

# CRAYOLA LLC TERMS AND CONDITIONS

## SUPPLIERS LIABILITY

Supplier shall hold and save harmless Buyer, its officers, agents, employees and transferees from liability of any nature or kind, under any copyright, trademark, or patent, including costs and expenses, for or on account of the use, sale or lease of any invention or patented or unpatented article or appliance furnished or used hereunder, including the use or disposal of said items for their intended purpose by or on behalf of Buyer, Supplier, by its counsel and at its expense, shall assume and defend all claims, demands and suits for infringement of any copyright, trademark, or patent against Buyer, its officers, agents and employees within the scope of the undertakings of the Supplier in the preceding sentence. Supplier's obligations hereunder shall not apply to any invention, article, or appliance manufactured to Buyer's detailed design if only that design is alleged to infringe.

## WARRANTIES:

1. Supplier warrants that all articles furnished hereunder shall be free from defects in workmanship and material and shall comply with the terms of this Purchase Order and any drawings and specifications. If any article delivered hereunder does not comply with any implied or expressed warranties, Crayola may require Supplier to correct at no cost to Crayola, or return such defective or non-conforming article to Supplier and recover from Supplier the contract price and incidental costs incurred as a result of the non-conforming material.
2. Supplier expressly warrants that the goods covered by this order are of merchantable quality and fit and safe for consumer use. Acceptance of this order shall constitute an agreement upon Supplier's part to indemnify and hold Crayola harmless from all liability, loss, damage and expense, including reasonable counsel fees incurred or sustained by Crayola by reason of the failure of the goods to conform to such warranties. Such indemnity shall be in addition to any other remedies provided by law.
3. Supplier represents that the goods covered by this order have been manufactured in accordance with the requirements of the Fair Labor Standards Act and Crayola Supplier Code of Conduct.
4. The labeling of goods furnished hereunder shall comply with applicable industry guides specified by the Federal Trade Commission.
5. Supplier represents and warrants that all articles and services covered by this Purchase Order meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-956) and its regulations in effect or proposed as of the date of this order.
6. Supplier warrants that all goods comply with applicable U.S. Federal and state laws, regulations and standards, including, but not limited to, the Federal Hazardous Substances Act and the Consumer Product Safety Act, all as amended. In addition, supplier warrants that all goods comply with applicable European Directives and regulations and the Canada Hazardous Products Act, all as amended.

## THIS ORDER IS SUBJECT TO THE FOLLOWING CONDITIONS:

Failure to comply with any of the following gives the Buyer the right to cancel all or any part of this order (and return the goods collect, if delivery has been completed.)

- (a) All shipments must be accompanied by a packing slip.
- (b) All packaging and packing lists must show Crayola's purchase order number, line item number (10, 20, 30, etc), Crayola's 10-digit material number, quantity, and unit of measure as stated on purchase order. Packages, containers, drums, etc., must be plainly marked and accompanied by a packing list specifying the goods and quantities in each container.

## BILLING INSTRUCTIONS

1. Separate invoices are required for each shipment.
2. Invoice must show Crayola's purchase order number, line item number (10, 20, 30, etc), Crayola's 10-digit material number, quantity, unit of measure (as stated on PO), unit price, and total cost.
3. Submit invoice to address indicated on this purchase order.

## GENERAL

1. Crayola has the right to cancel or change unproduced authorized quantity at no penalty as a result of reduced requirements, unacceptable quality or delivery, specification change, discontinuance, or if the Vendor is unable to remain competitive.
2. Substitutions, excess quantities and untimely shipments are not acceptable without Crayola's express written approval. Non-conforming shipments may be held at Seller's risk and exposure or returned to Seller at its expense, at Crayola's option.
3. Vendor agrees that all information acquired from, or developed for, Crayola by Vendor in connection with this or any other order by Crayola is confidential and proprietary to Crayola, except to the extent such information is in the public domain through no fault of Vendor or its agents or contractors. Vendor shall keep such information confidential and shall not use same except as authorized by Crayola.
4. Supplier assures Crayola that it does not and will not maintain or provide for its employees any facilities in any of its establishments which are segregated on the basis of race, color, creed, religion, sex, age, national origin, individual physical or mental disability, or veteran status and that Supplier does not and will not permit its employees to perform their services in any location, under its control, which maintains segregated facilities in violation of the equal opportunity clause required by Executive Order 11246, which is incorporated herein by reference, or in violation of the provisions of Title I of the Americans with Disabilities Act of 1990 and Section 503 of the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974, as amended and the Veterans Employment Opportunities Act (VEOA) of 1998. Supplier also assures Crayola that it is an equal opportunity employer.
5. Crayola may at any time and by written notice terminate this contract or any part thereof at its convenience.
6. All artwork and all preparatory work created for, supplied by or purchased by Crayola in the production of this order, including tooling, molds, cutting and creasing dies, shall be the exclusive property of Crayola and is not subject to any type of removal fee or penalty whatsoever.
7. Crayola assumes no responsibility for any materials or goods shipped without a Purchase Order having been issued.
8. For any questions concerning this order, please call the appropriate Supply Chain Team Planner at 610-253-6271. For pricing questions, please contact the buyer.