

Standard Purchase Order Terms and Conditions – Brunswick Boat Group Companies

SHIPPING AND BILLING

- A. All materials, goods and products (collectively, "products") shall be suitably packed, marked, and shipped in accordance with the requirements of common carriers in a manner to secure lowest transportation cost and no additional charge shall be made to the Buyer therefore unless stated herein.
- B. No charge shall be made by the Seller for drayage or storage, unless otherwise stated herein.
- C. Unless otherwise specified herein, Seller shall properly mark each package with Buyer's order number, factory, plant and/or dock number, and where multiple packages comprise a single shipment, each package shall also be consecutively numbered. Purchase order number, Buyer's part number, Seller's part number, package number and plant number shall be shown on packing slips, bill of lading and invoices.
- D. Two copies of your packing slips must accompany each shipment.
- E. Original bill of lading, or other shipping receipt, for each shipment shall be promptly forwarded by Seller to Traffic Manager or Receiving Supervisor at destination plant.
- F. Seller agrees to describe product on bill of lading or other shipping receipt and to route shipment in accordance with instructions issued by Buyer.
- G. Two copies of your invoice, showing prices and extension, must be mailed in accordance with directions appearing on the face of this Purchase Order ("order"). Separate invoices are required for each individual shipment unless otherwise arranged.
- H. Payment due dates, including discount periods, will be computed from the date of receipt of conforming products or date of receipt of an accurate invoice (whichever is later) to the date Buyer's check is issued or electronic payment is authorized.
- I. Seller agrees to notify Buyer when unable to ship on date specified on this order.
- J. In order to avoid unnecessary duplication of insurance, Seller shall notify the carrier not to show any valuation for insurance purposes, on freight and express shipments by Rail, Inland Waterway or Air, when the shipping terms are F.O.B. point of shipment.
- K. Seller will cooperate with Buyer in the implementation of a Collaboration Portal and will utilize it as a means for communicating regarding all aspects of order management, e.g., reviewing forecasts, managing orders, acknowledgments, delays, cancellations, shipping and invoicing and all critical aspects of the supply relationship. Seller further agrees to comply with all requirements in the on-boarding Collaboration Portal Manual.

