

## TERMS AND CONDITIONS OF SALE - CONSIGNMENT

These Terms and Conditions of Sale - Consignment ("Consignment Terms") are specifically incorporated by reference into the Consignment Term Sheet ("Term Sheet"), executed by the Anixter entity ("Anixter") and the Customer entity ("Customer") referenced in such Term Sheet, and apply to the Anixter-owned product inventory ("Consigned Material") specified in the applicable Bill of Material ("BOM"), which is incorporated into these Consignment Terms by reference. Any capitalized terms used herein and not defined shall have the meaning set forth in the Term Sheet.

1.1 If a conflict arises between the Consignment Terms and the Term Sheet, these Consignment Terms shall prevail. If a mutually executed agreement exists between Anixter and Customer governing the supply and use of the Consigned Materials, the terms and conditions of such agreement shall apply to the Consigned Materials. Anixter objects to and shall not be bound by any additional or different terms, whether printed or otherwise, in any purchase order or other communication from Customer to Anixter, unless specifically agreed to in a writing signed by the parties and only with respect to those Consigned Materials intended to be covered by such executed document.

1.2. Any terms herein which by their nature should survive the termination of these Consignment Terms shall survive such termination.

1.3. Any tax or other governmental charge upon the provision of services, or the production, sale, shipment, transfer, consumption, or use of the Consigned Material which Anixter is required to pay or collect from Customer shall be paid by Customer to Anixter, unless Customer timely furnishes Anixter with valid and current tax exemption certificates acceptable to and required by the applicable taxing authorities.

1.4. In the event Customer fails to pay any amounts due herein within thirty (30) days, the maximum allowable service charge allowed by applicable laws shall be applied to all past due accounts commencing from the invoice due date until paid. Anixter shall also be entitled, in addition to all other remedies available at law or in equity, to recover reasonable attorneys' fees and/or any other expenses incurred in collecting the monies due. Anixter reserves the right to modify or withdraw credit terms at any time without notice and to require guarantees, security or payment in advance. Anixter may set-off any amount due from Customer to Anixter, whether or not under these Consignment Terms, from any amounts due to Customer under these Consignment Terms.

1.5. These Consignment Terms are subject to Anixter's security interest in the Consigned Material. Customer may be asked to sign financing statements or other documentation. Customer will not, without Anixter's prior written consent, remove Consigned Material from the Premises identified in the Term Sheet, except for consumption pursuant to these Consignment Terms. Customer shall maintain the Consigned Materials free and clear of and from and against all liens and encumbrances of any nature whatsoever. Customer shall indemnify and hold harmless Anixter from and against any loss or damage caused by acts of Customer which result in any such liens or encumbrances being placed upon any Consigned Materials, including all costs, fees and expenses incurred by Anixter in commencing or participating in such proceedings as are necessary for Anixter to defend its ownership interest in the Consigned Materials.

1.6. Anixter or its representatives shall have the right to enter the Premises, with a Customer escort, during normal business hours for purposes of inspecting and taking inventory of the Consigned Material and performing any other act that Anixter, in its judgment, deems necessary to protect its interests. Customer will provide Anixter with authorization and individual passkey to enter the Anixter Consigned Material Area.

1.7. It is Customer's responsibility to identify any freight damage, quantity or product discrepancies and to notify Anixter in writing within 24 business hours or the next business working day after receipt. All discrepancies must be resolved within 72 hours of receipt of notice. Anixter will provide Customer a packing slip with each delivery for reconciliation purposes. The packing slip will include Anixter's part number, PO number, invoice number and quantity. Unless otherwise agreed to in writing, quantities are subject to normal manufacturer allowances. In the case of wire and cable such allowances are plus 10% and minus 5%. The purchase price for products will equal the unit price multiplied by the quantity shipped. In the case of Customer Managed Consignment, Customer is responsible for placing this inventory in the Anixter Consigned Material Area unless Customer notifies Anixter in writing of a shipment discrepancy.

1.8 These Consignment Terms and the Term Sheet are intended to be a true consignment agreement and the consignment created hereunder is intended to be a true consignment, where title to the Consigned Materials remains with Anixter until used or purchased by Customer immediately before being resold to a Customer on terms acceptable to Anixter.

## 2. WARRANTY

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2.1. Anixter hereby transfers and assigns any and all transferable warranties made to Anixter by the manufacturer of the Consigned Materials and any intellectual property indemnity from the manufacturer of such Consigned Materials to Customer. Customer will inspect and accept the Consigned Materials upon delivery and will, within 5 business days of delivery, notify Anixter in writing of any defect in the Consigned Materials so that Seller may place the Consigned Materials manufacturers on notice of the same, otherwise such Consigned Materials will be considered accepted. If Customer fails to notify Anixter of any defects within such 5 business day period, whether or not any such inspection has been performed by Customer, the Consigned Materials shall be considered accepted. Customer's sole and exclusive remedy for any alleged defect, failure, inadequacy, or breach of any warranty related to Consigned Materials shall be limited to those warranties and remedies provided by the manufacturers of those Consigned Materials all of which are hereby assigned by the Anixter to Customer.

