

Purchase Order Terms and Conditions for Suppliers Working with Integrated DNA Technologies

PURCHASE ORDER TERMS AND CONDITIONS

- 1. AGREEMENT:** This order is Buyer's offer to Seller and becomes a binding contract, subject to the terms hereof, when accepted by acknowledgement or commencement of performance by Seller. Buyer expressly objects to all additions, exceptions, or changes to these terms, whether contained in any printed form of Seller or elsewhere, unless approved by Buyer in writing. To the extent there are any inconsistencies between these terms and those written on the face of this order, the latter will control. Buyer shall purchase Item(s) by issuing Purchase Orders to Seller. To the extent there is a conflict between the terms on the face of this Purchase Order, the terms and conditions herein and any amendments, attachments or exhibits hereto, the following shall govern in descending order with respect to such inconsistency: (1) an amendment signed by both parties; (2) the terms on the face of this Purchase Order; (3) these terms and conditions; (4) any exhibit or amendment hereto.
- 2. PRICE:** Unless otherwise specified, the prices stated on the front of this order include all charges for packing, hauling, storage, transportation to point of delivery, and taxes. Sales and use taxes not subject to exemption shall be stated separately in Seller's invoice. Seller warrants that the prices quoted in this order are no greater than those currently charged any other buyer for similar quantities of goods or services. Any price reduction extended to others by Seller prior to delivery shall also be extended to Buyer. All payments for goods or services delivered to Buyer hereunder shall be made by Buyer to Seller Net thirty (30) unless otherwise agreed to in writing and signed by Buyer.
- 3. CHANGES:** Buyer may at any time make changes in the scope or quantity of the goods or services covered by this order in other terms hereof, in which event an equitable adjustment will be made to any price, time of performance, and other provisions of this order if appropriate. Claims for such an adjustment must be made within fifteen (15) days from the date of receipt by Seller of notice of the change. Substitutions or changes in quantities or specifications by Seller shall not be made without Buyer's prior written approval.
- 4. SPECIFICATIONS:** All goods or services ordered to specifications shall comply with such specifications current as of the date of this order unless otherwise specified in writing by Buyer. Seller shall obligate applicable product specifications, descriptions and requirements to sub-tier suppliers including key characteristics as required.
- 5. BUSINESS CONTINUITY:** During the term of this order, Seller shall annually identify and review the risks that could significantly impact seller's ability to meet its performance obligations under this order and take reasonable loss prevention actions to reduce the frequency and/or severity of the impact of the risk. In addition, Seller shall develop and maintain actionable plans and strategies to limit any disruption of its performance obligations to a period not greater than two (2) weeks. Such plans and strategies shall include an annually updated business continuity plan in general conformance with the NFPA 1600 version 2010 and British Standard (BS) 25999-2 version 2007 or any standards that replace either. The business continuity plan should identify the steps necessary to recover critical product/service-related functionality including, but not limited to, business activities, technologies, personnel and other resources. Seller shall allow a formal audit by Buyer of Seller's loss prevention and business continuity program.
- 6. WARRANTY:**
- a) Seller expressly warrants that the goods or services ordered shall conform to this order, to specifications, drawings, and other descriptions referenced in this order, and to any accepted samples; shall be free from defects, whether patent or latent in materials and workmanship; and shall be free from defects in design unless the design was supplied by Buyer. Seller warrants that it has clear title to the goods and that the goods and services (which shall be provided in a professional and workmanlike manner) shall be delivered free of liens or encumbrances.
 - b) Seller warrants that the goods; (1) are not adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act as amended (Act), or within the meaning of any applicable state or municipal law in which the definitions of "adulteration" and "misbranding" are substantially identical with those contained in Act; (2) are not goods which may not under the provisions of Section 404, 505, 512, 515, or 516 of the Act be introduced into Interstate commerce, or which may not under substantially similar provisions of any state or municipal law be introduced into commerce; (3) are in full compliance with the Biological Products section of the Public Health Service Act, and (4) are shipped on pallets free of 2,4,6-tribromoanisole (TBA) and 2,4,6-tribromophenol (TBP).
 - c) All these warranties and other warranties as may be prescribed by law shall extend to Buyer, its successors, assigns, and customers and to users of the goods or services and shall run through any expiration date stated on

the goods, or, if no expiration date is stated, then for a period of one (1) year after delivery. Claims under these warranties must be made within the applicable period prescribed by statute.

d) SELLER SHALL WARRANT THAT ITEMS SUPPLIED BY SELLER ARE NEW UNLESS SPECIFICALLY APPROVED BY BUYER IN WRITING. ITEMS SHALL NOT BE SURPLUS, RECONDITIONED, RECOVERED OR REMANUFACTURED UNLESS APPROVED BY BUYER IN WRITING.