GENERAL TERMS AND CONDITIONS

1. **ACCEPTANCE** – The shipment of products ordered hereunder, or any part thereof, shall be deemed a full acceptance by the Seller of this order, subject to the terms and conditions herein. Any different or additional terms in the Seller's confirmation of this order are hereby objected to and rejected and such inconsistent or additional terms shall not be binding on Buyer.
2. **CONTRACT** – The Contract resulting from the acceptance of this order is to be construed according to the laws of Tennessee without regard to its conflicts of law principles. Assignment of such contract and/or this order by Seller (by any means, including by operation of law) or any interest therein, or any payment due or to become due hereunder, without the written consent of Buyer, shall be void.
3. **PRICES** – Buyer shall not be billed at prices higher than those stated on the front of this order. Unless otherwise specified, the price stated includes all charges for packing, hauling, storage and transportation to point of delivery. Seller will pay all delivery charges in excess of any delivery charge Buyer has agreed to pay. The price stated includes all taxes except state or local sales or use taxes or similar taxes which Seller is required by law to collect from Buyer. Such taxes, if any, shall be separately stated in Seller's invoice and paid by Buyer unless an exemption is available. Seller agrees that any price reduction made with respect to the items covered by this order subsequent to its placement but prior to payment will be applicable to this order.
4. **DELIVERY** – Deliveries are to be made both in quantities and at times specified in schedules furnished by Buyer. Buyer will have no liability for payment for product or items delivered to Buyer which are in excess of quantities specified in the delivery schedules. Buyer may from time to time change delivery schedules or direct temporary suspension of scheduled shipments. The delivery terms shall be specified on the order.
5. **DEFAULT** – Time is of the essence in the performance of this order. Except in instances of delay which are due to causes beyond the reasonable control and without the fault or negligence of Seller and its suppliers, Buyer may by written notice of default to Seller terminate the whole or any part of this order in any one of the following circumstances: (i) if Seller fails to perform within the time specified herein or any extension thereof; or (ii) if Seller fails to perform any of the other provisions of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of ten (10) days (or such longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such failure. As an alternate remedy, and in lieu of termination for default, Buyer, at its sole discretion, may elect (1) to extend the delivery schedule and or (2) to waive other deficiencies in Seller's performance, in which case an equitable reduction in the order price shall be negotiated. In the event Seller for any reason anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of this order, Seller shall promptly notify Buyer in writing. On past due shipments, when proper lead-time has been given, Seller agrees to ship those products by an expedited mode of transportation and pay the cost difference between the expedited mode and normal routing costs when delivery is critical, as determined by Buyer, to maintaining Buyer's manufacturing schedules. The rights and remedies of the Buyer provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law, at equity or under this order.
6. **TRANSPORTATION** – No charges for unauthorized transportation will be allowed. Any unauthorized shipment which will result in excess transportation charges must be fully prepaid by the Seller.
7. **EXTRA CHARGES** – No extra charges of any kind including interest charges, service charges or carrying charges, will be allowed unless specifically agreed to in writing by the Buyer.
8. **WARRANTY** – Seller expressly warrants that all the product and work covered by this order will conform to the specifications, drawings, samples or other description furnished or specified by Buyer, and will be merchantable, of good material and workmanship and free from defect. Seller expressly warrants that all the product covered by this order will be fit and sufficient for the purposes intended. The foregoing warranty shall survive Buyer's inspection, acceptance and use of the products. Seller hereby extends to Buyer any and all warranties received from Seller's suppliers and agrees to enforce such warranty on Buyer's behalf.
9. **HAZARDOUS MATERIALS** – Seller shall notify Buyer of every product ordered hereunder which contains any hazardous materials. Hazardous Material shall mean (a) any hazardous material as defined by the United States Occupational Safety and Health Administration ("OSHA") Hazard Communication Standard, (b) any substance regulated by the Toxic Substances Control Act ("TSCA") (15 U.S.C. §§ 2601 et seq.), (c) any other substance or material which by any applicable laws require special handling, reporting,

labeling, packaging, or notification of any governmental entity in its collection, storage, use, treatment or disposal, and (d) any material hazardous or injurious to the health or physical safety to persons even though said injury may occur due to mishandling or misuse of the article. In addition, Seller shall identify for each product each hazardous or injurious material, the quantities or concentrations of said hazardous materials in the product, and notify Buyer of the effects of such material on human beings and the physical manifestations that could result. For each product so identified, Seller shall also supply Buyer with warning labels or instructional materials that are: (a) appropriate to warn persons coming in contact therewith of the hazard and its effects, and (b) compliant with all applicable federal, state and local laws, rules, regulations, and ordinances. Any products that are deemed to be "hazardous" under any applicable federal, state or local statute, ordinance, regulation or agency order, will be packaged, labeled, marked and shipped by the Seller to comply with all applicable federal, state and local regulations then in effect, including but not limited to, the provisions of the Hazardous Materials Transportation Act of 1975 and the California Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"). For each product ordered that contains hazardous materials, Seller shall: (a) provide an accurate Safety Data Sheet ("SDS") that is compliant to the OSHA Hazard Communication Standard ("HCS") and the United Nations Global Harmonized System of Classification and Labeling of Chemicals ("UN GHS"), and (b) provide accurate product labeling that is compliant to the OSHA HCS and UN GHS, upon delivery to Buyer.

