

## PURCHASE ORDER TERMS AND CONDITIONS

### **1. Products and/or Services Provided:**

- 1.1 Vendor will provide Products and/or Services in accordance with CVS requirements and as detailed herein and Vendor is in the business of providing the Products and Services set forth. CVS requires Vendor to (i) conduct business with CVS in accordance with CVS' established standards, routines and procedures including, but not limited to, background checks where applicable, and (ii) refrain from requesting any impermissible favors, allowances, or accommodations from CVS or any of its directors, officers, employees, or agents.
- 1.2 Vendor agrees to provide production and shipment of Product that meets the standards as detailed herein. Satisfactory production and delivery arrangements will be measured by Vendor's ability to satisfy mutually agreed upon shipping lead times and deliver conforming Product to specified CVS locations. Any additional freight due to failure to ship in accordance with CVS' instructions is for the account of the Vendor and unless agreed to by CVS, CVS will not pay penalty freight charges on split shipments.
- 1.3 Vendor shall deliver the Products and supply the Services:
  - a) On the date(s) and time(s) specified;
  - b) To the CVS premises as detailed above or as instructed by CVS before delivery;
  - c) During CVS' normal hours of business or as otherwise agreed in advance with CVS
- 1.4 Delivery of the Products shall be completed on the completion of unloading the Products at the CVS premises required pursuant to clause 1.3(b).
- 1.5 Title in the Products shall pass to CVS on completion of delivery.
- 1.6 Risk in the Products shall pass to CVS upon the later of completion delivery or installation of the Products (to the extent that the Purchase Order requires Vendor to install the Products following delivery).
- 1.7 CVS will have no obligation to accept or pay for any Products or Services that do not conform to the requirements set forth herein. If CVS determines Products or Services do not conform to the requirements set forth herein, CVS may reject any and all such non-conforming Products or Services. When any individual Product unit or lot of Products is rejected, CVS may return such units or lots to Vendor, at Vendor's sole expense and risk of loss, for replacement by Vendor. When any Services are rejected as non-conforming, CVS shall be under no obligation to pay Vendor for those Services and may afford Vendor the opportunity, at no additional cost to CVS, to cure by providing conforming Services.
- 1.8 Inability of Vendor to provide Product and/or Services within the periods set forth herein or as otherwise required pursuant to clause 1.3, or receipt of non-conforming Product and/or Services may be considered a breach of this Purchase Order on the part of Vendor by CVS and may result in CVS making arrangements to obtain Product and/or Services from third parties or termination of this Purchase Order as set forth more specifically in clause 4 below.
- 1.9 CVS' OFFER TO PURCHASE PRODUCTS AND/OR SERVICES IS EXPRESSLY SUBJECT TO VENDOR'S ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER. THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER APPLY TO THE EXCLUSION OF ANY OTHER TERMS THAT THE VENDOR SEEKS TO IMPOSE OR INCORPORATE OR WHICH ARE IMPLIED BY TRADE, CUSTOM, PRACTICE OR COURSE OF DEALING. THIS PURCHASE ORDER CONSTITUTES THE ENTIRE UNDERSTANDING AND AGREEMENT OF THE PARTIES AND SUPERSEDES ALL PRIOR WRITTEN OR ORAL AGREEMENTS WITH RESPECT TO THE SUBJECT MATTER IN THIS PURCHASE ORDER. THIS PURCHASE ORDER MAY NOT BE MODIFIED OR AMENDED UNLESS IN WRITING SIGNED BY THE PARTIES HERETO. WAIVER OF ANY PROVISION OF THIS PURCHASE ORDER BY A PARTY AT ANY TIME SHALL NOT CONSTITUTE A WAIVER OF ANY OTHER PROVISION OF THIS PURCHASE ORDER, OR WAIVER OF THE SAME PROVISION AT ANY OTHER TIME.

2. **Financial Arrangements, Pricing & Billing Procedures:** CVS agrees to pay Vendor at the prices set forth herein. Vendor will send invoices to CVS the day after all of the requested Product has been

received properly or, if applicable, the date on which all of the requested Product has been installed properly or the day after the Services have been provided. Invoices will not be valid and will not be paid if not presented within ninety (90) days of Product receipt or installation, whichever the case may be. CVS will pay Vendor all amounts due pursuant to Vendor's invoices within seventy-five (75) days from the date of one hundred percent (100%) completion of the later of Product receipt or installation (if installation is included) other than amounts disputed in good faith.

- 2.1 Vendor agrees that invoices shall not include any terms or conditions different from or in addition to the terms and conditions of this Purchase Order. Payment of invoices will not constitute acceptance of Product and/or Services and will in no way be considered a waiver of any right of CVS with respect to its remedies hereunder for non-conforming Product or deliveries or other performance or nonperformance by Vendor of its obligations hereunder or for failure of Vendor to comply with the provisions of this Purchase Order. Notwithstanding anything in this Purchase Order to the contrary, CVS' obligation to pay Vendor shall be conditioned on the prior receipt from Vendor of a complete and accurate Form W-9 or similar form that is satisfactory to CVS.

