

WERNER CO. STANDARD SALES TERMS AND CONDITIONS (US DISTRIBUTORS)

(Effective July 2020)

These standard sales terms and conditions are effective July 2020, shall apply to all distributors ("Distributor") of Werner Co. ("Werner" or the "Company") and govern the sale of all the Company's products under the Company's brands (whether owned or licensed) including WERNER®, KNAACK® BETTER BUILT, and WEATHER GUARD® (the "Products"). These terms and conditions take precedence over any supplemental or conflicting terms and conditions contained in the Distributor's form vendor agreement, purchase order or other document (including the terms contained on Distributor's website), all of which are expressly disclaimed. The Company's commencement of performance or delivery of Products shall not be deemed as any acceptance of any of Distributor's terms and conditions. Werner and Distributor are each sometimes referred to herein as a "party" or collectively as the "parties".

Werner Intellectual Property

- a. *License.* The Company, and its subsidiaries and affiliates, as applicable, hereby licenses to the Distributor for use applicable patents, trademarks, copyrights and other proprietary rights associated with the Products (the "Werner Intellectual Property") on a non-transferable, non-exclusive, revocable basis and for the limited purpose of exercising its rights and performing its obligations under this Program.
- b. *No Property Rights.* Distributor shall not acquire any property rights with respect to the Werner Intellectual Property and acknowledges that all such rights and goodwill are and shall remain vested in Werner or its affiliates or subsidiaries, as applicable. Distributor will not (i) take any action that jeopardizes Werner's proprietary rights or acquire any right in the Werner Intellectual Property or (ii) register, directly or indirectly, any trademark, service mark, trade name, domain, copyright, company name, invention, patent, or other proprietary or commercial right that is the same as or similar to the Werner Intellectual Property.
- c. *Use of Trademarks.* The Distributor shall ensure that each reference to and use of any of the trademarks or tradenames that are part of the Werner Intellectual Property in advertising or otherwise is used in a manner approved by Werner. Distributor will use the trademarks authorized by Werner exclusively to advertise and promote the Products. All Advertisements and promotional materials will (i) clearly identify the Company, or its affiliates or subsidiaries as the owner of the trademarks, (ii) conform to the Company's then-current trademark and logo guidelines and (iii) otherwise comply with any local notice or marking requirement contemplated under the trademark laws of the United States.
- d. *Limitations/Ownership.* The Distributor shall not (i) make any modification to the Werner Products or its' packaging, (ii) alter, remove or tamper with any trademarks, trademark numbers, patent numbers or other means of identification used on or in relation to the Products, (iii) use any of Werner trademarks in any way, which might prejudice their distinctiveness or validity, or (iv) use in relation to the Products any non-Werner trademarks without obtaining prior written consent from Werner. Werner will own all rights in any copy, translation, modification, adaptation or derivation of the Products or other items of information, including any improvement or development thereof. Distributor will obtain, upon the request of Werner, the execution of any instrument that may be appropriate to assign these rights to Werner or to perfect these rights in the name of Werner, or its affiliate or subsidiary, as applicable.

- e. *Infringement Notice.* The Distributor shall promptly notify Werner of any actual threatened or suspected infringement of any Werner Intellectual Property of which it becomes aware.
- f. *Business Name.* The Distributor shall not do business under any name, designation, domain, or website associated with or similar to any mark, trademark, trade name, domain, service mark, or trade dress of Werner or any Products, except upon prior written consent of Werner.