2.2. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF, AND ANIXTER DISCLAIMS AND CUSTOMER WAIVES, ALL OTHER WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND OF ANY OTHER TYPE, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW (STATUTORY OR OTHERWISE) AND WHETHER OR NOT OCCASIONED BY ANIXTER'S NEGLIGENCE. IN THE EVENT DISCLAIMER OF WARRANTY STATEMENTS ARE DISALLOWED IN THE GOVERNING JURISDICTION STATED BELOW, SUCH EXPRESS OR IMPLIED WARRANTIES SHALL BE LIMITED IN DURATION TO THE WARRANTY PERIOD (OR THE MINIMUM PERIOD REQUIRED BY THE APPLICABLE LAW).

### 3. TERM AND TERMINATION

3.1. These Consignment Terms and the Term Sheet will begin on the effective date of the Term Sheet and continue until terminated by either party as provided herein. Anixter may terminate these Consignment Terms and the Term Sheet for any reason upon sixty (60) days' prior written notice to Customer. Anixter may terminate these Consignment Terms and the Term Sheet immediately upon written notice to Customer if: (a) Anixter becomes dissatisfied with the manner in which Customer is holding and caring for the Consigned Material, or (b) Customer shall be in default of any of its obligations to Anixter under this or any other agreement, or (c) a petition in a proceeding under any existing or future bankruptcy or similar law is filed by or against Customer, or (d) Customer becomes insolvent or admits in writing its inability to pay its debts generally as they become due or makes a general assignment for the benefit of its creditors, or (e) a receiver, trustee or liquidator is appointed to take charge of Customer or any part of its assets or business.

3.2. Upon termination of the Term Sheet or these Consignment Terms: (i) If Anixter-owned Assets/Equipment are included in the BOM, Anixter will be granted immediate access to Customer's facility in order to take possession of the Anixter-owned Assets/Equipment such as Carts, Bins, Cable Racks, Wire Carousels, etc. as described in the BOM; (ii) If either party terminates these Consignment Terms or a Term Sheet with or without cause, Anixter will immediately ship to and/or invoice Customer for all Non-Standard Consigned Material that is deemed sold to Customer, and Customer will return all Standard Consigned Material in Customer's possession, which must be properly packed and in good condition, to such location as Anixter shall designate; however, Anixter reserves the right to reject such returns. Should any of the Standard Consigned Material be deemed as discontinued by the manufacturer at the time of termination, said Consigned Material shall be considered Non-Standard Consigned Material and will be invoiced to the Customer. In addition, Anixter shall have the right to enter the Premises, and take possession of any or all Standard Consigned Material. If these Consignment Terms or the Term Sheet is terminated pursuant to this Section 3, Customer will pay (i) all transportation and insurance costs to return the Standard Consigned Material from the Premises to the Anixter designated location, and (ii) a 15% restocking charge for all Standard Consigned Material returned to Anixter.

4. **LIMITATION OF LIABILITY.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, IN NO EVENT SHALL ANIXTER BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, REVENUES, BUSINESS, REPUTATION OR FINANCING AND LOST OPPORTUNITY, HOWEVER ARISING, INCLUDING ANY DAMAGES OCCASIONED BY ANIXTER'S NEGLIGENCE. IN ADDITION, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANIXTER'S LIABILITY ON ANY CLAIMS FOR DAMAGES OR CHARGES ARISING OUT OF OR CONNECTED WITH THESE CONSIGNMENT TERMS, OR THE MANUFACTURE, SALE, DELIVERY OR USE OF THE CONSIGNED MATERIAL SHALL EXCEED THE PURCHASE PRICE OF THE SERVICE OR CONSIGNED MATERIAL THAT GAVE RISE TO THE CLAIM.

### 5. INDEMNIFICATION.

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5.1. Anixter will defend, indemnify and save Customer harmless from and against any and all losses, costs, expenses (including reasonable attorneys' fees), damages, and liabilities, arising from or in connection with any rightful claim of any third person by way of infringement of any U.S. patent or copyright by the Consigned Goods, subject to the intellectual property indemnity provided by the manufacturer of such Consigned Goods, and provided that Customer promptly gives Anixter written notice of any such suits, gives Anixter or its designee full control over the defense and settlement, and provides Anixter with all reasonable information and assistance (at Anixter's cost) to handle the defense and settlement. Should any Consigned Goods become, or in Anixter's or the respective Consigned Goods manufacturer's opinion, be likely to become, the subject of any claim for infringement of any U.S. patent or copyright, Anixter in its sole option, may either procure the right for Customer to continue using the Consigned Goods, modify the Consigned Goods to make it non-infringing, substitute an equivalent non-infringing Consigned Goods, or take back and refund the depreciated value of the infringing Consigned Goods. Anixter's indemnification obligation does not apply if the alleged infringement results from Customer's modification or enhancement of the Consigned Goods, or use of the Consigned Goods in combination with other products not provided or approved by Anixter. Anixter's obligation to indemnify Customer hereunder is subject to and shall not be greater than the intellectual property indemnity provided by the manufacturer of such Consigned Goods, and shall only apply if Customer promptly notifies Anixter of any claim or action.