3. **Taxes:** Vendor shall separately identify any Transaction Taxes on its invoices (written or electronic) to CVS. CVS agrees to pay any Transaction Taxes separately identified by Vendor on its invoices, unless CVS provides Vendor with a valid and applicable exemption, direct pay or resale certificate. Any failure by Vendor to charge Transaction Taxes on its invoices shall not result in a liability to CVS at a later date.

Each Vendor invoice shall provide sufficient detail, including without limitation, location of Product delivery or Service performance, to support Vendor's tax treatment of any transaction reflected on an invoice. For purposes of this Section, "Transaction Taxes" mean any sales, use, transaction privilege or any other similar tax, fee or surcharge statutorily imposed by a taxing authority on the sale of products and/or services by Vendor to CVS pursuant to the terms of this Purchase Order.

Vendor shall timely file any applicable returns or filings, and shall timely remit all Transaction Taxes collected from CVS to the appropriate taxing authority as required by law. Vendor shall maintain its records, including without limitation, copies of invoices, related documentation and tax returns/filings for a period of not less than five (5) years.

Upon written request by CVS, Vendor agrees to provide CVS a list of states, localities, municipalities or other taxing jurisdictions and corresponding registration numbers for each jurisdiction where Vendor is qualified and registered to do business and collect any Transaction Taxes. If Vendor does not respond in writing to CVS' request within thirty (30) days, then CVS shall have the right, in its sole discretion, to remit the appropriate tax directly to the taxing jurisdiction or withhold payment until the time that such information is provided by Vendor. CVS and Vendor agree to cooperate in the audit and minimization of Transaction Taxes in connection with this Agreement. Vendor shall make available to CVS on a timely basis all information, records, invoices, returns and/or other documentation related to the collection or payment of any Transaction Taxes under this Agreement.

Vendor agrees that any overpayment of Transaction Taxes by CVS shall be credited or refunded to CVS in a timely manner. Vendor shall assume any and all liability for its noncompliance with the terms of this clause 3, including any interest and penalty assessments to the extent caused by Vendor's actions, errors, omissions or inactions.

Notwithstanding any provision herein to the contrary, each party shall be responsible for any income, gross receipts, franchise, corporate excise, payroll, payroll withholding, unemployment or similar types of taxes based on its own income, its own business and for its own employees. The provisions of this Section shall survive expiration or termination of this Purchase Order.