10. **TERMINATION** – The Buyer may terminate all or part of this order at any time by written notice to Seller. Upon termination, Buyer shall pay Seller a reasonable cancellation fee for products that are custom or unique for Buyer, consisting of (a) a percentage of the price equivalent to the percentage of work performed prior to the notice of termination less (b) the scrap value of the products used. Buyer shall have no obligation for work done after the notice or for work done that Seller could reasonably have avoided. Such fee shall be Seller's sole remedy for such cancellation. For standard products, Buyer shall not incur any cancellation fees.
11. **SET-OFF** – Buyer shall be entitled at all times to set off any amount owing at any time from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with this order.
12. **INSPECTION** – All product shall be received subject to Buyer's inspection and rejection. Defective product or product not in accordance with Buyer's specifications will be held for Seller's instruction and at Seller's risk and if Seller so directs, will be returned at Seller's expense. Seller shall reimburse Buyer for any products returned as defective. No products returned as defective shall be replaced unless authorized by Buyer. Payment for product on this order prior to inspection shall not constitute an acceptance thereof.
13. **CHANGE IN SPECIFICATIONS** – Buyer reserves the right at any time to make changes in drawings and specifications as to any product and/or work covered by this order. Any difference in price or time for performance resulting from such changes shall be equitably adjusted and the contract shall be modified in writing accordingly.
14. **MATERIAL FURNISHED BY BUYER** – Unless otherwise agreed in writing, all tools, equipment or material furnished to Seller by Buyer or specially paid for by Buyer, and any replacement thereof, or any items affixed or attached thereto, shall be and remain the personal property of Buyer. Such property, and whenever practical, each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of Brunswick" and shall be safely stored separate from Seller's property. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's orders. While in Seller's custody or control such property shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer, and shall be subject to removal at Buyer's written request, in which event Seller shall prepare such property for shipment and shall redeliver to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense.
15. **TOOLS** – Unless otherwise herein agreed, Seller at its own expense shall furnish, keep in good condition and replace when necessary all dies, tools, gauges, fixtures and patterns necessary for the production of the product ordered. The cost of changes in the aforementioned items necessary to effect design or specification changes ordered by Buyer shall be paid for by Buyer. Buyer has the option, however, to take possession of and title to any dies, tools, gauges, fixtures and patterns that are special for the production of the product covered by this order and shall pay to Seller the unamortized cost thereof; provided, however, that this option shall not apply if the product hereby ordered is the standard product of Seller or if a substantial quantity of like product is being sold by Seller to others.
16. **REMEDIES** – The remedies herein reserved shall be cumulative, and in addition to any other or further remedies provided in law or equity. No waiver of breach of any provision of this contract shall constitute a waiver of any other breach, or of such provision. Any waiver must be in writing.
17. **PATENTS** – By accepting this order, Seller agrees to indemnify and hold harmless Buyer, its successors, assigns, customers, and users of its products, against and from all suits at law or in equity, and from all claims, losses, costs, damages, judgments, penalties, and liabilities of any kind (including reasonable attorney's fees) arising out of or related to actual or alleged infringement of any intellectual property rights, including without limitation United States or foreign patents, copyrights, trade name or trade dress, by reason of the possession, use or sale of the product ordered.
18. **TECHNICAL INFORMATION DISCLOSED TO BUYER** – Seller agrees not to assert any claim (other than a claim for patent infringement) with respect to any technical information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the products or services covered by this order.
19. **BUYER'S INFORMATION** – Seller shall keep confidential all "Confidential Information" of Buyer and its affiliates. For purposes of this order, the term "Confidential Information" shall mean all information, whether in written, oral, electronic, or other form, relating in any way to the products, services, business, operations, sales, distribution, assets, technology, financial condition, marketing strategy and/or analysis, or prospects of Buyer or its affiliates. By way of illustration, but not of limitation, Confidential Information may include inventions, concepts, designs, structures, formulas, techniques, processes, models, samples, drawings, financial information, supplier, employee, and customer data or proposal information, and any information that representatives of Seller may observe while on Buyer's premises or in doing business with each other, including but not limited to information regarding Buyer's novel manufacturing technologies. Seller shall not disclose, use, or copy any Confidential Information, except as required for the performance of this order, and shall take all reasonable precautions to prevent any unauthorized disclosure.
20. **INDEMNIFICATION AND INSURANCE** – Seller agrees to defend, indemnify and hold harmless Buyer against and from all claims, losses, costs, damages, judgments, penalties, and liabilities of any kind (including reasonable attorney's fees) arising out of or related to any breach of warranty, whether express or implied, or the acts or omissions of Seller or its employees, agents, contractors, or representatives. Seller further agrees to furnish, upon Buyer's request, insurance certificates showing that the Seller has insurance coverages in amounts not less than the following: Workmen's Compensation-Statutory Limits for State or States in which work is to be performed, Employer's Liability \$1,000,000, Commercial General Liability on ISO CG 00

