services ordered, and, upon request, Supplier shall furnish VSG certificates of compliance. Supplier will also properly complete and execute all required country foreign declarations and quota charge statements in the manner and form required by the U.S. Customs Service or applicable foreign customs service. These United States laws shall include, without limitation, the Fair Labor Standards Act of 1938, as amended; Federal and State OSHA requirements; Toxic Substances Control Act and The Federal Hazardous Substances Act. With specific references to the Toxic Substances Control Act, Supplier warrants that each chemical substance delivered under this order shall be on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to ¶ 8 of the Toxic Substances Control Act. If this Purchase Order is placed, directly or indirectly, under a contract to which the United States or any state or other governmental authority is a party, then all terms and conditions required by law or regulation or contained in the government contract with respect to this order are incorporated herein by reference.

VSG takes pride in being a responsive and responsible producer of quality products. Integrity in dealing with others is a guiding principle of VSG. Beyond legal and regulatory compliance, our dealings with others inside and outside the company are based on mutual respect, open communication, and cooperation. This

behavior preserves the trust and respect of our fellow employees, customers, suppliers, and investors, and our neighbors in the communities where we live and work.

In accordance with this principle, VSG expects and Supplier agrees to comply with the following guidelines.

Responsible Business Practices All VSG approved suppliers must conduct themselves in a legal and ethical manner. All VSG approved vendors must comply completely with all applicable laws and regulations in the country in which they are located.

Health and Safety. All VSG approved suppliers must provide a safe and healthy workplace for their employees at all times, including a safe number of working hours. This includes but is not limited to: legal and regulatory compliance, building safety, proper handling of hazardous materials, emergency planning and training, management of air quality and noise levels, safety equipment, and posted signs.

No Involuntary or Forced Labor / No Child Labor. No VSG approved supplier shall utilize prison, indentured, bonded, or any other type of compulsory labor. No VSG approved supplier shall employ workers below the age of 15 or younger than the local minimum age if it is higher than 15. Operations employing persons under the age of 18 must, at a minimum, adhere to the International Labor Organization (ILO) standards regarding children's rights.

Environmental Stewardship. All VSG approved suppliers must comply with all applicable environmental protection laws and regulations present in the country in which they operate. Facilities shall practice environmental management policies and procedures regarding emissions, greenhouse gases, water use, energy use, waste and hazardous materials including, but not limited to, maintaining appropriate permits.

24 Confidentiality and Data Security

All drawings, patterns, specifications, designs, plans, costs, pricing, buying habits, costs of materials, lists, concepts, ideas or other data or information ("Confidential Information") furnished by VSG to Supplier which relate to VSG's business shall be considered proprietary to VSG. Supplier agrees that it shall use such Confidential Information solely for the purposes of fulfilling its obligations in accordance with this Purchase Order and shall keep all such Confidential Information confidential and will not divulge or use such Confidential Information for the benefit of itself or any third party, unless this requirement is waived expressly in writing by VSG. Supplier shall protect such Information and shall restrict the disclosure of Confidential Information to such persons who need access to such Information in order to fulfill Supplier's obligations under this Purchase Order. Supplier shall immediately, upon VSG's request, promptly return to VSG or destroy all Confidential Information, including copies thereof, as directed by VSG. The provisions of this paragraph shall survive the completion, expiration or termination of this Purchase

Order.

25 VSG Property Tooling and Intellectual Property

All tooling, equipment, materials, drawings, specifications, samples, and other property paid for or provided by VSG remain VSG property. Supplier shall clearly identify, protect, maintain, and insure such property; use it only for VSG work; keep it free of liens; and return it upon request.

Intellectual property specifically created for VSG and paid for by VSG shall be considered work made for hire to the extent permitted by law. Supplier assigns to VSG all rights necessary to give effect to that ownership.

Supplier retains ownership of its pre-existing intellectual property but grants VSG the rights reasonably necessary to use, sell, service, and support the purchased goods.