7. INSPECTION; TESTING: Goods purchased under this order are subject to Buyer's reasonable inspection, testing, and approval at Buyer's destination. Buyer reserves the right to reject and refuse acceptance of goods which are not in accordance with this order or Seller's representation or warranties, expressed or implied. Buyer will charge Seller for the cost of inspecting rejected goods. Rejected goods may be returned to Seller, or held by Buyer, at Seller's risk and expense. Payment for any goods under this order shall not be deemed acceptance of the goods.

8. RECALL: In the event that a recall of the goods is necessitated by a defect, a failure to conform to the specifications, applicable laws, or any other reason within the Seller's control, Seller shall bear all costs and expenses of such recall, including without limitation, costs of notifying customers, customer refunds, costs of returning goods, lost profits, and other expenses incurred to meet obligations to third parties.

9. SHIPMENT OR DELIVERY SCHEDULES: Shipment or delivery of goods shall be in accordance with the schedule specified in this order and Seller shall conform to Buyer's Shipping Guidelines (see www.idtdna.com). If Seller does not, or it appears that Seller will not, meet such schedule, Buyer may, in addition to any other rights or remedies provided by law or this order, require that Seller ship the goods via expedited routing to meet the schedule or to recover the time lost and Seller shall pay the difference in shipping costs.

10. OVERSHIPMENT: Over shipment of goods not approved by Buyer in writing will be returned, at Seller's expense, if such over shipment exceeds 10% of the total order price or \$500.00, whichever is smaller.

11. SUBSTITUTION, MODIFICATION: No substitution or modification of any goods, component parts, tooling, sources of raw materials, processes, or manufacturing sites may be made without Buyer's prior written consent.

12. SPECIAL LAWS: In filling this order, Seller will comply with all applicable federal, state, and local laws, including, but not limited to the following:

- a) Laws prohibiting discrimination on the basis of an applicant's or employee's protected status; and,
- b) The affirmative action and nondiscrimination requirements provided by 41 CFR 60-250.4(m) and 41 CFR 60-741.4(f) protecting the interests of handicapped workers and disabled and Vietnam-era veterans.

Seller also represents that:

c) The goods are consistent with, and can be used in compliance with, the Occupational Safety and Health Act of 1970 (OSHA), that services to be performed on Buyer's premises will be consistent with OSHA provisions, and that Seller will provide Buyer the latest material safety data sheets (MSDS) for any chemical substance determined to be hazardous:

d) No apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the Buyer under this PO have been laundered or produced in whole or in part by inappropriate or unlawful means of labor. Vendor further declares UNDER PENALTY OF PERJURY that it adheres to the Sweat free Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code § 6108. Seller further warrants that it and its suppliers and/or subcontractors shall certify compliance with the requirements, as applicable and as amended, of the California Civil Code Section 1714.43 (California Transparency in Supply Chains Act) and allow Buyer to perform any activities required for verification thereof.

e) The Foreign Corrupt Practices Act, 15 USC §78dd-1 thru 3, as amended, the U.S. Travel Act, the U.K. Bribery Act 2010, and any laws of any U.S. or foreign jurisdiction relating to commercial bribery. Seller further warrants that it will comply with IDT's Code of Conduct, including the anti-bribery provisions contained therein.

13. CONFLICT MINERALS: If the goods are, or contain, tin, tantalum, tungsten, and/or gold (whether in raw or processed form, and whether or not combined with other materials), Seller hereby certifies that such metals have not been sourced in a manner which directly or indirectly finances or benefits armed groups in the Democratic Republic of the Congo or adjoining countries. In addition, Seller shall have and implement its own Conflict Mineral Policy which shall include a commitment to legal compliance and shall be communicated to Seller's sub-suppliers. Provided such procedures are available, Seller shall ensure that purchased tin, tantalum, tungsten, and/or gold originate from smelters validated/certified by third parties in accordance with procedures adopted by the Electronic Industry Citizenship Coalition as being conflict mineral free. Seller shall work with sub-suppliers to ensure traceability of these metals within their products, back down to

smelter and mine. Traceability data shall be maintained and recorded for 5 years. Documentation shall be provided to Buyer upon request.

14. INDEMNIFICATION: Seller shall defend, indemnify and hold Buyer, its successors, assigns, employees, customers, and users of the goods or services harmless with respect to all claims, liability, damage, loss, and expenses, including attorney's fees, incurred relating to or caused by:

- a) Actual or alleged patent, copyright, or trademark infringement or violation of other proprietary right, arising out of the purchase, sale, or use of the goods or services covered by this order;
- b) Actual or alleged defect in the services or in the design, manufacture, or material of the goods;
- c) Actual or alleged breach of warranty;
- d) Failure of Seller to deliver the goods or services on a timely basis; or
- e) Failure of the goods or services to meet the requirements of the law, including without limitation the following statutes: Federal Food, Drug and Cosmetic Act; Biological Products section of the Public Health Service Act; Federal Insecticide, Fungicide, and Rodenticide Act; Federal Hazardous Substances Act; Federal Caustic Poison Act, Toxic Substances Control Act; Flammable Fabrics Act; Fair Packaging and Labeling Act; Wool Products Labeling Act; Magnuson-Moss Warranty Federal Trade Commission Improvement Act; and Occupational Safety and Health Act of 1970.

