

## **SUPPLIER TERMS AND CONDITIONS**

**Last updated: January 15, 2024**

These supplier terms and conditions, the last updated version of which can be found at [usa.canon.com/supplier-terms-and-conditions](https://usa.canon.com/supplier-terms-and-conditions) (“Terms and Conditions”) and the Purchase Order (collectively, the “Agreement”), are the entire and exclusive agreement between Canon U.S.A., Inc. (“Company”) and Supplier concerning the Products and/or Services (hereafter “Products/Services”) provided or to be provided by Supplier in connection with a Purchase Order, except to the extent the sale and purchase of the Products/Services are governed by a separate written agreement executed by Company and Supplier. Except as set forth in the preceding sentence, all prior and/or contemporaneous negotiations and agreements, oral or written, concerning the Products/Services are superseded by this Agreement. No course of prior dealings between the parties, usage of trade or acquiescence in any course of performance hereunder will be relevant to supplement or explain any term used in this Agreement. We reserve the right to modify these Terms and Conditions at any time in our sole discretion, which such modified Terms and Conditions will be posted at [usa.canon.com/supplier-terms-and-conditions](https://usa.canon.com/supplier-terms-and-conditions), and are effective as of the “Last updated” date of these Terms and Conditions. Supplier shall be responsible for checking such “Last updated” date. Your continued business with Company (including the provision of Products/Services) following the “Last updated” date constitutes your acceptance of these Terms and Conditions. If you do not agree to these Terms and Conditions, you may not do business with Company. Supplier represents, warrants, and covenants to Company, upon which representation, warranty and covenant Company expressly relies in submitting or issuing a Purchase Order to Supplier, that any terms different from or in addition to the terms of this Agreement, whether communicated orally or in writing, or contained in any Supplier general conditions of sale, proposal, quotation, price list, acknowledgment, invoice, packing slip or the like used by Supplier (“Additional Terms”), regardless of the timing or means of such communication, shall not form part of this Agreement, even if Supplier purports to condition Supplier’s acceptance of the Purchase Order or this Agreement on Company’s agreement to such Additional Terms, and that Company is not bound by and hereby expressly rejects all such Additional Terms. Notwithstanding anything to the contrary set forth in the preceding sentence or otherwise herein, any Additional Terms communicated by or on behalf of Supplier in writing related to a Purchase Order that Company deems in Company’s sole discretion to be favorable to Company and applicable with respect to such Purchase Order (“Permitted Additional Terms”), shall form part of this Agreement with respect to such Purchase Order. If there are any conflicts amongst the terms of this Agreement, the terms of a Purchase Order, and the Permitted Additional Terms, the terms most favorable to Company shall control. Capitalized terms used in these Terms and Conditions, and not otherwise defined, are defined in Section 1 (Definitions) below.

### **1. Definitions.**

“Additional Terms” shall have the meaning set forth in the first paragraph hereof.

“Agreement” shall have the meaning set forth in the first paragraph hereof.

“Applicable Law” means all applicable foreign or domestic laws, rules, regulations, directives, ordinances, governmental restrictions, orders, judgments or decrees affecting, involving or relating to the provision of Products/Services hereunder, and any generally accepted industry standards, directives or guidelines or self-regulatory principles relating to privacy, data collection, storage, use, disclosure, protection and security, such as, without limitation, the Gramm-Leach-Bliley Act, the Health Insurance Portability & Accountability Act of 1996 (“HIPAA”), the California Online Privacy Protection Act of 2003, the California Consumer Privacy Act of 2018 (“CCPA”), the California Privacy Rights Act of 2020 (“CPRA”), the Virginia Consumer Data Protection Act (“VCDPA”), the New York Stop Hacks and Improve Electronic Data Security Act (“New York SHIELD Act”), and any other state or federal equivalent, and any regulations issued pursuant thereto, the Telephone Consumer Protection Act (“TCPA”), the Payment Card Industry Data Security Standard (“PCI DSS”), and any requirements or guidance issued by any applicable data protection authority responsible for privacy-related matters or the processing of Personal Information in an applicable jurisdiction.

“Canon Entities” means, collectively, the parent, subsidiaries and affiliates of Company or Company’s parent, subsidiary or affiliate, and its cognate “Canon Entity” means any one of the Canon Entities.

“Canon Indemnified Parties” means, collectively, Company and the Canon Entities, customers of Company and the Canon Entities, and the respective directors, officers, employees, consultants, contractors, subcontractors, suppliers, service providers, agents, successors and assigns of Company and each Canon Entity, and its cognate “Canon Indemnified Party” means any one of the Canon Indemnified Parties.

“Claims” means, collectively, any and all claims, losses, damages, liens, demands, attorneys’ fees, liabilities, costs, expenses, obligations and causes of action or suits, and its cognate “Claim” means any one of such Claims.

“Company” shall have the meaning set forth in the first paragraph hereof.

“Confidential Information” means (1) the terms of this Agreement, (2) any and all digital and non-digital information, data and materials, whether in tangible, visual or oral form, relating to Company or any Canon Entity, including, without limitation, information regarding Company’s or any Canon Entity’s general business operations, business processes, policies, personnel, methodologies, technical knowledge, technical information, non-technical information, trade secrets, user IDs and passwords, information used by Company or a Canon Entity in carrying on business, information (including third-party information required to be maintained by Company or a Canon Entity as confidential) communicated or otherwise made accessible to Supplier or Supplier Personnel in connection with the performance by Supplier of Supplier’s responsibilities and obligations under this Agreement, (3) any and all digital and non-digital information, data and materials, whether in tangible, visual or oral form, of Company or any Canon Entity communicated or otherwise made accessible to Supplier or Supplier Personnel pertaining to the products, services, customers, locations or representatives of Company or any Canon Entity, (4) any and all digital and non-digital information, data and materials, whether in tangible, visual or oral form, that can be used to identify, contract or locate a former, current or prospective customer of Company or a Canon Entity communicated or otherwise made accessible to Supplier or Supplier Personnel, or collected or generated by or on behalf of Supplier or Supplier Personnel, and (5) Personal Information. Confidential Information includes any information derived from or relating to the Confidential Information. The term Confidential Information does not include any information that (i) was lawfully in Supplier’s possession prior to any disclosure by Company as evidenced by Supplier’s contemporaneous written records, or (ii) is or becomes generally available to the public other than as a result of disclosure in violation of this Agreement.

