



## TENNANT COMPANY

### GENERAL PURCHASE ORDER TERMS AND CONDITIONS

**1. GENERAL.** The purchase of product ("Product") from Supplier by Tennant Company, a Minnesota corporation, and/or any of its subsidiary or affiliated companies ("Tennant") are conditioned upon the following documents (in order of priority): (i) a mutually agreed and signed agreement; (ii) a Purchase Order provided by Tennant; and (iii) these General Purchase Order Terms and Conditions (collectively, the "Contract"). The Contract constitutes the entire agreement between Tennant and Supplier and supersedes all other agreements and undertakings, whether written or oral, between the parties with respect to the subject matter of the Contract. The Contract may not be changed in any respect except to the extent of clerical errors which are subject to correction at any time. Any of the following acts by Supplier will constitute acceptance of the Contract: (i) electronic acceptance; (ii) acknowledgment of the Contract; or (iii) commencement of performance or Supplier's notice to Tennant of commencement of performance.

**2. PAYMENT.** Payment terms are two percent (2%) discount net fifteen (15) days or net sixty (60) days from date of invoice, at Tennant's discretion, unless otherwise agreed in writing. Tennant may set off any amount owing from Supplier to Tennant or any of its affiliated companies against any amount payable at any time by Tennant.

**3. DELIVERY, RISK, TITLE.** All Product will be marked, packaged, shipped and delivered in compliance with applicable law and Tennant requirements located at <http://www.tennantco.com/suppliers>.

For shipments wholly within the United States, delivery of Product is FOB Shipping Point, Freight Collect, per the UCC definition. For all other shipments, delivery of Product is Free Carrier (FCA – Supplier's location) per Incoterms 2010. Delivery will be made pursuant to the schedule, via the carrier named by Tennant, without charge for boxing, crating, or storage unless otherwise specified. The risk of loss of nonconforming Product remains with the Supplier until cure or acceptance.

Title to the Product will pass upon delivery to Tennant or the carrier, whichever occurs first.

**4. INSPECTION, ACCEPTANCE.** Tennant's payment for Product will not constitute acceptance of such Product by Tennant. Tennant may inspect and reject Product that is, in its sole subjective judgment, defective or nonconforming regardless of the time elapsed between delivery and Tennant's inspection. "Nonconforming" means the Product is not what Tennant ordered, does not meet Product performance standards, does not comply with Product specifications, or is of an incorrect quantity.

Tennant may return rejected Product at Supplier's expense and collect from Supplier all related expenses, including but not limited to unpacking, examining, repacking and reshipping such Product. If Tennant receives Product whose defects or nonconformity are not apparent on examination, Tennant reserves all rights with respect to such Product. Nothing contained in these terms and conditions will relieve Supplier from its obligations of testing, inspecting and ensuring quality control of Product nor otherwise limit Tennant's rights to seek damages caused by the delivery of defective or nonconforming Product.

In case of Product purchased for U.S government contract or subcontract, Supplier will cooperate with Tennant to comply with inspection obligations by providing access to requested materials and information.

**5. PRODUCT SAFETY AND QUALITY.** Supplier will notify Tennant immediately in the event of product safety or quality issues, including but not limited to recalls. Supplier will fully cooperate and provide reasonable assistance to Tennant in the event Tennant recalls or reworks any or all of the Product.

**6. WARRANTY.** Supplier warrants that the Product will be: (i) new and free from defects in material and workmanship; (ii) conform to any samples or specifications provided by Tennant and to any statements made to Tennant by Supplier's representatives or made on the containers or labels or advertisements for such Product; (iii) be adequately contained, marked and labeled; and (iv) not infringe third party rights.

Supplier further warrants that: (i) it has title to the Product and the right to sell the Product to Tennant; and (ii) all Product furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which the Product of like kind are normally used. If Supplier knows or has reason to know the particular purpose for which Tennant intends to use the Product, Supplier warrants that such Product will be fit for such purpose. Supplier will use commercially reasonable efforts to obtain and flow through to Tennant third party warranties for any goods not manufactured by Supplier that are incorporated into the Product.

Supplier's warranty will run to Tennant, its successors, assigns, customers and users of products sold by Tennant.

Upon notice from Tennant, Supplier will replace nonconforming Product without expense to Tennant unless Tennant agrees in writing that Supplier may repair or correct the defects rather than replace. Should Supplier fail in a timely fashion to correct defects in or replace nonconforming Product, Tennant after reasonable notice to Supplier, may make such corrections or replace such product and charge Supplier for all costs incurred by Tennant in doing so.