Prices and Terms of Sale

- a. Werner shall sell the Products to the Distributor at the prices specified in the distributor price schedule which is in effect at the date Distributor's order is accepted by Werner. Distributor shall be free to determine its resale prices for Products. Werner may amend such price schedule at any time without prior notice to Distributor and shall have no liability to Distributor in connection with Distributor's inventory of unsold Products as of the effective date of such amendment. Price amendments shall apply to all orders accepted by Werner subsequent to the effective dates of the amendment. Distributor shall be solely responsible for payment on any applicable taxes (including any applicable online transaction taxes, sales taxes, income taxes and use taxes, irrespective of the sufficiency of Distributor's nexus or physical presence in a state), levies, duties or fees of any kind and shall pay such taxes, levies, duties or fees when invoiced by Werner or shall furnish tax exemption certificates or licenses acceptable to the appropriate taxing authorities, in a form satisfactory to Werner. Sales of Products shall not be subject to the terms and conditions in Distributor's purchase orders or other business forms.
- b. Credit terms are subject to approval by Werner. Werner reserves the right at any time, either generally or with respect to specific purchase orders of Distributor, to increase or decrease the amount or duration of credit to be made available to Distributor. Although Werner may have extended credit to Distributor, Werner may declare all outstanding sums immediately due and payable if: (i) Distributor breaches any of its obligations to Werner; (ii) Distributor fails to comply with Werner's credit terms; (iii) there is a change of ownership of Distributor's business; or (iv) in Werner's reasonable opinion, Distributor's credit has become impaired. Interest shall be payable on past due accounts at the rate provided in Werner's Terms of Sale prevailing from time to time or the maximum lawful interest rate under applicable law, whichever is lower.
- c. In addition to any other right or remedy provided for in this Program or by applicable law: (i) Werner may refuse to accept any order placed by Distributor; and (ii) if Distributor becomes delinquent in its payment obligations or other credit or financial requirements established by Werner, Werner may cancel any accepted orders or refuse or delay shipment of any order.
- d. All other terms and conditions of sale shall be as set forth in Werner's current terms and

Shipments

Unless Distributor clearly advises Werner to the contrary in writing, Werner may make partial shipments of Distributor's orders. Each shipment shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Regardless of the party paying freight charges, all risk of loss or damage in transit shall be borne by Distributor.

Warranties

WERNER MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED (INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) AS TO THE PRODUCTS. Werner's sole warranty and representation with respect to any Product shall be as set forth in the Warranty Statement included with such Product (if any). Distributor is not authorized to assume for Werner any additional obligations or liabilities in connection with the sale or resale of the Products. IN THE EVENT ANY

PRODUCTS ARE NOT AS WARRANTED, THEN WERNER'S SOLE OBLIGATION SHALL BE TO REPAIR OR REPLACE, AT ITS OPTION, SUCH PRODUCTS. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL WERNER BE LIABLE TO THE DISTRIBUTOR OR TO ANY OTHER INDIVIDUAL OR ENTITY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL LOSSES OR DAMAGES INCLUDING, WITHOUT LIMITATION, LOST PROFITS.

ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE ARE HEREBY DISCLAIMED AND EXCLUDED. WERNER LIABILITY, IF ANY, FOR DAMAGES RELATING TO ANY ALLEGEDLY DEFECTIVE PRODUCT SHALL, UNDER ANY LEGAL OR EQUITABLE THEORY, BE LIMITED TO THE ACTUAL PRICE PAID FOR SUCH PRODUCT, AND SHALL IN NO EVENT INCLUDE INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND. UNDER NO CIRCUMSTANCES SHALL WERNER BE LIABLE FOR COMPENSATION, REIMBURSEMENT OR DAMAGES ON ACCOUNT OF THE LOSS OF PRESENT OR PROSPECTIVE PROFITS, EXPENDITURES, INVESTMENTS OR COMMITMENTS.

Confidential Information

Distributor acknowledges that by participating in the Program, Distributor may have access and/or be exposed to confidential and proprietary information of Werner, including without limitation, price lists, product information, business strategies and information concerning methods of operations, suppliers, employees and systems. Distributor acknowledges and agrees that such information is confidential and proprietary, and Distributor agrees to keep such information confidential and not disclose it to third parties except as may be required by law. Distributor understands and agrees that the release of this confidential information to any third party would cause irreparable harm to Werner, and that Werner will be entitled to seek injunctive relief for any breach or attempted breach of this provision.

Force Majeure

Neither party shall be liable for failure to perform nor delay in performance of any of its obligations hereunder, directly or indirectly resulting from or contributed to by: any foreign or domestic embargoes; acts of God or the public enemy; the adoption or enactment of any law, ordinance, regulation, ruling or order directly or indirectly interfering with production or delivery; wars, fires, floods, explosions, strikes, factory shut downs or work stoppages; shortages of fuel or power or delay in or lack of the usual means of transportation; compliance with any request by a governmental agency or official thereof; or other events or contingencies beyond its reasonable control.