“Deliverables” means the tangible and intangible results of the Services.

“Intellectual Property” means, collectively, or any one or more of, the copyrights, trademarks, patents, trade secrets, trade names, corporate names, service marks, logos, artwork, images, drawings, codes, specifications, symbols and similar materials (including such materials in electronic formats), and other intellectual property rights.

“Permitted Additional Terms” shall have the meaning set forth in the first paragraph hereof.

“Personal Information” means any and all digital and non-digital information, data and materials, whether in tangible, visual or oral form, that can be used to identify, contact or locate an individual, including a former, existing or potential employee or customer of Company or any Canon Entity, including, without limitation, first name or initial and last name, date of birth, mother’s maiden name, biometric information, Social Security Number, passport number, driver’s license, or any other identification number, financial information, cardholder data (including, without limitation, a primary account number, or a primary account number plus any of the following: cardholder name, expiration date and/or service code, or any unique payment card number (typically for credit or debit cards) that identifies the issuer and the particular cardholder account), health information, medical or dental identification number, health insurance identification number, employment information, employer-assigned identification number, signature, personal web page, telephone number, home address, business address, other mailing address, email address or online identifier associated with an individual, geographic location, IP address or similar identifier, MAC (media access control) address, user ID, password, security question and answer, cookie information, profile and any other information relating to an individual, including usage and traffic data.

“Processing” (including its cognates, “Process” and “Processed”) means any operation or set of operations that is performed upon Confidential Information, whether or not by automatic or electronic means, including, without limitation, acquiring, accessing, remotely accessing, collecting, recording, copying, organizing, storing, maintaining, preserving, adapting, altering, developing, creating, modifying, retrieving, searching, consulting, using, transmitting, messaging (including, without limitation, “texting,” emailing and chatting), disclosing, disseminating, making available, aligning, combining, blocking, deleting, erasing, discarding, disposing of or destroying Confidential Information.

“Products” refer to the products, materials, articles or items provided or to be provided by Supplier pursuant to this Agreement that are made the subject of any Purchase Order. “Products” include Deliverables.

“Purchase Order” means a writing (*e.g.*, electronic, hardcopy, facsimile) submitted or issued by Company to Supplier, which is intended by Company to order Products/Services from Supplier, (whether or not such writing references these Terms and Conditions or this Agreement). The definition of Purchase Order includes any written changes, notices, supplements or modifications issued by Company to such writing.

“Recall” means any removal of Products from the stream of commerce or the issuance of a corrective action plan or other remedial action initiated by a government entity or any other party with lawful authority to initiate such actions, Supplier, or Company.

“Recalled Products” means Products that are the subject of a Recall.

“Security Incident” means (1) any actual or reasonably suspected event that poses a risk to the security, confidentiality or integrity of Confidential Information, including, without limitation: (a) the discovery of any virus(es) or other malicious software, (b) a network-based denial of service, (c) loss of, theft of, misuse of, damage to or unauthorized Processing of Confidential Information, or (d) other deliberate misrepresentations with intent to circumvent Company’s or Supplier’s security, (2) any actual or reasonably suspected unauthorized, unlawful or inadvertent Processing, corruption, transfer, sale, rental or lease of Confidential Information, (3) any other act or omission that compromises the security, confidentiality or integrity of Confidential Information, (4) any breach of Supplier’s obligation to establish and maintain appropriate, reasonable and up-to-date technical, physical and operational security measures and policies, or (5) any circumstance pursuant to which Applicable Law requires notification of such event to be given to affected parties or other activity in response to such circumstance.

“Services” means the services provided or contracted to be provided by Supplier, as specifically defined in a Purchase Order.

“Subcontractors” means subcontractors retained by Supplier and approved by Company in accordance with the terms of Section 12 herein, and its cognate “Subcontractor” means any one of such Subcontractors.

“Supplier” means the supplier named on the Purchase Order.

“Supplier Personnel” means employees, Subcontractors, independent contractors, and any other person(s) hired, retained or employed by Supplier or under Supplier’s direction or control.

“Terms and Conditions” shall have the meaning set forth in the first paragraph hereof.

## 2. **Ordering, Price and Payment Terms.**

(a) Supplier will not deliver any Products to, or perform any Services for, Company, or incur any expenses related thereto, except as specified in a Purchase Order issued by Company and received by Supplier. Subject to the terms of this Agreement, Company will pay the full price listed in the Purchase Order for each type and quantity of the Products/Services. Supplier will invoice Company for the Products/Services no later than thirty (30) days after the date that Supplier ships the Products to Company and/or completes the Services for Company, as applicable, and Supplier hereby agrees to waive payment of any invoice submitted later than ninety (90) days after such shipment and/or completion, as applicable. Each invoice will contain, at a minimum: (i) the Company Purchase Order number, (ii) a description of the Products/Services delivered and/or performed,

including serial numbers (if applicable), and related expenses, if any, (iii) quantity and unit price(s), (iv) Supplier's name and invoice date, (v) name (where applicable), title, phone number, and complete mailing address and remit address of responsible person at Supplier, (vi) wire transfer or ACH instructions (if applicable), and (vii) such other documentation or information as Company may request from time to time. Each invoice shall be submitted as directed by Company in the Purchase Order. Nothing in this Agreement obligates Company to purchase any minimum amount of Products/Services from Supplier.

(b) Subject to the terms of this Agreement, valid and undisputed invoices are due and payable (i) within sixty (60) days after Company's receipt for payments made by ACH and (ii) within seventy-five (75) days after Company's receipt for payments made by check. Company will be entitled to any prompt payment discounts agreed upon by Company and Supplier in writing for any invoice paid within such sixty (60) days. If Company accepts Products delivered more than five (5) business days prior to any delivery date specified in the Purchase Order, the time period for payment and discounts will not commence for those Products until the later of Company's receipt of Supplier's invoice for such Products or the specified delivery date. Payment will not constitute acceptance of Products/Services, or impair Company's right to inspect. If Supplier fails to fulfill any of Supplier's obligations under this Agreement, Company may suspend or withhold payment to Supplier. The purchase price of the Products/Services is subject to set-off against any credits, refunds or claims of any kind claimed or asserted by Company related to any Purchase Order or agreement. Except for taxes pursuant to Section 4 (Taxes) below, charges not previously agreed upon will not be payable by Company.