## TENNANT COMPANY

### GENERAL PURCHASE ORDER TERMS AND CONDITIONS

In the event of any serial field failure, Supplier will immediately take corrective action to rectify the problem and provide Tennant with notice and Supplier's correction plan, per the corrective action plan and requirements from Tennant. Supplier will be liable for Tennant's warranty costs and expenses including but not limited to freight, parts, labor, travel, and related expenses in connection with diagnosis and repair or replacement of field failures.

Supplier further agrees to provide Tennant with timely notice of other customer's failure experience of same or similar parts.

The warranties contained in this section are in addition to and are not to be construed as restricting or limiting any warranties or remedies of Tennant, express or implied, which are provided by the Contract or law. Any attempt by Supplier to limit, disclaim or restrict any such warranties or remedies of Tennant, in any manner whatsoever will be null, void, and ineffective. Supplier's warranty will be effective for the period identified in the Contract.

**7. NON-BINDING FORECASTS.** From time to time for Supplier's convenience, Tennant may forecast its potential future purchases of Product by means of a blanket purchase order or functionally similar document or statement. Such forecasts are informational only and not binding. Tennant will have no liability for payment for forecasted requirements or blanket purchase order quantities absent an express Contract.

**8. TERMINATION.** Tennant may cancel any Contract, in whole or in part, at any time and for any reason. In the event of such cancellation, Supplier will immediately stop all work on that Contract and notify its suppliers or subcontractors to stop work. Tennant will pay Supplier a reasonable termination charge reflecting the percentage of the work performed prior to the notice of cancellation, plus actual documented direct costs resulting from the cancellation, but less amounts saved by Supplier as a result of the cancellation or recoverable by Supplier in mitigation of its damages. Tennant will not pay Supplier for any work done after receipt of the notice of cancellation or for any costs incurred by Supplier's suppliers or subcontractors which could have reasonably avoided. Any payment under this provision will not be deemed to waive of any of Tennant's other rights.

**9. INDEMNIFICATION.** Supplier will indemnify, defend and hold harmless Tennant, its subsidiaries and affiliated companies, their successors, assigns, customers and users of the Product, against all damages, claims, suits, demands or losses of any kind (including reasonable attorneys' fees) arising out of, or alleged to have arisen out of: (i) inaccuracy in any representation or warranty made by Supplier; (ii) Supplier's breach of any obligation under the Contract; (iii)

personal injury (including death) or property damage arising from or based on the negligence or willful misconduct of Supplier, its employees, agents, or contractors; (iv) any failure of Supplier to comply with applicable laws or regulations in connection with Supplier's manufacture or sale of the Products (including those applicable to environment, health and safety); (v) product liability; or (vi) costs arising out of any voluntary or involuntary recall, recovery or withdrawal of Product from the market.

**10. INTELLECTUAL PROPERTY.** "Background Intellectual Property" means all intellectual property other than Foreground Intellectual Property. Each party retains its existing rights in Background Intellectual Property.

"Foreground Intellectual Property" means all intellectual property and tangible work product conceived, created, developed, and first reduced to practice for the purpose of the Contract and directed by Tennant, including without limitation inventions, technology, designs, works of authorship, technical information, computer software, computer software documentation, copyrights, patents, and patent applications. Tennant will own all Foreground Intellectual Property. Supplier will disclose to Tennant all Foreground Intellectual Property. If not expressly required to be delivered in the Contract, Supplier will deliver to Tennant all Foreground Intellectual Property upon written request from Tennant. Supplier hereby irrevocably assigns and promises to assign to Tennant all right, title and interest to all Foreground Intellectual Property. Supplier agrees to do all things reasonably necessary to enable Tennant to secure and perfect Tennant's rights in Foreground Intellectual Property rights, including, without limitation, executing specific assignments of title in Foreground Intellectual Property by Supplier to Tennant and cooperating with Tennant at Tennant's expense to defend and enforce Tennant's rights in any such Foreground Intellectual Property.

To the extent that any Background Intellectual Property is used in connection with, included, or contained in the Product and not owned by Tennant pursuant to this Contract or a previous agreement, Supplier grants to Tennant a worldwide, non-exclusive, irrevocable, paid up, perpetual, royalty-free right and license to make, have made, sell, offer for sale, import, use, execute, reproduce, display, perform, distribute (internally and externally) copies of, and prepare derivatives of, and authorize other to do any, some or all of the foregoing.