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01 latest edition or equivalent policy with broad form coverage, including without limitation, coverage for product liability, bodily injury, property damage, products/completed operations, and blanket contractual liability, in an amount of not less than combined single limits of \$2,000,000 per occurrence/\$2,000,000 general aggregate, Comprehensive Automobile Liability for owned, hired and non-owned motor vehicles \$2,000,000 each occurrence combined single limit bodily injury and property damage. Umbrella/Excess Coverage with combined single limit - \$5,000,000 per occurrence and annual aggregate. The limits of liability specified above can be satisfied through a combination of primary, umbrella or excess liability policies with terms and conditions at least as broad as the underlying commercial general liability, auto liability and employer's liability policies. Said certificate must set forth the amount of coverage, number of policy, insurance carrier and date of expiration. Brunswick Corporation and its affiliates and subsidiaries, and each of their respective directors, officers, employees and agents, shall be listed as additional insureds on the above general liability, automobile liability and umbrella/excess liability policies. All insurance maintained by Seller pursuant to these requirements shall be primary in respect to any claims or liabilities and any insurance maintained by Buyer shall be excess and non-contributing. Seller hereby grants to Buyer a waiver of all rights to subrogation which any insurer of Seller may acquire against Buyer by virtue of the payment of any loss under such insurance. All insurance carriers must have a current minimum A.M. Best rating of "A- XI" or better. Seller shall provide at least 30 days written notice to Buyer prior to any cancellation, non-renewal or material change in the above coverage. If Seller is a self-insurer, the certificate of the Department of Labor and Industry of the State in which said labor is to be performed must be furnished by such Department directly to Buyer. The purchase of such insurance coverage or the furnishing of the aforesaid certificate shall not be a satisfaction of Seller's liability hereunder or in any way modify Seller's indemnification of Buyer.

21. **ADVERTISING/PUBLICITY** – Without Buyer's prior written permission, Seller shall not advertise or publish the fact that Buyer has contracted to purchase products or services from Seller, disclose information related to this order, or use the name of Buyer or any of its customers in advertising or other publications. If Seller fails to observe this provision, Buyer shall have the right to terminate the contract resulting from the acceptance of this order without any obligation to accept deliveries after the date of termination or make further payments except for completed articles delivered prior to termination.

22. **INSOLVENCY** – Buyer may forthwith cancel the contract resulting from the acceptance of this order in the event of the happening of any of the following: insolvency of the Seller; the filing of a voluntary petition in bankruptcy; the filing of an involuntary petition to have Seller declared bankrupt provided it is not vacated within thirty (30) days from the date of filing; the appointment of a Receiver or Trustee for Seller provided such appointment is not vacated within (30) days from the date of such appointment; or the execution by Seller of an assignment for the benefits of creditors.

23. **COMPLIANCE; PERMITS AND REGULATIONS**

23.1 **In General** – Seller shall secure and maintain in effect all necessary permits, licenses, and authorizations to manufacture and sell products. In the performance of this order, Seller agrees to comply with all applicable federal, state or local laws, rules, regulations, or ordinances, including without limitation: (a) those administered by OSHA, the Environmental Protection Agency ("EPA") and state environmental regulatory agencies, (b) those related to slavery and human trafficking, (c) those related to conflict minerals per the Dodd-Frank Act, and (d) those related to the Fair Labor Standards Act of 1933 (as amended).