3. **Changes.** Company may make changes within the general scope of the Purchase Order upon written notice to Supplier. Supplier will notify Company in writing within five (5) days after receipt of such notice if the change will affect the delivery schedule or price. Company is not responsible for additional charge(s) unless authorized in advance by Company in writing by a duly authorized Company representative. Supplier agrees that it will make no changes or modifications to specifications, designs, materials, processes, procedures, facilities, validations or subcontractors that affect Products supplied to Company and/or affect Services provided to Company without prior written approval of Company.

4. **Taxes.** Company shall pay or reimburse Supplier for sales, use, excise or similar transaction taxes imposed on the sale of Products/Services to Company under this Agreement, to the extent such taxes are statutorily imposed on Company. In lieu thereof, and if applicable, Company will provide Supplier with a tax exempt number or, at Supplier's request, a tax exemption certificate acceptable to the taxing authority. Company shall not pay or reimburse Supplier for any taxes imposed on Supplier's income, capital, net worth or property, nor any employment-related taxes on Supplier or Supplier Personnel. Any taxes to be paid by Company will be separately stated on Supplier's invoice, with identification of the type of tax, the applicable tax rate, the amount of tax charged and the taxing authorities, and shall be in a form that meets local tax requirements to ensure deductibility and tax recovery. If Supplier receives a refund of any taxes included in a Purchase Order, or otherwise collected from Company by Supplier, Supplier shall promptly pay Company the amount of the refund, including any interest.

5. **Packaging of Products.** Supplier, at Supplier's expense, will package and prepare the Products for shipment to Company in accordance with sound commercial practices. Supplier will enclose with each shipment a complete packing list, including: (i) Company's Purchase Order number, (ii) part number(s), (iii) quantity shipped and (iv) the remaining quantity to be shipped, if applicable. Supplier will mark the containers or packages with country of origin, necessary lifting, loading, special handling (including without limitation for items that are fragile or require temperature control) and shipping information, Company's Purchase Order number, part number(s), dates of shipment and names and addresses of consignor and consignee, if applicable. The Bill of Lading number and weight of shipment will be shown for shipment on all Bills of Lading. Supplier shall be responsible for any loss or damage due to Supplier's failure to package and prepare the Products in accordance with this Section 5. Company shall not be required to assert any claims for such loss or damage against the common carrier involved.

6. **Delivery.** Supplier will deliver the Products to Company, F.O.B. destination, as designated by Company (unless otherwise specified in a specific Purchase Order, which shall only apply to such Purchase Order), in one (1) or more installments by the delivery date specified in the Purchase Order.

7. **Variation in Quantity.** Except as approved in writing by Company, if Supplier delivers fewer or more Products than Company orders, or if the Products are delivered by Supplier to Company more than five (5) business days after any delivery date specified in the Purchase Order, those Products need not be accepted by Company. Accordingly, Company may receive, hold and return such Products to Supplier at Supplier's sole risk and expense.

8. **Inspection and Acceptance.** Company may, but need not, inspect the Products within ninety (90) days after actual receipt. Acceptance of the Products is based on Company's standard test procedures for such Products. Rejected Products may, at Company's option, either be returned or held for Supplier's instructions. Inspection, reshipment and return costs incurred with respect to such rejected Products will be borne by Supplier. Unless Company directs, Supplier will not replace returned Products.

Company will have ninety (90) days from completion of the Services to either (i) notify Supplier in writing of Company's acceptance of the completed Services, or (ii) notify Supplier in writing specifying Company's rejection of the completed Services and Company's reasons therefor. At Company's option, Supplier will promptly rectify the rejected Services.

Notwithstanding the foregoing, any acceptance of Products/Services is subject to compliance of the Products/Services with the terms of this Agreement, including, without limitation, compliance with Section 10 (Warranties) below.

9. **Cancellation.** A Purchase Order may be cancelled, in whole or in part, by Company (i) in the case of Products, at no charge, upon written notice to Supplier at least thirty (30) days prior to the scheduled delivery date specified or confirmed by Company, (ii) in the case of Services, at no charge, upon written notice to Supplier at least ten (10) days prior to the date Services are scheduled to be rendered/performed, as specified or confirmed by Company, (iii) upon written notice to Supplier if the Products or Services are not delivered on or before the delivery date specified or confirmed by Company, (iv) upon written notice to Supplier if Supplier fails to comply with any Applicable Law, or if Company reasonably believes that Supplier has failed to do so, or (v) if Supplier fails to procure and maintain the insurance required by this Agreement. Any Products delivered to Company pursuant to such cancelled Purchase Order may be received, held and returned to Supplier at Supplier's risk and expense. If Company agrees to accept deliveries after the specified delivery date, Company may direct Supplier to make shipment to the destination designated by Company by the most expeditious means available at Supplier's sole expense. Upon receipt of a cancellation notice from Company, Supplier will immediately stop performing all work related to the Services under the applicable Purchase Order (unless Company directs Supplier to continue work until a specified date), and Company will have no further liability to Supplier other than to pay Supplier the pro rata amount of the amount set forth on the Purchase Order for Services completed on or prior to the cancellation date, and accepted by Company. Notwithstanding any expiration, termination or cancellation of this Agreement or any Purchase Order, Company shall have the right to continue to use the Products supplied by Supplier prior to the cancellation date.

10. **Warranties.** Supplier expressly represents and warrants to Company as follows:

(a) For a period of one (1) year from Company's receipt of the Products, unless another period is specified in a specific Purchase Order (which such period shall apply only to such Purchase Order), each unit of the Products will (i) be in good working order, free from defects in design, materials, construction and workmanship, (ii) conform with the descriptions and specifications for that Product, and (iii) be merchantable and fit for the purposes expressed in or reasonably inferable from the specifications or other descriptions of the Products, which are referred to and incorporated herein by reference. At Company's option, Supplier will, at Supplier's sole expense, repair or replace, or refund the purchase price paid by Company for, any Product that does not conform to this warranty.