**11. COMPLIANCE WITH LAWS AND REGULATIONS.** Supplier warrants that the Product will be manufactured, sold, used and rendered in compliance with all applicable federal, state, local law, orders, rules, ordinances, and regulations and will comply with all applicable country laws.



## TENNANT COMPANY

### GENERAL PURCHASE ORDER TERMS AND CONDITIONS

Supplier will comply with any and all applicable product environmental and regulatory requirements including but not limited to the following:

- (i) European Directive 2011/65/EU of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment ("RoHS 2"), as implemented by the various member states of the European Union. Supplier will comply with any amendments to RoHS 2, and any further instructions given by Tennant;
- (ii) European Directive 2012/19/EU of 4 July 2012 on Waste Electrical and Electronic Equipment ("WEEE 2"), as implemented by the various member states of the European Union. With respect to any Product transferred to Tennant under a Contract which are "electric and electronic equipment" ("EEE") covered by WEEE 2, Supplier will, at no additional costs to Tennant and upon Tennant's request, assume responsibility for taking back the Product and for treating or otherwise managing the Product in accordance with the requirements of WEEE 2 and applicable national implementing legislation; and take back as of the date of the Contract the used Product currently owned by Tennant up to the number of new units being purchased by Tennant, or to arrange with a third-party to do so in accordance with all applicable requirements; and
- (iii) Regulation (EC) No 1907/2006 of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH") that applies to or affects the Product.

Supplier represents, warrants, and covenants that:

- a) no substance contained in any Product is intended to be released under normal and reasonably foreseeable conditions of use, as understood under Article 7(1) of REACH;
- b) no substance on the Candidate List is present in any Work in a concentration at or above 0.1% (w/w), as such concentration is defined and interpreted pursuant to REACH;
- c) no substance present in any Work supplied by Supplier to Tennant requires registration or notification under Article 6 or 7 of REACH (or any corresponding amended provisions);
- d) no substance on the Authorization List (Annex XIV) is present in any Work supplied by Supplier to Tennant;
- e) all substances comply with the restrictions (laid out in Annex XVII to REACH) in any Work supplied by Supplier to Tennant;

In the event that Supplier becomes aware that any representation or warranty in (a)-(e) above is not accurate, or ceases to be accurate, Supplier will:

- A. promptly notify Tennant;
- B. ensure that such a substance is registered and/or notified to the European Chemicals Agency ("ECHA"), as applicable, pursuant to REACH, and that the said registration and/or notification includes Tennant's use of the substance;
- C. provide Tennant with the name of the substance as well as with sufficient information to allow Tennant to safely use the Product or fulfill Tennant's own obligations under REACH; and
- D. use its best efforts to ensure, if applicable, that authorization for Tennant's use of each such a substance is granted pursuant to REACH, regardless of whether the substance is delivered as such or in the form of "preparations" or contained in "articles" within the meaning of REACH.

In order to comply with the above-mentioned commitments, Supplier will monitor the publication and the updating of the Candidate List by ECHA and immediately notify Tennant if any of the Product supplied to Tennant contains a substance officially proposed for listing on the Candidate List; will undertake a complete inventory of substances contained in preparations and articles within the meaning of REACH; and will ensure that its suppliers undertake the same exercise and timely pre-register and register substances to the extent required to prevent any interruption of the supply chain.

Supplier will promptly notify Tennant if Supplier becomes subject to any federal, state, or foreign government criminal proceedings alleging fraud or corrupt practices, once initiated by the filing of a formal charging document in a court of law. Supplier will indemnify and hold Tennant harmless from and against any liability, claims, demands or expenses (including, without limitation, legal or other professional fees) arising from or relating to Supplier's noncompliance.

**12. EXPORT/IMPORT CONTROLS.** Supplier will control the disclosure of and access to technical data, information, Product, and other items received under the Contract in accordance with relevant export control laws and regulations. Supplier will not use, export, re-export or otherwise release any technology, Product, technical data or other items provided to Supplier by Tennant, except in compliance with all applicable U.S. export laws.

**13. CONFIDENTIALITY.** Supplier will not disclose any confidential information ("Tennant Confidential Information") including information disclosed to Supplier, whether written or oral, in any form, relating to the research, development, products, methods of manufacture, trade secrets, business plans, customers, vendors, finances, personnel data, work product and other material or information relating to Tennant's current or anticipated business to another party and will use Tennant Confidential Information only in connection with its



## TENNANT COMPANY

### GENERAL PURCHASE ORDER TERMS AND CONDITIONS

obligations under the Contract. Supplier may make Tennant Confidential Information available to its employees, agents or subcontractors who have a legitimate need to know such information for purposes of carrying out Supplier's obligations under the Contract. Supplier will be responsible for any breach of confidentiality caused by its employees, agents or subcontractors, and Supplier will take appropriate precaution, per its disaster recovery plan discussed in Section 17 below, to prevent and protect against cyber-related threats.