26 Intellectual Property Infringement

Supplier warrants that the goods, services, and VSG's authorized use or resale do not infringe third-party intellectual-property rights, except to the extent infringement results solely from a detailed design furnished by VSG.

Supplier shall defend and indemnify VSG and its customers against covered infringement claims consistent with the indemnity obligations stated below.

27 Indemnification

Supplier agrees to indemnify and hold harmless VSG, its officers, directors, agents, employees, successors, assigns, customers and users of VSG's goods from and against any and all claims, damages, losses, penalties, expenses, suits at law or in equity, or any liability whatsoever, including attorneys' fees, arising out of or resulting from (a) any breach by Supplier of these Terms, (b) any false declaration regarding the country of origin in violation of any customs law, (c) any false statement or labeling regarding content or other representation regarding the nature or quality of the goods, (d) any alleged defect in the goods or services that is alleged to have caused the death of or injury to any person, or damage to any property, under whatever theory, (e) any injury or death to persons or damage to property arising from acts or omissions of Supplier's agents, employees or subcontractors while on VSG's premises, (f) the failure of Supplier to comply, in the furnishing of goods or services under this Purchase Order, with all applicable domestic or foreign national, state, or local laws, ordinances, rules, regulations or orders as set out in these terms, or (g) any claim that the manufacture, use, sale or resale of any goods or services supplied by Supplier under this Purchase Order infringe any patent, copyright, trademark or other intellectual property right, and Supplier, when notified, shall, at VSG's sole option, either defend any such claim or suit at its own expense employing attorneys approved by VSG, or reimburse VSG's expenses and costs, including attorneys' fees.

Supplier's obligations are not limited by insurance coverage.

28 Insurance

Supplier shall maintain insurance appropriate to its operations and the goods or services, including commercial general and product-liability coverage with limits of at least \$2,000,000 per occurrence and \$4,000,000 aggregate.

Where applicable, Supplier shall also maintain workers' compensation, employer's liability, automobile liability, cyber liability, professional liability, and umbrella coverage.

VSG and its affiliates shall be named as additional insureds where commercially customary and legally permitted. Supplier shall provide certificates of insurance upon request and annually upon renewal.

29 Assignment and Subcontracting

Supplier may not assign the Purchase Order, assign payment rights, or subcontract material obligations without VSG's prior written consent.

Approval does not release Supplier from responsibility for its subcontractors. Supplier shall impose applicable quality, compliance, confidentiality, security, and recordkeeping requirements on its supply chain.

30 Termination and Default / Cancellation

VSG may terminate performance of the work under this Purchase Order, in whole or in part, by written notice to Supplier. Upon receipt of such notice, Supplier shall immediately discontinue all work and the placing of all orders for materials, facilities, and supplies pursuant to this Purchase Order. Upon termination by VSG under this paragraph or certain remedies of VSG (as set out below), VSG shall negotiate payment to Supplier

based on Supplier's non-recoverable, reasonable and actual documented costs and expenses and shall receive credit for any deposits, down payments, advanced expenses or any other prepayments. In no case, however, shall payments made under this paragraph exceed the aggregate price specified in this Purchase Order, less payments otherwise made or to be made. Nothing contained in this paragraph shall be construed to limit or affect any remedies which VSG may have as provided below.