(b) Supplier shall perform the Services, or shall ensure that the Services are performed, with due skill and care, in a professional manner, by sufficiently qualified and trained staff. Supplier shall be fully liable for any and all third parties with which Supplier has contracted in connection with the Services. The Services, and all Deliverables furnished in connection with the Services, will be of good quality, be developed using proper materials and be free from defects in design, materials, construction and workmanship for a period ending one (1) year from the date of acceptance, unless another period is specified in a specific Purchase Order (which such period shall apply only to such Purchase Order). At Company's option, Supplier will either (i) at Supplier's sole expense, (A) correct all Services performed by Supplier or at Supplier's direction, and replace or repair all Deliverables furnished by Supplier, which are found to be defective in design, materials, construction or workmanship, and (B) be responsible for any damage to the Services and/or Deliverables that may occur during the removal, replacement or repair of Deliverables in connection with clause (A); or (ii) refund the purchase price paid by Company for any Services and/or Deliverables that do not conform to this warranty.

(c) The Products/Services will be free from any and all security interests or other liens and encumbrances, restrictions, settlements, judgments or adverse claims.

(d) The Products will comply with, and be manufactured, assembled, packaged, transported, priced, advertised, branded, invoiced, sold and labeled in compliance with, all Applicable Law, and all information regarding the Products provided by or on behalf of Supplier to Company, including all weights, measures, sizes, legends or descriptions printed, stamped, attached or otherwise indicated with regard to the Products, will be true and correct.

(e) The Products will be genuine and are not counterfeit, adulterated, misbranded or falsely labeled.

(f) The Products/Services will be provided with, and be accompanied by all information and instructions necessary for proper and safe use. Where applicable, Supplier will provide Company with a current, complete and accurate Safety Data Sheet (SDS), or similar applicable product safety sheet(s), for the Products.

(g) Supplier, Supplier Personnel, any person under Supplier's direction or control and the Services are in compliance with, and will maintain compliance with, all Applicable Law. Supplier has adopted and implemented appropriate and effective policies to ensure compliance with Applicable Law. If Supplier believes there is any violation of Applicable Law, Supplier shall immediately inform Company in writing of the violation.

(h) Without limiting the foregoing provisions of Section 10(g), Supplier represents, warrants and covenants that it and Supplier Personnel shall abide by and comply with the requirements of this Section 10(h) and that: (i) each of them is in compliance with Applicable Law and Company policies, procedures and/or guidelines with respect to human rights; (ii) Supplier provides, and will continue to provide, training to Supplier Personnel regarding compliance with Applicable Law regarding human rights; and (iii) none of the following, or other, human rights violations was or will be involved, in whole or in part, in the production or manufacture of the Products or provision of Services, provided or to be provided to Company, or otherwise in the performance of the Agreement and business of Supplier and Supplier Personnel: forced labor, involuntary labor, child labor, human trafficking. Supplier agrees to insert the substance of this Section 10(h), including this sentence, in any sub-tier subcontract.

(i) Supplier represents, warrants and covenants that it shall employ appropriate, reasonable and up-to-date technical, administrative, physical and operational security measures and policies, which binds Supplier and all Supplier Personnel, that are in compliance with Applicable Law and that protect the Confidential Information from a Security Incident. Supplier may satisfy this obligation by implementing practices that equal or exceed the practices identified by the National Institute of Standards and Technology ("NIST"), the International Organization for Standardization/International Electrotechnical Commission ("ISO/IEC") 27000 series or a comparable industry standard, and include: (1) physical security standards, (2) measures such as anti-virus software, patches and other protections designed to secure Supplier's environment from known vulnerabilities, (3) access, identification and authentication controls, and (4) the use of encryption to protect Confidential Information in transit and Confidential Information at rest. Supplier shall also ensure that all Supplier Personnel receive appropriate training on Applicable Law, information security and data protection, and if requested by Company shall promptly

confirm in writing that such training has taken place. Supplier will take all reasonable steps to minimize the amount of and the types of Personal Information collected so that Personal Information is only requested, collected and accessed as necessary to fulfill the obligations under the Agreement, consistent with the NIST Privacy Framework best practices.

(j) If providing the Products/Services involves the use, handling, maintaining, removal, transport, disposal of, or other action related to, hazardous materials, Supplier will be responsible for such actions. Supplier will manage and dispose of any and all hazardous materials in a safe and workmanlike manner, consistent with accepted industry standards and practices and, in accordance with Applicable Law. Supplier will be responsible for the provision, maintenance, and updating of, any permits or licenses required and related to hazardous materials.

(k) Supplier has, or will obtain, all the rights and licenses in the Products necessary to allow Company to use, market, license and/or resell such Products without restriction or additional charge. All required licenses in relation to the Products are, and shall remain, valid and in place, the scope of such licenses shall properly cover the intended use of the Products, and all such licenses shall include the right to transfer and the right to grant sublicenses. The Products/Services do not violate, infringe or misappropriate any third party's Intellectual Property rights and there are no claims or suits threatened, pending or contemplated against Supplier (or to the knowledge of Supplier against the manufacturer of any Product if Supplier is not the manufacturer of the Product), for infringement or misappropriation of any Intellectual Property rights occurring anywhere throughout the world and relating to the Products/Services.

(l) If any Products are the subject of a Recall, Supplier shall be responsible for all matters, costs, and expenses associated with the Recall, including, but not limited to: (i) consumer notification and contact, (ii) all expenses and losses incurred by Company in connection with such Recall (and where applicable, any products with which the Recalled Products have been packaged, consolidated or commingled), including but not limited to refunds to customers, lost profits, transportation costs, the cost to Company of Company's associates' time, system expenses in processing any Recall, and all other costs associated therewith, and (iii) initial contact and reporting of the Recall to any government entity having jurisdiction over the Recalled Products. Supplier shall promptly, and in no event later than twenty-four (24) hours after Supplier's decision to initiate a Recall or Supplier's receipt of a Recall notice from a government entity, inform Company of the Recall. Supplier shall promptly inform Company of Supplier becoming aware of any defect in the Products, including any defect that could reasonably be expected to cause damage, illness, injury or death to humans, animals, or property, or the noncompliance of the Products with any Applicable Law, whether identified by Supplier, a government entity or by Company. If a government entity initiates any inquiry or investigation related to the Products or similar or related products of Supplier, Supplier shall notify Company immediately thereof (providing the Purchase Order number and sufficient detail) and take reasonable steps to resolve the matter without exposing Company to any liability or risk.