Except for trade secrets, Supplier's confidentiality obligations expire five years after initial disclosure and do not apply to the extent Supplier can prove the information was (a) known to the public at the time of Tennant's disclosure to Supplier or entered the public domain thereafter through no fault of Supplier; or (b) rightfully communicated to Supplier by a third party who was not under any obligation of confidentiality. The burden of proof lies with the Supplier. At Tennant's request or on termination of the Contract, Supplier will return or certify the destruction of all Tennant Confidential Information.

Supplier will not, without Tennant's prior written consent, use Tennant's name or trademarks in any advertising, promotion or communication to the public or advertise, publish or announce Tennant's purchase of Product.

**14. INSURANCE.** From commencement of the Contract, and for as long as any applicable statute of limitations is in effect, Supplier will provide, pay for and maintain in effect the following types and amounts of insurance with insurance companies with A.M. Best ratings of A- or higher and otherwise satisfactory to Tennant:

- Workers Compensation
  - statutory for state of operation;
- Employer's Liability
  - \$500,000 per each accident,
  - \$500,000 per each employee
  - \$500,000 policy limit;
- Auto Liability (owned, non-owned, hired) Bodily Injury
  - \$1,000,000 combined single limit
- Property Damage
  - All risks covered at replacement cost
- Commercial General Liability
  - \$1,000,000 each occurrence;
- Bodily Injury & Property Damage
  - \$2,000,000 aggregate including Contractual Liability
- Umbrella
  - \$5,000,000 aggregate
- Additional Insured
  - Tennant and its subsidiaries, directors/officers and employees, shall be named as an additional insured (primary, non-contributory)

Tennant, and its subsidiaries, directors/officers and employees, will be named as an additional insured (primary, non-contributory).

Upon Tennant's reasonable request, Supplier will obtain a Certificate of Insurance evidencing the coverage and send a copy to:

Tennant Company  
Office of General Counsel  
701 North Lilac Drive  
Minneapolis, MN 55422, USA

at the commencement of the Contract. Upon request, Tennant may examine true copies of the actual policies. Each certificate will provide that thirty (30) days' prior written notice will be given Tennant in the event of cancellation or material change in the policies. Such policies will name Tennant Company as an additional insured, will provide that the coverage provided by Supplier's insurance will be primary and non-contributing with respect to any insurance carried by Tennant and will be endorsed to provide that there are no subrogation rights against Tennant or its affiliates.

**15. STANDARD OF CONDUCT.** Supplier acknowledges receipt of a copy of Tennant's Supplier Core Expectations ("Expectations") located at <http://www.tennantco.com/suppliers>, as Tennant may update from time to time in its sole discretion, and will conduct itself and otherwise perform consistently with the Expectations. Supplier will notify Tennant promptly if Supplier becomes aware of any conduct by Supplier or its suppliers or subcontractors that is inconsistent with the Expectations.

**16. GOVERNING LAW.** The Contract will be governed by the laws of, and the resolution of any dispute will be held in, the jurisdiction in which the Tennant entity that issued the Contract is located, and specifically the State of Minnesota for Product ordered from a Tennant entity in the United States, without giving effect to the choice of the law provisions thereof. The United Nations Convention on Contracts for the International Sales of Goods (UNCISG) will not apply. The Contract may be translated into languages other than English, but in the event of a conflict between the English version and any translation the English version will control.

**17. FORCE MAJEURE, DISASTER RECOVERY.** Neither party will be responsible for or liable for failure to perform resulting directly or indirectly from contingencies beyond its control including but not limited to, fires, floods, explosions, accidents, acts of God, declared and undeclared wars or riots. In the event of a force majeure event, the party delayed in performing will promptly give notice to the other party and



## TENNANT COMPANY

### GENERAL PURCHASE ORDER TERMS AND CONDITIONS

will use commercially reasonable efforts to avoid or minimize the delay. Parties cannot avoid liability if they can prevent non-performance through reasonable precautions or commercially accepted processes or provide substantively similar performance through use of substitute services, alternate sources or work-around plans.