If Supplier's financial condition, based on reasonable and objective criteria, is found to be or becomes unsatisfactory to VSG during the term of this contract, VSG reserves the right, without incurring any liability to Supplier, to cancel this Purchase Order by written notice and receive a refund of any deposits, down payments, or other advance payment (except for goods or services already delivered). VSG also reserves the right similarly to terminate all other Purchase Orders or contracts covering purchases by VSG of Supplier's products or services whether or not Supplier may otherwise be in default, and no rights shall accrue to Supplier against VSG on account of such termination. The foregoing rights of VSG are in addition to, and not in lieu of, any rights VSG may possess under 2-609 or other provisions of the Uniform Commercial Code, or other provisions of the law. If Supplier fails to perform as specified in this Purchase Order or breaches any of the terms hereof, VSG reserves the right, without incurring any liability to Supplier, and upon giving Supplier written notice, to: (a) cancel this Purchase Order in whole or in part, and Supplier shall be liable to VSG for all damages, losses and liability incurred by VSG directly or indirectly resulting from Supplier's breach; or (b) obtain the goods or services ordered herein from another source, with any excess cost resulting therefrom chargeable to Supplier; or (c) setoff or reduce all claims for money due or to become due from VSG to Supplier to the extent VSG is damaged by Supplier's failure to perform. The remedies herein provided shall be cumulative and in addition to any other remedies provided at law or in equity. VSG's failure to insist on performance of any of the terms and conditions herein or to exercise any right or privilege, or VSG's waiver of any breach hereunder, shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

31 Force Majeure

In the event of acts of God, acts or regulations or decrees of any government, unusual natural phenomena such as earthquakes, floods, fires, riots, wars, pandemics, shipwrecks or other unforeseen causes not attributable to and beyond the reasonable control of the Supplier which prevent or delay manufacture, transportation or delivery of the goods or services covered by this purchase order, the Supplier shall inform the VSG, in writing, as soon as possible, but in any event within five (5) days after the start of such Force Majeure, specifying the nature of the Force Majeure as well as the estimated time of duration. In the event the Force Majeure lasts more than thirty (30) days or is expected to last more than thirty (30) days, the VSG is entitled to immediately terminate the Purchase Order by notice in writing to Supplier without any claim of liability, penalty or damage. In the event of a Force Majeure preventing or delaying acceptance or prompt utilization by VSG of the goods or services covered by this Purchase Order, VSG shall inform the Supplier, in writing, as soon as possible, but in any event within five (5) days after the start of such Force Majeure, specifying the nature of the Force Majeure, as well as the estimated time for duration. VSG may provide Supplier with a new time schedule and delivery date for the goods or services or may terminate the Purchase Order. In such an event, VSG shall not be subject to any claim of liability, penalty or damage.

32 Limitation of VSG Liability

IN NO EVENT SHALL VSG BE LIABLE UNDER THIS AGREEMENT TO SUPPLIER FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES, INCLUDING ANY DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF USE REVENUE OR PROFIT, WHETHER ARISING OUT OF BREACH OF

CONTRACT, TORT OR OTHERWISE, REGARDLESS OF WHETHER SUCH LOSSES WERE FORESEEABLE AND WHETHER OR NOT VSG WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

VSG's aggregate liability relating to a Purchase Order will not exceed the amount payable for the goods or services giving rise to the claim.

33 Independent Contractor

This Purchase Order shall not be deemed to constitute or create a partnership between VSG and Supplier or make Supplier an agent or employee of VSG for any purpose. Supplier is an independent contractor and has no authority to bind VSG or otherwise create liability for VSG. Supplier is solely responsible for its personnel, compensation, taxes, supervision, permits, and legal compliance.

34 Publicity

Supplier may not use VSG's name, trademarks, customer relationships, or the existence of the commercial relationship in advertising, publicity, case studies, or announcements without VSG's prior written consent.

35 Governing Law and Jurisdiction

These Terms and each Purchase Order are governed by the laws of the State of North Carolina, excluding conflict-of-law principles and the United Nations Convention on Contracts for the International Sale of Goods.

The parties consent to exclusive jurisdiction and venue in the state or federal courts located in Guilford County, North Carolina.

36 General Provisions

VSG's remedies are cumulative and do not exclude remedies available at law or equity. Failure to enforce a provision does not waive it. If any provision is unenforceable, it shall be modified to the minimum extent necessary and the remainder will remain effective.

Provisions concerning warranties, recall, indemnification, intellectual property, confidentiality, compliance, records, audit rights, setoff, and dispute resolution survive expiration or termination.

Electronic signatures, Purchase Orders, acknowledgments, and records are binding.