(m) None of the terms (including, without limitation, pricing) offered to any entity or person with respect to the Products/Services provided, or to be provided, by Supplier in connection with a Purchase Order, is or will be more favorable to such entity or person than those offered and/or provided by Supplier to Company with respect to such Products/Services. If, contrary to the preceding sentence, Supplier has offered or provided terms to another entity or person which are more favorable than those offered or provided to Supplier with respect to such Products/Services, these Terms and Conditions shall be, without any further action by Supplier or Company, deemed amended and modified so that Company shall receive the benefit of the more favorable terms. Notwithstanding the foregoing, Supplier agrees, at its expense, to take such other actions (such as entering into amendments to these Terms and Conditions, and adjusting pricing and rebates retroactively and prospectively) as Company may reasonably request to further effectuate the intent of this Section 10(m). Company has the right to conduct periodic audits of Supplier's books and records, as contemplated in Section 10(n) below, to confirm Supplier's compliance with the provisions of this Section 10(m).

(n) Company may conduct, or have a third party conduct, upon reasonable written notice to Supplier, in a non-disruptive manner, and at Company's cost and expense, audits and inspections to confirm Supplier's compliance with the terms of this Agreement. Supplier shall fully cooperate in a timely manner, with any request from Company for information, including

without limitation, in the form of audits, inspections, surveys, forms or certifications, in connection with Applicable Law and Company policies, procedures and/or guidelines. Such audits, inspections, surveys, forms or certifications, may include, at Company's sole discretion, and the sole cost and expense: (1) an onsite visit, (2) completing Company's information gathering questionnaire, (3) one (1) or more vendor security posture assessments, including, without limitation, penetration tests and vulnerability scans conducted by a third party on behalf of Supplier, and/or (4) a report (no more than one (1) year old unless otherwise specified by Company) by an independent, reputable third party audit firm that describes Supplier's security and control policies and procedures. The requirements of sub-section (4) above may be satisfied by an SSAE 18 Type II Report (as described in the then-current Statement on Standards for Attestation Engagements No. 18, Reporting on Controls at a Service Organization, of the American Institute of Certified Public Accountants) ("SSAE 18") or any successor report. Supplier represents, warrants and agrees that all information provided to Company or Company's designee in connection with such requests shall be accurate and complete, and that any changes affecting such information shall be promptly reported to Company in sufficient detail. Supplier shall not make any false or misleading representations in connection with any Company transaction including, but not limited to, oral misrepresentations of fact, the promotion or utilization of false documentation such as non-genuine customer purchase orders, fraudulent or forged documents, forged letters of destruction and/or other false, misleading or inaccurate records. In the event a material breach or any wrongdoing is found, Supplier shall reimburse Company for the fees, costs and expenses associated with the request, audit or inspection.

#### **11. Confidentiality, Privacy, and Data Protection Obligations.**

(a) Supplier acknowledges that, in connection with Supplier's activities under this Agreement, Supplier may have access to Confidential Information (which includes Personal Information). All Confidential Information constitutes valuable and unique assets of Company's business. Supplier shall have in place appropriate, reasonable and up-to-date technical, administrative, physical and operational security measures and policies, which bind all Supplier Personnel, to protect the security, confidentiality and integrity of Confidential Information. Supplier shall protect, and will ensure Supplier Personnel protect, Confidential Information to prevent the loss of, theft of, misuse of, damage to or unauthorized Processing of Confidential Information. Supplier may disclose Confidential Information only to those Supplier Personnel who have a need to know the Confidential Information and who are under an obligation of confidentiality at least as restrictive as that contained herein. Supplier will ensure that each such recipient of Confidential Information will be advised of Supplier's confidentiality obligations under this Agreement. Supplier agrees that Supplier will not disclose, and will ensure Supplier Personnel do not disclose, any Confidential Information to any entity or person that is not expressly permitted to receive Confidential Information, as expressly set forth in this Agreement. If the disclosure of Confidential Information is required by law, Supplier will provide Company with prompt written notice of such requirement prior to disclosure so that Company has an opportunity to seek an appropriate protective order or procedure if Company elects to do so, and Supplier shall reasonably assist Company therewith. Supplier agrees that Confidential Information may be Processed only as necessary in connection with Supplier's responsibilities and obligations under this Agreement and for no other purpose, except as expressly set forth herein. Supplier agrees that Supplier will not Process the Confidential Information to the detriment of Company or for Supplier's own benefit or for the benefit of any third party, including any other entity or person with which Supplier may be associated.

(b) Supplier agrees that Supplier will ensure that any Personal Information received from Company will only be disclosed to Supplier Personnel that have the same level (or higher) of data security protection. Supplier shall only disclose Personal Information to Supplier Personnel if Supplier and the Supplier Personnel are parties to a written contract binding the Supplier Personnel to observe all the requirements set forth in this Section. Supplier agrees that Supplier will ensure that Personal Information is not further disclosed by Supplier Personnel unless the recipient is bound, pursuant to a written contract, to observe all the requirements set forth in this Section. Supplier understands, agrees and certifies that: (1) Supplier shall not "Sell" or "Share" (as defined by Applicable Law) any Personal Information, (2) Supplier shall not retain, use or disclose Personal Information for any purpose other than the limited and specific purpose of providing the Products/Services under this Agreement, and shall not retain, use or disclose Personal Information for a commercial purpose, (3) Supplier shall not retain, use or disclose Personal Information outside of the direct business relationship between Supplier and Company, and (4)