Within thirty (30) days of the formation of the Contract, Supplier will have a plan for continuation of production and delivery of Product in the event of disaster or other interruption at its facilities. Such disaster recovery plan will also include remedial, redundancy, and back-up measures for Supplier's dependence on a single source for a material, component, or service, and reasonable, state-of-the-art protective measures against data breach and other cyber-related threats. Upon reasonable request, Supplier will provide said disaster recovery plan to Tennant.

**18. SUBCONTRACTING AND ASSIGNMENT.** Supplier will not transfer, assign, or sublicense any of its rights, obligations or interests under these terms and conditions without Tennant's prior written consent. Supplier is responsible for subcontractor's noncompliance with these terms and conditions and will obtain a signed agreement from each subcontractor binding the subcontractor to these terms and conditions. Tennant will not be liable for any damages and costs caused by Supplier's failure to pay a subcontractor.

**19. LIMITATION OF LIABILITY.** In no event will either party be liable to the other party or a third party for any special, indirect, incidental, consequential, punitive or exemplary damages arising from this Contract, whether based in tort or breach of Contract or other basis, even if it has been advised of the possibility of such damages.

**20. SEVERABILITY.** If any part or obligation under the Contract is found to be illegal or unenforceable the parties will be excused from performance of such but this will not affect the validity and enforceability of the remaining terms and conditions, provided that the remaining terms constitute a commercially reasonable agreement.

**21. WAIVER.** Any delay or failure to exercise a right or remedy under the Contract will not be construed to be a waiver of that right or remedy. No claim or waiver arising under the Contract is effective unless made in a writing signed by waiving party.

**22. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT AND OTHER RESPONSIBILITY MATTERS.** By either submitting its proposal/quotation or accepting this Contract, Supplier will be deemed to have certified that, to the best of its knowledge and belief, that: (a) Supplier and/or any of its Principals (as defined in FAR 52.209-5), (1) are not presently debarred,

suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; (2) have not within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and (3) are not presently indicated or otherwise criminally or civilly charged. Supplier shall notify Tennant immediately in the event its status with respect to this Section changes.

**23. COUNTRY OF ORIGIN, NAFTA, AND OTHER TARIFF TERMS.** Supplier certifies, represents and warrants as of the effective date of this Contract and on an ongoing basis thereafter that all country of origin labeling, identification, certifications, and Product Information is and will be current and accurate. Supplier will comply with all applicable trade laws, including but not limited to the Trade Agreements Act, and the laws and regulations of U.S. Customs and Border Protection and the Federal Trade Commission. Supplier will mark all Products and/or the Product's packaging with correct country of origin markings, and provide accurate Export Commodity Control Numbers ("ECCNs") and US Census Bureau Schedule B Harmonized Tariff codes/Harmonized Tariff Schedule of the United States ("HTSUS") numbers in conformity with all applicable trade Laws.

If Products qualify for preferential treatment under the North American Free Trade Agreement ("NAFTA") or other U.S. Free Trade Agreements ("FTAs"), Supplier will provide a properly completed and signed NAFTA certificate of origin, other FTA certificate of origin or equivalent manufacturer's affidavit. If Products do not qualify for preferential treatment under NAFTA or another FTA, Supplier will provide TSSC the correct country of origin for the Product or indicate the country where the last substantial transformation occurred.

Supplier will update and notify Tennant on a timely and continuing basis of changes in country of origin, NAFTA information, harmonized tariff codes, ECCNs/HTSUS numbers and Product Information. Supplier will cooperate promptly with all information requests and solicitations for Product Information required under this paragraph.

Supplier will indemnify Tennant and its respective customers against all losses and cost of damage (including any fines, penalties, or lost duty savings opportunities), resulting directly or indirectly from Supplier's furnishing documents to Tennant in support of any FTA duty preference claim that contains errors or omissions in certifications or affidavits



## **TENNANT COMPANY**

### **GENERAL PURCHASE ORDER TERMS AND CONDITIONS**

provided by Supplier, or from any other non-compliance with the applicable trade laws and regulations.

**24. U.S. GOVERNMENT CONTRACTS.** In case of commercial items, Supplier will identify and represent its Product to be a Commercial Item as defined in FAR 2.101 and provide supporting rationale and documentation as requested by Tennant. Further and as applicable, Supplier shall comply with the FAR clauses set forth in FAR 52.244-6 Subcontracts for Commercial Items, as well as any other related requirements that may be communicated to Supplier by Tennant from time to time, and agrees to cooperate with and assist Tennant in the event evidence of compliance with this Section is required.