



NATIONAL PLASTICS AND SEALS, INC

STANDARD VENDOR TERMS AND CONDITIONS OF PURCHASE

These Terms and Conditions apply to all Purchase Orders issued by National Plastics and Seals, Inc. (NPS). Acceptance of a Purchase Order, shipment of goods, or commencement of services constitutes acceptance of these Terms.

1. Scope

These Terms govern all purchases unless superseded by a signed agreement.

2. Acceptance of Purchase Orders

Supplier shall acknowledge purchase orders within two (2) business days.

3. Order of Precedence

Signed Agreement, Purchase Order, Drawings, Specifications, these Terms, then Supplier documents.

4. Pricing

Prices are firm and may not increase without written approval. Supplier warrants pricing is competitive.

5. Payment Terms

Net 45 days from receipt of a correct invoice and acceptance of goods or services.

6. Delivery Requirements

Supplier shall deliver all products on the delivery date specified on the Purchase Order or no more than two (2) business days prior unless otherwise authorized in writing by NPS. Shipments received earlier may be refused or returned at Supplier's sole expense and risk. Repeated late or unauthorized early deliveries may negatively affect Supplier performance ratings.

7. Shipping & Packaging

No partial shipments without prior written approval. Package all products to prevent damage during transit. Each shipment must include the Purchase Order number, part number, revision level, quantity, lot number (if applicable), and packing slip. National Plastics & Seals, Inc. reserves the right to reject or return, at the supplier's expense, any quantities shipped in excess of the Purchase Order quantity unless prior written authorization has been provided. A shipment tolerance of up to 10% over the ordered quantity may be accepted at the sole discretion of National Plastics & Seals, Inc.

8. Quality Requirements

Products shall conform to drawings, specifications and applicable laws and be free from defects.

9. Inspection & Acceptance

NPS may inspect all products. Acceptance does not waive warranty or latent defect claims.

10. Material Certifications & Traceability

Provide required certifications. Maintain traceability and retain records for at least seven years unless otherwise specified.

11. Changes

No changes to process, materials, manufacturing location, tooling or sub-tier suppliers without written approval.

12. Nonconforming Product

Immediately notify NPS of shipped nonconforming product. Supplier is responsible for replacement, return freight and related costs.

13. Supplier Corrective Action

Respond to containment requests within 48 hours, root cause within 10 business days, and corrective action within 30 days.

14. Warranty

Supplier warrants products for 24 months after acceptance or 12 months after end-customer installation, whichever occurs first.

15. Counterfeit Material Prevention

Supplier shall prevent counterfeit materials and procure only from authorized sources.

16. Regulatory Compliance

Comply with all applicable laws and regulations including OSHA, EPA, ITAR/EAR where applicable, and customer requirements.

17. Confidentiality

Protect all NPS confidential information and use it only to fulfill Purchase Orders.

18. Intellectual Property

NPS-owned tooling, drawings and data remain the property of NPS.

19. Right of Audit

NPS, its customers and regulatory authorities may audit Supplier facilities and quality records.

20. Insurance

Maintain appropriate commercial and product liability insurance and provide certificates upon request.

21. Force Majeure

Promptly notify NPS of events beyond reasonable control affecting delivery.

22. Termination

NPS may terminate Purchase Orders for default, quality issues, late delivery or noncompliance.

23. Indemnification

Supplier shall indemnify and hold NPS harmless from claims arising from Supplier negligence, defective products or IP infringement.

24. Supplier Performance

Performance may be evaluated based on quality, delivery, responsiveness and cost. Continued poor performance may result in removal from the Approved Supplier List.

25. Governing Law

Governed by the laws of the State of Illinois.

26. Entire Agreement

These Terms and the Purchase Order constitute the entire agreement.