Supplier shall not combine Personal Information with personal information which Supplier receives from or on behalf of another person or persons, or collects from its own interaction with an individual. The limited and specific purpose(s) for which Supplier, acting as a “Service Provider” (as defined by Applicable Law) hereunder, is allowed to process Personal Information under this Agreement include the following permitted purposes: (1) communicating with Company or Company personnel with regard to this Agreement or the Products/Services, (2) verifying Company or customer information in order to provide the Products/Services, (3) providing customer service related to this Agreement, (4) processing the Personal Information of Company personnel who are administering this Agreement in order to perform Supplier’s obligations under this Agreement, and (5) performing Services on behalf of Company, including maintaining or servicing accounts, processing or fulfilling orders and transactions, processing payments, and providing financing, analytic services, storage, or similar services on behalf of Company. If Supplier processes Personal Information for any other reason, or Processes the Personal Information of any individual who is not administering this Agreement, Company shall require a separate written Agreement to be executed between the parties before the processing of Personal Information can commence. Supplier agrees to cooperate with and provide all reasonable and timely assistance to Company to enable Company to respond to any verifiable request from an individual to exercise any of his or her rights under Applicable Law (including rights of access, correction, objection, deletion and data portability, as applicable), and any other request, correspondence, inquiry or complaint. Supplier further agrees to notify all Supplier Personnel of any such verifiable request, and to comply, and ensure that all Supplier Personnel comply, with any such verifiable request.

(c) Immediately following expiration, cancellation or termination of this Agreement for any reason whatsoever, or upon Company’s request, Supplier shall promptly return to Company, delete and/or destroy all Confidential Information in Supplier’s possession or under Supplier’s control, which shall include the deletion of all Confidential Information in any medium, including from any computers or other electronic memory devices, and promptly certify in writing such return, deletion and/or destruction. Obligations regarding Confidential Information will survive expiration, cancellation or termination of this Agreement or any Purchase Order and continue in full force and effect.

(d) In the event of a Security Incident, Supplier shall: (1) notify Company (A) immediately (but in no event more than twenty-four (24) hours) after becoming aware of the Security Incident, and (B) in a manner consistent with measures to promptly determine the scope of the Security Incident and prevent further breach of the security, confidentiality and integrity of the applicable Confidential Information (i) by contacting Company’s account manager by phone and email, and (ii) by providing written notice to Canon U.S.A., Inc., One Canon Park, Melville, NY 11747, Attention: Senior Vice President, Legal Division; (2) at the sole cost and expense of Supplier, in full cooperation with Company, subject to Company’s sole control and discretion, and with Company’s prior written approval, (A) issue any disclosures and notifications to affected parties, (B) on Company’s behalf, report the Security Incident to the appropriate governmental agency or regulatory authority, as required under Applicable Law, and (C) effect any other remedial measures and/or actions as requested by Company and/or as required under Applicable Law; (3) provide Company with periodic and regular updates following the occurrence of the Security Incident at four (4)-hour intervals (or at other mutually agreed upon intervals or times); and (4) provide to Company logs and other pertinent records of the Security Incident for Company’s use in reporting activity that appears to violate any Applicable Law.

(e) In connection with the activities hereunder, Supplier understands that Company does not wish to receive from Supplier any information that may be considered confidential and proprietary to Supplier and/or to any third party, and Company shall have no obligation, either express or implied, with respect to any information disclosed by Supplier. Supplier represents and warrants that any information disclosed hereunder to Company by Supplier is not confidential and/or proprietary to Supplier and/or to any third party.

(f) Supplier agrees to notify Company, within five (5) days, in writing, if Supplier can no longer meet Supplier’s obligations under the Applicable Law (which includes the California Privacy Rights Act of 2020), or otherwise comply with the data privacy and data protection obligations set forth herein. Company may audit or test Supplier’s systems, and any Supplier

Personnel's systems, to ensure that Personal Information is used only for the limited and specific purpose as stated in this Agreement and the applicable written contract. Company has the right, upon notice, to take reasonable and appropriate steps to stop and remediate any unauthorized use of Company's Confidential Information (including Personal Information).

**12. Subcontractors.** Supplier acknowledges and agrees that Supplier will not subcontract any part of the delivery of the Products, or subcontract the performance of any Services, to any third party without the prior written consent of Company. Supplier agrees that (a) there will be no interruption in the supply of Products, or the performance of Services, as a result of use of a Subcontractor, (b) Supplier shall be fully responsible to Company for the performance of Supplier Personnel, without limiting a Subcontractor's or other party's responsibility, (c) Supplier will not cause or permit any lien to be placed on any property of Company, Canon Entities, Company's customers, or Supplier, which is the subject of this Agreement, and (d) Supplier shall impose on its Subcontractors the same obligations imposed on Supplier under this Agreement, including without limitation, obligations relating to compliance with Applicable Law, confidentiality, data protection, data privacy, indemnification and insurance.

13. **Indemnity.** Supplier will defend, indemnify and hold harmless the Canon Indemnified Parties from and against any and all Claims incurred by, or asserted against, any of the Canon Indemnified Parties on account of, or arising out of (a) any breach or alleged breach of any representation or warranty in this Agreement or breach of any confidentiality obligations in this Agreement, (b) personal injury, bodily injury, death or property loss or damage arising out of an act or omission of Supplier or Supplier Personnel, (c) any claim, demand or action instituted by Supplier or Supplier Personnel under workers' compensation or similar laws or regulations, or (d) the sale, distribution or use of Products/Services purchased from Supplier. Supplier shall promptly notify Company of the assertion, filing or service of any Claim that is or may be covered by this indemnity and immediately take such action as may be necessary or appropriate to protect the interests of the Canon Indemnified Parties. In the event Company receives written notice of any such Claim against the Canon Indemnified Parties, Company shall promptly notify Supplier of such Claim. If Supplier assumes defense of such Claim without reservation of rights, Company shall provide Supplier with the authority, reasonably available information and reasonable cooperation (at Supplier's expense) necessary to defend. Should Supplier not diligently pursue resolution of such Claim or fail to provide Company with reasonable assurance that Supplier will diligently pursue resolution, then Company may, without limiting Company's other rights and remedies, defend the Claim and collect all costs of doing so from Supplier. Any settlement or compromise Supplier desires to enter into will be subject to Company's prior written approval. Company and any other Canon Indemnified Party may, in its sole discretion, participate in the defense of such Claim. In the event of a claim of infringement of a third party's Intellectual Property, Supplier's obligation, at Supplier's sole expense, will be to either (at Company's option) (i) obtain a license for the applicable Canon Indemnified Parties to continue the sale, distribution or use of the infringing Product or Service, or (ii) modify or replace the infringing Product or Service with a non-infringing Product or Service which conforms to the specifications for the infringing Product or Service, or (iii) if neither (i) nor (ii) is practicable, promptly refund the purchase price paid by Company for such infringing Product or Service. Notwithstanding the preceding sentence, nothing contained in this Section 13 shall relieve Supplier of its obligation to defend and/or indemnify the Canon Indemnified Parties in connection with any Claim of infringement.