5.2. Customer will defend, indemnify and save Anixter harmless from and against any and all losses, costs, expenses (including reasonable attorneys' fees), damages, and liabilities, arising from or in any manner relating to (i) a workers' compensation claim by Customer's employees, (ii) any third party claims for infringement of any U.S. patent or copyright of intellectual property infringement or any other claim arising out of the specifications furnished by Customer for use in the manufacture of the Consigned Goods; and (iii) any breach, negligence or willful misconduct by Customer under these Consignment Terms.

### 6. MISCELLANEOUS

6.1. Force Majeure. Anixter shall not be liable for any failure to perform its obligations hereunder resulting directly or indirectly from, or contributed to by, acts of God, acts of Customer, acts of civil or military authorities, riots or civil disobedience, terrorism, wars, strikes or labor disputes, accidents, floods, fires, or interruptions in telecommunications services, inability to secure material or transportation facilities, dissolution of the manufacturer's business, acts or omissions of carriers, or any other circumstance beyond its reasonable control.

6.2. Entire Agreement. These Consignment Terms and the Term Sheet, including any and all SOWs, BOMs, Exhibits incorporated by reference and/or attached hereto, represent the entire agreement between the parties with respect to the Consigned Materials, and supersedes all previously included terms on the backside of any purchase order or forms, prior negotiations, representations or agreements, written or oral, and may not be supplemented by any course of dealing, course of performance, or trade usage. Customer's acceptance or use of the Consigned Materials constitute acceptance of these Consignment Terms.

6.3. Modifications. These Consignment Terms will be updated periodically by Anixter. Each revision will be identified by the next revision number and effective date. Any subsequent revisions will be effective only to BOM issued on or after the date of the revision to such terms and conditions. Any proposal for additional or different terms in Customer's acceptance are expressly objected to and rejected and shall be deemed a material alteration thereof and the offer shall be deemed accepted by Customer without said additional or different terms.

6.4. Notices. All notices under these Consignment Terms shall be made in writing and be sent to the parties at the respective addresses set forth in the preamble of these Consignment Terms.

6.5. Anti-Bribery. Customer acknowledges that it has read, understands, and agrees to comply with Anixter's Business Partner Anti-Corruption Policy, which can be found at [www.anixter.com/BPPolicy](http://www.anixter.com/BPPolicy). Anixter reserves the right to update such policy at any time without prior written notice.

6.6. Insurance. Anixter requires that Customer procures and maintain, at its sole expense, the policy or policies of insurance set forth in the Anixter Supplier Insurance set forth on [www.anixter.com/ConsignmentInsurance](http://www.anixter.com/ConsignmentInsurance).

6.7. Assignment. These Consignment Terms and the Term Sheet shall inure to the benefit of and be binding on the parties hereto, their successors and assigns. Customer may not pledge, encumber or assign any of its rights or obligations hereunder without Anixter's prior written consent.

6.8. Waiver. No delay or failure by either party to exercise any right or remedy hereunder or under the Term Sheet will constitute a waiver of such right or remedy unless in writing by such party. A waiver by a party of any breach or covenant shall not be construed as a waiver of any succeeding breach of any other covenant.

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6.9. Governing Law. These Consignment Terms and the Term Sheet shall be governed by the laws of the State of Illinois (without regard to conflicts of law principles) and shall not be governed by the U.N. Convention on the International Sale of Goods. Any dispute or controversy may only be brought for resolution in state or federal courts located in Chicago, Illinois. Anixter and Customer hereby consent to the exclusive jurisdiction and venue of such courts, and agree that they shall not contest or challenge the jurisdiction or venue of such courts.

6.10. Severability. If any provision of these Consignment Terms or the Term Sheet is held invalid or unenforceable, the remaining provisions of these Consignment Terms and the Term Sheet will remain in full force and effect, and the invalid or unenforceable provision will be limited or eliminated to the minimum extent necessary.

6.11. Confidentiality. The receiving party shall not disclose to any third party any confidential information it receives from the disclosing party for a period of two (2) years following the date of disclosure. Each party agrees that it will not use such confidential information in any way for its own account or the account of any third party, except as authorized under these Consignment Terms, the Term Sheet or other mutually executed agreement between the parties, and will protect such confidential information at least to the same extent as it protects its own confidential information. Either party may disclose confidential information to its auditors under an obligation of confidentiality no less stringent, or Anixter to its affiliates.

6.12. Export. Customer understands that products supplied by Anixter may be subject to U.S. export controls and trade sanctions, and Customer represents and warrants that it will not violate U.S. export-related laws with respect to the Consigned Material and will indemnify and hold Anixter harmless for any damages arising from such violations by Customer.

6.13. Upon Anixter's reasonable request, Customer shall, at its sole cost and expense, execute and deliver all such further documents and instruments, and take all such further acts, as reasonably necessary to give full effect to these Consignment Terms.

Effective as of Sept. 1<sup>st</sup>, 2016  
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