Seller warrants and certifies that all products or articles listed hereunder have been and will be produced in compliance with and subject to (a) all applicable federal and state statutes, amendments thereto and regulations, including those related to slavery and human trafficking, issued pursuant thereto, and (b) all applicable orders and regulations of the executive and other departments, agencies and instrumentalities of the United States and the country(ies) in which Seller does business. Seller certifies compliance with the "Fair Labor Standards Act" of 1933 (as amended) in the performance of this order and that any equipment or machinery sold hereunder complies with the requirements of the OSHA as amended and Seller shall grant Buyer from time to time access to Seller's books, records and facilities to audit Seller's (and Seller's products') compliance with the representations and warranties of this paragraph.

23.2 **Supply Chain Security and C-TPAT Program** - Buyer is a United States Customs Trade Partnership Against Terrorism (C-TPAT) validated company. Seller accepts responsibility for factory and supply chain security in accordance with the minimum security standards outlined within the United States C-TPAT program, or the equivalent supply chain security program administered by the Customs administration within the Seller's home country. Seller agrees to timely provide information about its security and to cooperate with Buyer's C-TPAT program. Seller agrees to take such reasonable measures as may be necessary to cooperate with the Buyer's supply chain security assessments. Assessments may include on-line questionnaires, supplying proof of written security documentation and/or on-site visit reviews. Seller agrees to correct, at Seller's expense, any C-TPAT related security weaknesses which are identified by Buyer to be within the control of the Seller. Seller accepts responsibility for container security until such time as the container/merchandise is delivered to the ocean terminal, authorized yard, or consolidation point, and will immediately report in writing to the Buyer any container seal changes and reason for such changes.

23.3 **Documentation** –

(a) **Export/Import/Drawback**. Seller shall comply with Buyer's reasonable request for information or assistance necessary to secure exportation or importation of the products and to substantiate Buyer's claim to any applicable drawback or refund. If any tax or duty is included or added to the price of the products paid by Buyer, then, all rights to drawback (as defined in 19 C.F.R. § 191.2(i)) or refunds of taxes or duties paid by Seller with respect to the products (or material or components thereof) shall belong to and shall remain with Buyer, and Seller hereby assigns such rights to Buyer. Seller shall execute and deliver any documents, provide information, and take other action that may be required to substantiate Buyer's claim to such drawback or refund. Seller shall take any other reasonably requested action that may be required to secure the exportation or importation of the products. Seller acknowledges and understands that select parts ordered may be components, finished goods and/or technology or technical data subject to control under the export laws and regulations of the United States. As the viewing of and/or access to such items by individuals other than U.S. citizens or permanent resident aliens is restricted under those laws and regulations, Seller agrees that it will notify Buyer if any product Buyer is purchasing has any export restrictions.

(b) **Supply Chain**. Seller agrees to promptly comply with Buyer's periodic requests for information about Seller's supply chain, including but not limited to its supply chain verification procedures. Seller shall execute and deliver to Buyer any reasonably requested documents (including, but not limited to Country of Origin certificates, the name and address of manufacture, accurate and timely information for Importer Security Filing ("ISF"), European Union REACH and RoHS compliance and, if wood packaging is used in shipment, a written attestation that the Seller is ISPM15 compliant, for all products that Seller sells to Buyer, by January 1 of each year. If Seller provides inaccurate or untimely information for the ISF, Seller shall immediately reimburse Buyer for any resulting fines or penalties.

(c) **Lacey Act** (FOREIGN SELLERS). Seller shall supply the scientific name, country of harvest, and quantity of any tree or plant used in product applicable to United States Lacey Act requirements. All applicable information must be communicated to Buyer in the form of a Lacey Act Declaration.

(d) **Country of Origin** (ALL SELLERS). Seller shall provide Buyer with an accurate Certificate of Origin specifying the country of origin, and including Seller's name, Buyer's part number(s), part description(s), Harmonized Tariff Schedule number(s), and any other information that is required for Customs compliance upon request. Seller accepts financial liability for Buyer's expenses which result from an inaccurate Certificate of Origin.