4. **Term and Termination:** If either Party materially breaches a provision of this Purchase Order, the non-breaching Party may give the other Party written Notice of such breach. If the breach is not remedied within fifteen (15) days thereafter, the Party giving Notice shall have the right to terminate this Purchase Order immediately. Such written Notice shall be provided to the Parties as set forth in clause 5.0 below. The rights of termination referred to in this clause are not intended to be exclusive and are in addition to any other rights and remedies available to either party at law or in equity.
5. CVS reserves the right to cancel the Purchase Order without penalty by Notice to Vendor on or before any cancellation date set forth in the Purchase Order, or at any time after Vendor has failed to meet any completion date or delivery date set forth in the Purchase Order.
6. Upon notice of termination or cancellation of this Purchase Order, all undisputed outstanding amounts shall become due and payable. In the event of termination, Vendor shall provide all work order, invoice, and Vendor contact data to CVS within thirty (30) days of notice of termination in both electronic and hard copy formats.
7. Clauses: 1.9, 2.0, 3.0, 4.0, 5.0, 6.0, 7.0, 9.0, and 14.0 shall survive the expiration or termination of this Purchase Order.
8. **Notices:** Any notice ("Notice") by either Party to the other shall be made by registered or certified mail or by overnight courier service, provided that a receipt is required, and mailed to the addresses set out at the start of this Purchase Order, or as otherwise notified by one Party to the other in writing.
9. **Confidentiality of Data Provided / Non-Publicity:** Vendor agrees that it shall not, and its employees, agents and subcontractors (collectively, "Vendor Representatives") shall not, duplicate, distribute or otherwise disseminate or make available this Purchase Order or the information contained in it, or reveal the nature of or any details concerning the Products and/or Services provided pursuant hereto to any third party for any purpose without the duly authorized, express written consent of CVS, which may be withheld for any reason, within CVS' sole discretion. Notwithstanding the foregoing, Vendor may make this Purchase Order available to those Vendor Representatives who have a need to know its content in order to participate in production or delivery of the Products and/or Services provided (it being understood that such Vendor Representatives shall be informed by Vendor of Vendor's obligations under this Section 6.0 and shall be required by Vendor to comply with all such obligations). Vendor agrees to be responsible for any breach of this Purchase Order by any Vendor Representative and, at Vendor's sole expense, to take all commercially reasonable measures to restrain the Vendor Representatives from breaching this Purchase Order. Vendor shall not include or reference this Purchase Order in any publicity without prior written consent from CVS which may be withheld for any reason, within CVS' sole discretion and which, if granted, shall be provided only by an authorized CVS designee.
10. **Independent Contractor:** Vendor shall provide all Products and/or Services hereunder as an independent contractor and not as any agent or employee of CVS. Vendor shall make no representations that it has the authority to bind CVS to any obligation to any third party.
11. **Warranty:** Vendor represents and warrants to CVS:
  - a) the Products and/or Services conform in every material respect to applicable specifications, instructions, drawings, data, samples and descriptions;
  - b) the Products and/or Services do not infringe any patent, trademark, copyright, trade secret or other intellectual property right of any third party;
  - c) Vendor is the lawful owner of the Products, has the right to sell same and convey good and merchantable title, and the Products will be conveyed free of any and all claims, liens or security interests; and
  - d) the Products, including without limitation all aspects of the manufacture, sale and delivery of the Products, comply with all applicable laws and regulations.
  - e) all Services shall be performed in a workmanlike manner in accordance with applicable law, industry standards and best practices.
12. **Indemnification by Vendor:**
13. Vendor agrees (i) to indemnify and hold harmless CVS from and against any claims, liabilities and damages to the extent same are due to Vendor's negligence, willful misconduct, or breach of this Purchase Order or Vendor's failure to comply with or abide by any applicable law (other than by reason of an act or omission of CVS), and (ii) to defend promptly and diligently, at Vendor's sole expense, with attorneys reasonably acceptable to CVS, any claim, action or proceeding brought against CVS or CVS and Vendor jointly or severally, arising out of or connected with any of the foregoing, and to indemnify and hold CVS harmless from any judgment, loss, or settlement on account thereof. Vendor's duty to defend CVS under this Section shall apply to any complaint or claim that makes allegations that, if proved, place the alleged breach of duty, whether in tort or contract, potentially within the purviews of the duties, responsibilities and obligations undertaken by Vendor pursuant to this Purchase Order.
14. Vendor agrees to indemnify and defend CVS and any employee or agent thereof against all liability to third parties (other than liability arising from the actions of CVS or its employees or agents) arising from the violation of any third party's trade secrets, proprietary information, trademark, copyright, or patent rights in connection with the Products and/or Services provided hereunder, regardless of whether CVS provided the specifications for the Products and/or Services or contributed to the design of the Products and/or Services to any extent or in any capacity. Vendor shall conduct the defense in any such third party action arising as described herein at its sole expense and CVS promises to fully cooperate with such defense.
15. Vendor agrees to develop and implement, within a framework consistent with the United States Customs Trade Partnership Against Terrorism (CTPAT) recommendations/guidelines, a verifiable, documented program to enhance security procedures throughout its supply chain process. Where Vendor does not exercise control of a production facility, transportation or distribution entity, or process in the supply chain, Vendor agrees to communicate the C-TPAT recommendations/guidelines to its suppliers and transportation/distribution service providers and, where practical, condition its relationships to those entities on the acceptance and implementation of the C-TPAT recommendations/guidelines. More information regarding CVS and its C-TPAT requirements can be found at [www.cvssuppliers.com](http://www.cvssuppliers.com). This Purchase Order, and its language in part, is derived directly from publications and materials listed at [www.cbp.gov](http://www.cbp.gov).
16. Vendor agrees to participate in CVS' Factory Audit Program. If a factory does not demonstrate satisfactory conditions, then the factory will be required to submit a Corrective Action Plan and will be re-audited by CVS or a third-party auditing firm, as determined by CVS in its sole discretion, at Vendor's expense. Purchase Order payment will be put on hold until the factory is in compliance with CVS' standards. More information regarding this program can be found in the Import Guide at [www.cvssuppliers.com](http://www.cvssuppliers.com).
17. **Assignment:** Vendor shall not assign, subcontract, or otherwise transfer its rights or obligations under this Purchase Order except with the prior written consent of CVS. Any attempted assignment not assented to in the manner as prescribed herein, except an assignment confined solely to monies due or to become due, shall be void.
18. **Severability:** If any provision of this Purchase Order or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Purchase Order or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Purchase Order shall be valid and enforceable to the fullest extent permitted by law.
19. **Governing Law:** This Purchase Order, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the laws of the state of New York, without regard to the internal law of New York regarding conflict of laws.
20. In the event Vendor has a fully executed formal agreement with CVS ("Signed CVS Contract"), the terms of the Signed CVS Contract shall control and govern the rights and obligations of the parties with respect to the provision of any Products and/or Services.