In the event of a claim under this paragraph, Buyer may at its option terminate this order or defer acceptance of the balance of the goods or services ordered until the claim is resolved. If Buyer is enjoined from use of the goods, Seller shall at Buyer's option, either procure for Buyer the right to continue using the goods, replace the goods with substantially equivalent goods, modify the goods so as to be usable by Buyer, or repurchase the goods at the price set forth in this order. This Paragraph 8 shall not be construed to indemnify Buyer for any loss to the extent it is attributable to Buyer's design, specification, or negligence.

15. INSURANCE: Seller shall obtain and keep in force for three years after the last delivery under this order general comprehensive liability insurance covering each occurrence of bodily injury and property damage in the amount of not less than \$1 Million Dollars (or any other amount Buyer may indicate in this order) combined single limit with special endorsements providing coverage for:

- a) Products and Completed Operations Liability;
- b) Blanket Broad Form Vendor's Liability; and,
- c) Blanket Contractual Liability.

If services are performed under this order on Buyer's premises, Seller shall also obtain Premises-Operations, Personal Injury, and Independent Contractors Protective Liability endorsements, and shall further obtain Workers' Compensation, Employer's Liability and Automobile Liability Insurance coverage in amounts acceptable to Buyer. If requested, Seller shall furnish Buyer with a certificate evidencing the required insurance.

16. RISK OF LOSS: Seller shall bear the risk of loss or damage to the goods covered by this order until they are delivered to and accepted by Buyer.

17. BUYER-FURNISHED MATERIAL: Seller shall not use, reproduce, or appropriate for or disclose to anyone other than Buyer, any material, tooling, dies, drawings, designs, or other property or information furnished by Buyer ("Material") without Buyer's prior written approval. Title to all Material shall remain in Buyer at all times, and where practicable the Material shall be clearly marked or tagged to indicate this ownership. Seller shall bear the risk of loss or damage to the Material until it is returned to Buyer. All Material, whether or not spoiled or used, shall be returned to Buyer at termination or completion of this order unless Buyer shall otherwise direct.

18. REFERENCES TO BUYER: Except to the extent required by law, Seller shall make no reference, advertisement, or promotion regarding Buyer or Buyer's purchase or use of the goods or services covered by this order without the prior written consent of Buyer.

19. USE OF SELLER'S INFORMATION: Unless otherwise agreed to in a Non-Disclosure Agreement signed by the parties, all information disclosed to Buyer in connection with this order is furnished as part of the consideration for Buyer's placement of this order. This information is not to be treated as confidential or proprietary, and no claim will be asserted against Buyer, its assigns, or customers, for its disclosure or use. Seller shall protect all information related to this Purchase Order as confidential and shall not disclose such information without the prior written consent of Buyer.

20. TERMINATION:

a) Buyer may terminate this order, in whole or in part, without liability: If Buyer anticipated Seller's breach of this order and Seller does not provide adequate assurance of its performance within ten (10) days of Buyer's request; if deliveries are not made at the time or in the quantities specified; or in the event of a breach or failure by Seller to meet other terms of this order. This right shall be in addition to any other remedies provided Buyer by law.

b) Buyer may terminate this order, in whole or in part, at any time for its convenience by notice to Seller in writing. Upon receipt of such notice, Seller shall immediately stop work and take the necessary action to ensure that all work under the order shall cease and to the extent specified in Buyer's notice, that all subcontracts and orders are forthwith cancelled/terminated immediately. Seller's sole compensation for such termination shall be payment by Buyer of the percentage of the total order price corresponding to the proportion of work completed in filling the order prior to such notice for which Seller is unable to reassign to other customers, plus any reasonable expenses incurred by Seller in terminating orders and work in progress. Such termination claim must be submitted to Buyer within sixty (60) days of the date of termination and shall be subject to audit by Buyer.

c) Upon any termination under this paragraph, title to all equipment, materials, work-in-progress, finished products, plans, drawings, specifications, information, special tooling, and any other items for which Seller may submit a claim shall vest in Buyer, and Seller shall promptly deliver these items to Buyer and take all necessary action to protect such property prior to such delivery.

21. ASSIGNMENT; SUBCONTRACTING: Buyer may assign in whole or in part any of its rights and obligations under this order without the prior consent of Seller. Seller shall not assign this order or subcontract any material portion of the performance of it without Buyer's prior written consent. The terms and conditions of this order shall bind any permitted successors and assigns of either party.

22. CONTROLLING LAW: This order and the performance under it shall be controlled and governed by the law of the jurisdiction shown in Buyer's address on the face of this order, and Seller hereby submits to the jurisdiction of the courts of that state for purposes of resolving any dispute.