Payment Terms

Net 30 Days. No Anticipation. Interest charged on past due accounts of either 1-1/2% per month or the highest rate permitted by state law.

Freight Terms

FREIGHT PREPAID PRICING: F.O.B Plant or Warehouse, freight allowed (Prepaid) shippers route on orders totaling 1000 lbs. or more for WERNER® climbing products, a net value of \$1,000 or more for WERNER® Fall Protection, \$3,000 or more net value for KNAACK, WEATHER GUARD, and BETTER BUILT products shipped at one time to one destination/qualified locations within the 48 Continental United States.

FREIGHT COLLECT PRICING: F.O.B Plant or Warehouse, no freight allowance. Orders must be marked "Freight Collect".

ALL UNMARKED ORDERS will be invoiced at the prepaid distributor prices and shipped freight prepaid on 1000 lbs. or more. Orders under 1000 lbs. will be shipped & invoiced with Prepay & Add Freight added to the customer's invoice.

PREPAY AND ADD FREIGHT will be added to customer's invoice at Distributor's request or unmarked orders of less than 1000 lbs.

RISK OF LOSS/ FREIGHT DAMAGE/ SHORTAGE:

By Common Carrier: Consignee must inspect Products at the time of receipt and clearly note on the Bill of Lading which items and quantities are missing or damaged. Damaged Products should be accepted at delivery (with damage appropriately noted), not refused.

For Freight Collect shipments: If Products are shipped F.O.B Werner warehouse (i.e. freight collect) via common carrier, consignee must make claims for freight damage and/or shortages directly with the carrier. When the merchandise leaves Werner's dock all risk of loss shall pass to the consignee.

For Prepaid Freight (or prepay-and-add) shipments: If products are shipped freight prepaid by Werner via common carrier, consignee should contact Werner to request credit for lost/damaged Products unless consignee and Werner have previously agreed upon a return allowance. Werner will file any related freight claims with the carrier. Risk of loss remains with Werner until Product(s) are delivered to consignee's dock.

By Pick-Up or Will Call: All pick-up orders must be signed for the Buyer's driver. No shortage or damage claims will be honored on Buyer's pick-up.

Returns

Accepted only with prior Werner corporate office approval. Returns in saleable condition must be accompanied by the Return Materials Authorization. Unauthorized returns will be refused. Returns are subject to a 15% restock charge and are to be shipped "Freight Prepaid" by the customer in all cases.

Non-Standard Products

Orders on non-standard products are subject to a cancellation charge, non-standard products are not returnable.

Orders

Order Acceptance: Subject to Werner's corporate office approval.

Drop Shipments: FREIGHT TERMS as referenced above.

Non-Stocking Wholesale Distributor's Orders: Subject to 10% Service Charge.

Back Orders: Subject to cancellation unless distributor's purchase order specifically states otherwise. Back ordered item(s) will be held until the distributor's next stock order is shipped. At the distributor's request, back orders can be drop shipped from another stocking location on a FREIGHT COLLECT basis.

Price Changes: All pricing is subject to review and adjustment quarterly with a minimum of 30 days and maximum 60day notice, except for certain promotional or other special pricing as determined by Werner.

Rebates & Promotions: All agreements for funding of advertising, rebates, show participation & promotional support requires signed approval by Werner Sales Management.

Late Payments: Werner reserves the right to apply a 1 1/2 % per month (18% per annum) interest rate for

all late payments. Werner reserves the right to hold or stop all shipments for distributors that demonstrate slow, late, or inconsistent payment practices. Werner reserves the right to withhold all rebates, advertising and promotional support for distributors that demonstrate slow, late or inconsistent payment practices.

Any offer by Werner to sell or any acceptance by Werner of distributor's offer is expressly conditioned on distributor's acceptance of the above terms and conditions together with any terms conditions which are incorporated in any of Werner's acknowledgments, confirmations, Bill of Lading, Invoices or Advance Ship Notices. Distributor's acceptance of these terms shall be deemed to have occurred unless written notice of rejection is received by Werner within seven (7) days of the date specified on any writing or if no date is specified, notice must be received by Werner prior to shipment. In the event distributor's purchase order or other form states terms additional to or different from those set forth above, these standard sales terms shall be deemed notification or objection to such addition and/or different terms and a rejection thereof.