

Paslode Drop Ship Container Program Policies and Guidelines (rev. February 15, 2022)

Order Entry

1. Paslode container orders can be placed by emailing your customer service representative at: orders@paslode.com.
2. Orders are processed by Paslode's customer service team.
3. Orders will not be processed until the customer service team has verified that the skid/carton quantities and weights in your order are correct.
4. A copy of the container order form with weight calculator is available upon request.
5. The customer service team will contact you regarding any discrepancies in your order.
6. Product availability will be verified within seventy-two (72) business hours after an order is placed.
7. Once an order has been processed, the customer service team will send you an order confirmation.

Pricing Terms

1. Prices are in U.S. Dollars and are subject to change without notice.
2. All orders are accepted subject to Paslode's price in effect at the time of shipment. Prices will not be final until the invoice is issued.
3. If a raw material, component, or service provider raises its prices, or imposes a surcharge, Paslode reserves the right to increase prices and/or impose a surcharge on the Customer. Such increases or surcharges may be reflected in the order confirmation or added to the invoice.

Modification Requests

1. Deadlines for modification requests vary based on the following:
 - a. Immediate Orders: for orders requesting shipment within 60 days from the order confirmation date ("Immediate Orders"), modification requests must be received within 48 hours from the order confirmation date.
 - b. Future Orders: for orders requesting shipment 61 or more days from the order confirmation date ("Future Orders"), modification requests must be received within 10 business days from the order confirmation date.
2. Paslode reserves the right to reject modification requests which have not been timely received.

Cancellation Terms

1. Once an order has been confirmed by Paslode, cancellation by Customer shall be subject to the following:
 - a. Immediate Orders: a \$4,000 cancellation fee will apply.

- b. Future Orders:
 - i. Within 48 Hours: if a cancellation notice is received by Paslode within forty-eight (48) hours of Customer's receipt of a confirmation order, no charge will apply.
 - ii. After forty-eight (48) Hours: if a cancellation notice is received by Paslode after forty-eight (48) hours from Customer's receipt of a confirmation order, a \$500 cancellation fee will apply unless it is within 6 weeks of the delivery date.
 - iii. Within 6 Weeks of the Delivery date: if a cancellation notice is received within six (6) weeks of the target deliver date, a \$4,000 cancellation fee will apply.
2. Customer may not cancel an order once Paslode has issued an invoice.
3. Orders cancelled by Customer cannot be reactivated. Customer will be required to place a new order subject to a new delivery date.

Terms & Conditions of Sale

1. Products will be shipped DDP (Delivery Duty Paid) U.S. Destination to the location specified on the order confirmation (Incoterms 2020). Title to the products and risk of loss shall pass to Customer upon delivery in accordance with the applicable shipping term.
2. Shipping and delivery dates are approximate.
3. Customer is responsible for all charges incurred by Paslode as a result of the carrier's inability to deliver product to a specified location, customer-imposed delays, or any refused shipment.
4. Upon delivery, Customer shall immediately:
 - a. Verify the container seal number matches the bill of lading information, and
 - b. Inspect the container for signs of tampering or damage.
5. Discrepancies in container/seal information, tampering or damage must be reported to Paslode's Compliance Supervisor (847-851-9253) **immediately upon receipt of container**. Customers will be provided with further instructions, including a container receiving check list to be completed, attached to receiving paperwork, and retained for record retention as required by U.S. Customs for potential audit. If reporting an issue, containers should not be unloaded. Customer assumes all risk and liability for loss for discrepancies, tampering or damage not reported within 24 hours. Failing to maintain a checklist may result in suspension of future container orders.
6. Customer assumes all risk and liability for loss and use or misuse by third parties who acquire or use the products illicitly after delivery.
7. Paslode will not be responsible for failure to perform in a timely manner when its failure results from events beyond its reasonable control (an event of "Force Majeure"), including acts of God, supply chain disruptions, epidemics, acts of war whether declared or undeclared, actions by any governmental agency or authority (whether valid or invalid), blockades, labor disputes (whether of Paslode's employees or the employees of others), raw material shortages and material increases in costs of raw materials. In the event of

Force Majeure, the time for performance will extend for such time as reasonably necessary to enable Paslode to perform.

8. PASLODE WILL NOT BE LIABLE, AND CUSTOMER WAIVES ALL CLAIMS AGAINST PASLODE, FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, DOWN TIME, LOST PROFITS OR COMMERCIAL LOSSES, WHETHER OR NOT BASED UPON PASLODE'S NEGLIGENCE OR BREACH OF WARRANTY OR STRICT LIABILITY IN TORT OR ANY OTHER CAUSE OF ACTION. IN NO EVENT WILL PASLODE'S LIABILITY IN CONNECTION WITH THE PROGRAM OR SALE OF PASLODE'S PRODUCTS OR SERVICES EXCEED THE PURCHASE PRICE OF THE SPECIFIC PRODUCTS OR SERVICES AS TO WHICH THE CLAIM IS MADE.