(e) **NAFTA (US, CANADA AND MEXICO SELLERS)**. Prior to the first shipment of product, and prior to the January 1 yearly deadline thereafter, Seller shall provide Buyer with a valid, accurately completed North American Free Trade Agreement (NAFTA) Certificate of Origin (Form 434) for all goods that qualify for preferential duty treatment under NAFTA. Certificates must be completed with entries in every block in accordance to the instructions supplied with form 434. Seller shall notify Buyer in writing of any changes that might result in the goods being ineligible for preferential treatment under NAFTA. Seller recognizes that the Certificate will be used by Buyer as proof of eligibility for preferential duty treatment. Seller accepts financial liability for Buyer's resulting expenses which result from inaccurate Certificates of Origin. In connection with the foregoing, Seller shall, at a minimum, initiate NAFTA certificate solicitation with its supply base on or before October 1st each year and work diligently to obtain such certificates from its suppliers in the fourth quarter of each year.

24. **NON-DISCRIMINATION AND AFFIRMATIVE ACTION** – Buyer is an equal opportunity and affirmative action employer. Seller agrees that in providing all products or services hereunder it will not discriminate against any employee or applicant for employment based on any protected category recognized under applicable federal, state, or local law. Without in any way limiting the generality of the foregoing, if this order relates to a government contract, Seller also expressly represents and warrants that it has complied with, and will continue to comply with, all state and federal rules, regulations, orders and/or guidelines concerning federal contract compliance programs, non-discrimination and equal employment opportunity set forth in Title 41 Chapters 60 and 61 of the Code of Federal Regulations and equivalents. The Equal Opportunity Clause set forth in 41 CFR 60-1.4(a) (for women and minorities), and the provisions of 41 CFR 61-300.10 (veterans' employment reports) and 29 CFR Part 471, Appendix A to Subpart A (posting notice of employee rights) are incorporated by reference as terms and conditions of this order and are binding on Seller (unless exempt). Seller also may be required to prepare written affirmative action programs as set forth at 41 CFR 60-2.1 and/or otherwise comply with the regulations at 41 CFR Part 60.

Seller shall also abide by the requirements of 41 CFR 60-300.5(a) (for veterans), and 41 CFR 60-741.5(a) (for individuals with disabilities). These regulations prohibit discrimination against qualified protected veterans and individuals on the basis of disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

25. **VENUE** - Any action, claim, suit or proceeding between Buyer and Seller, whether based on federal, state, statutory, or common law, including but not limited to, any and all disputes relating to, arising out of or in connection with the interpretation, performance or nonperformance of this Agreement and any and all disputes arising out of or in connection with transactions in any way related to this Agreement shall be litigated solely and exclusively before the United States District Court of the Eastern District of the State of Tennessee. The parties consent to the in personam jurisdiction of said court for the purposes of any such litigation and waive, fully and completely, any right to dismiss and/or transfer any action pursuant to 28 U.S.C. Section 1404 or 1406 (or any successor statutes) or the doctrine of forum non conveniens. If the United States District Court does not have subject matter jurisdiction of said matter, then such matter shall be litigated solely and exclusively before the appropriate state court of competent jurisdiction located in Knox County, Tennessee and the parties consent to the personal jurisdiction of such courts for the purpose of such litigation.

26. **PRIVACY STATEMENT** – Buyer will use personal data which Seller has provided to respond to requests for inquiries or in connection with this order. Seller may contact Buyer at any time to provide updates or amendments to such personal data. For additional information on Buyer's privacy practices, please review Buyer's policy available at www.brunswick.com.

27. **CODE OF CONDUCT** – Seller acknowledges that it has read and fully understands Buyer's Code of Conduct, which is available at <http://www.brunswick.com/company/ethics/codeofconduct.php>.