14. **Limitation of Liability; Damages Disclaimer.** To the maximum extent allowed under Applicable Law, in no event will the liability of the Canon Indemnified Parties under this Agreement or any Purchase Order, whether in contract, tort, or statute, including negligence, exceed, in the aggregate, the total fees paid by Company to Supplier for Products/Services with respect to the Purchase Order related to the subject of the claim during the twelve (12) month period preceding the event giving rise to the claim. To the maximum extent allowed under Applicable Law, in no event will any one of the Canon Indemnified Parties be liable for any special, punitive, exemplary, indirect, consequential or incidental damages arising out of this Agreement or any Purchase Order (including, but not limited to, loss of use, data or profits, or business interruption), whether or not such party has been advised of the possibility of such damages, and notwithstanding any failure of essential purpose of any limited remedy.

15. **Equal Employment Opportunity and Affirmative Action.** Supplier agrees that, as applicable, it and its subcontractors will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Supplier also agrees that, as applicable, it and its subcontractors will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), as well as any and all applicable federal, state and local government equal employment opportunity and affirmative action laws, including any and all applicable statutes, rules, regulations, ordinances and other guidelines.

16. **Company's Intellectual Property.** Company's Intellectual Property (which, for purposes of this Agreement, includes the Intellectual Property of the Canon Entities) is and shall remain Company's sole and exclusive property, or the sole and exclusive property of the applicable Canon Entity, as applicable. Supplier acknowledges that Supplier has not been granted and has not acquired, and agrees that Supplier shall not be granted or acquire, any right, title or interest in any of Company's Intellectual Property. Any and all goodwill and rights under trademark and copyright law, and all other Intellectual Property rights, that arise in connection with Company's Intellectual Property as a result of this Agreement or otherwise, shall inure to the sole and exclusive benefit of Company or, as the case may be, the applicable Canon Entity. Supplier may reproduce and use Company's Intellectual Property solely as specified by Company, in writing, and as necessary to carry out Supplier's obligations under this Agreement. Supplier shall reproduce Company's Intellectual Property exactly as supplied hereunder, although size may be adjusted as appropriate. Supplier may not authorize, license, reproduce, loan or permit any exhibition, access to or other exploitation of Company's Intellectual Property, other than as expressly authorized herein, without the prior written consent of Company, and Supplier shall strictly safeguard all of Company's Intellectual Property in order to comply with the foregoing. Company makes no representations or warranties other than that Company has sufficient rights in Company's Intellectual Property to authorize Supplier to reproduce and use them as permitted herein. Unless Company requests the immediate return of Company's Intellectual Property, Supplier shall destroy or delete Company's Intellectual Property and provide Company with a certificate of destruction.

17. **TIME IS OF THE ESSENCE TO THIS AGREEMENT.** All Products will be furnished and all Services rendered by the time or times specified by Company. In the event that Supplier anticipates or should reasonably anticipate any difficulty in complying with any deadlines for delivery, or with respect to any of its other obligations under this Agreement, Supplier shall promptly notify Company in writing.

18. **Relationship of the Parties.** Supplier shall at all times be an independent contractor and shall retain control over Supplier Personnel. Nothing in this Agreement shall make, or be deemed to create, a partnership, agency, legal representative, joint venture or landlord-tenant relationship for any purpose whatsoever, nor does this Agreement give either party any authority to represent, or incur any liabilities or obligations on behalf of, or in the name of, the other.

19. **Assignment.** This Agreement may not be assigned by Supplier without the prior written consent of Company.

20. **Notices.** All notices hereunder shall be in writing and shall be deemed to have been given (a) on the day of delivery when delivered personally, (b) five (5) business days after the date on which mailed by United States registered or certified mail, postage prepaid, return receipt requested, or (c) one (1) business day immediately following the day on which notice is sent by nationally-recognized and traceable overnight courier. Unless otherwise specifically provided for herein, or notified otherwise by the recipient, notices must be addressed to the recipient as follows: (i) if to Company, to: Canon U.S.A., Inc., One Canon Park, Melville, NY 11747, Attn: Manager, Procurement Administration, with a copy to Canon U.S.A., Inc., One Canon Park, Melville, NY 11747, Attn: Senior Vice President, Legal Division, and (ii) if to Supplier, to Supplier's last address

known to Company.

21. **Insurance Requirements.** Supplier is responsible for obtaining and/or maintaining in force adequate insurance covering (i) the Products while being transported to Company and until risk of loss has passed to Company, and (ii) the Services to be performed and Supplier's other contractual obligations under this Agreement, which such insurance shall cover all Subcontractors and which such insurance shall meet or exceed the requirements set forth on Attachment 1 hereto, which are incorporated herein by reference. The requirements set forth herein and on Attachment 1 are minimum requirements, and Company (in Company's sole discretion) may specify greater or additional requirements. Supplier will maintain, and provide to Company upon request, a Certificate of Insurance and endorsements, that meet or exceed the requirements set forth on Attachment 1 hereto. Title to, and risk of loss of, the Products will pass to Company upon Company's actual receipt; provided, however, that if the Products, or tender of delivery of the Products, so fails to conform with this Agreement so as to give Company a right of rejection, or if Company rightfully revokes its acceptance, risk of loss of and title to the Products will be deemed to remain with Supplier.

22. **Governing Law.** This Agreement, and any dispute, claim or controversy between the parties arising out of or related to this Agreement, will be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of laws rules. Supplier (i) agrees that any litigation, action or proceeding relating to this Agreement must be instituted in any state or federal court located in Suffolk County, New York, and (ii) waives any objection that Supplier might have with respect to jurisdiction, venue or forum. Nothing in this Section will affect Company's right to serve process in any other manner permitted by law or to proceed against Supplier in any other court in which Supplier is subject to suit. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

23. **Severability; Headings.** If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality and enforceability of the remaining terms and provisions will not be affected or impaired. The headings and titles of the provisions of this Agreement are inserted for convenience only and will not affect the construction or interpretation of any provision.

24. **Miscellaneous.**

(a) Supplier agrees that Supplier will not Process in any way or for any purpose, Company's Intellectual Property, name, photograph or other representations or material of Company or the Canon Entities in any advertising, promotion or publicity without obtaining Company's prior written approval, in each instance.

(b) No failure or delay on the part of Company in exercising any right or remedy under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right or remedy preclude any other or further exercise of any such right or remedy. Nothing contained in this Agreement or a Purchase Order shall be deemed a waiver of any representations, warranties or guarantees implied by Applicable Law. Acceptance of, or payment for, all or any part of the Products/Services furnished under this Agreement shall not be deemed a waiver of Company's right to cancel or return or reject all or any part thereof because of failure to conform to the Purchase Order or by reason of defects, latent or patent, or other breach of warranties, or to make any claim for damages, including manufacturing costs and loss of profits or other special damages. No provision of this Agreement may be waived except in a writing signed by the party granting such waiver. Company may seek injunctive relief to enforce Supplier's obligations under this Agreement, it being understood that damages for failure to comply with the obligations cannot be adequately measured, and that the granting of injunctive relief will be without prejudice to any other right or remedy which may accrue by reason of any breach of Supplier's obligations under this Agreement.

(c) Any provision of this Agreement or any Purchase Order that expressly, or by its nature, is reasonably intended to survive expiration, termination or cancellation, will survive expiration, termination or cancellation of this Agreement or such Purchase Order, including, without limitation provisions related to insurance, Confidential Information, Company's Intellectual Property, warranties, indemnity, audit rights, waiver, assignment and governing law.

## Attachment 1 to Supplier Terms and Conditions

### Insurance Requirements

Supplier and Supplier's subcontractors shall procure and/or maintain, until all of the obligations of Supplier and Supplier's Subcontractors have been discharged, including any warranty periods are satisfied, insurance against claims which may arise from or in connection with the Products or performance of the work/Services which is the subject of this Purchase Order. The insurance requirements herein are minimum requirements and in no way limit the liabilities of Supplier. Canon U.S.A., Inc. ("Company") in no way warrants that the minimum limits contained herein are sufficient to protect Supplier from liabilities that might arise out of the Products or performance of the work/Services under this Agreement by Supplier or Supplier Personnel, and Supplier is free to purchase additional insurance.

Insuring companies must be authorized to write insurance and conduct business in the state where the work/Services is to be performed, and certificates of such coverage shall be submitted prior to the start of any work.

1. Commercial General Liability on an occurrence basis using the most current form CG 00 01 or equivalent Including bodily injury, property damage including Personal Injury and Death
  - a. \$1,000,000 per occurrence
  - b. \$2,000,000 - aggregate
  
2. Workers' Compensation – Per jurisdictional requirements covering all employees and Subcontractors
  - a. Statutory limits
  - b. Employers Liability: \$1,000,000
  
3. Commercial Vehicle Insurance (if vehicles are used in the performance of the services contemplated)  
Coverage for Supplier vehicles whether owned, non-owned, leased or hired.  
Limits shall be not less than \$1,000,000 per occurrence - combined single limit
  
4. Network Security / Cyber: (if applicable to services contemplated)  
One Million Dollars (\$1,000,000)  
Including coverage including but not limited to:
  - Security and Privacy Liability
  - Regulatory Action
  - Event Management
  - Cyber Extortion
  - Media Content
  
5. Professional Liability Insurance/Errors and Omissions: (if applicable to services contemplated)  
Policies insuring against liability for errors and omissions covering the professional activities contemplated under this Agreement in an amount of not less than One Million Dollars (\$1,000,000) each claim

The foregoing insurance policies shall be on a primary and on a non-contributory basis to any other insurance which may be carried by Company, including completed operations.

With the exception of Workers' Compensation, Professional and Cyber Liability, the above-required policies shall name indemnitees as additional insured with a specific policy endorsement as follows:

Canon U.S.A., Inc. and any and all of their respective parents, partners, subsidiaries, members, affiliates, officers, directors, trustees, employees, agents, successors, assigns and representatives, are named as additional insured, as their interests may appear

The foregoing requirement for additional insured status may be met through the use of blanket endorsements when specified contract or agreement states as required by written contract.

Canon U.S.A., Inc. shall be an additional insured to the full limits of liability purchased by Supplier even if those limits of liability are in excess of those required by this Agreement.

Coverage provided by Supplier shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

Supplier shall be responsible for any deductibles, retentions and self-insured retentions on the above required policies.

Each of Supplier and insurance company agrees to waive its rights of subrogation against the Canon Indemnified Parties.

The policies shall contain a provision providing Company at least thirty (30) days' prior written notice of any change or cancellation or non-renewal of such insurance, and ten (10) days' prior written notice in the event of cancellation of Non Payment of Premium. If any insurance company refuses or is unable to provide the required notice, Supplier or its insurance broker shall notify Company of any cancellation, suspension, or non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect. Supplier shall provide evidence of replacement insurance coverage prior to the effective date of cancellation, non-renewal or change as described.

“Canon Indemnified Parties” means, collectively, Company and the Canon Entities, customers of Company and the Canon Entities, and the respective directors, officers, employees, consultants, contractors, subcontractors, suppliers, service providers, agents, successors and assigns of Company and each Canon Entity, and its cognate “Canon Indemnified Party” means any one of the Canon Indemnified Parties. “Canon Entities” means, collectively, the parent, subsidiaries and affiliates of Company or Company's parent, subsidiary or affiliate, and its cognate “Canon Entity” means any one of the Canon Entities.