



ARKANSAS ELECTRIC COOPERATIVES, INC.

Reliable · Affordable · Responsible

Effective October 12, 2018

STANDARD TERMS AND CONDITIONS FOR THE PURCHASE OF PARTS, GOODS, MATERIALS AND/OR EQUIPMENT, AND/OR SERVICES

These Standard Terms and Conditions (“Terms”) for the Purchase of Parts, Goods, Materials Equipment and/or Services incidental thereto (such parts, goods, materials, equipment, and/or incidental services collectively referred to as “Supplies”) apply to each purchase order issued by Arkansas Electric Cooperatives, Inc. (hereinafter referred to as “us,” “we” or “our”) that these Terms are attached or incorporated by reference thereto. By accepting a purchase order, these Terms become binding on the counterparty of such purchase order (such counterparty hereinafter referred to as “you” or “your”), without your signature if issued by us through our computer system or other electronic means and can be found at <https://aecc.com/aeci-terms-and-conditions/> (“Web Site”). These Terms may hereafter be revised, from time to time, by us, by posting revisions on the Web Site without notice to you, and such revisions shall be binding on both you and us upon posting. You agree that you will check the Web Site for any revisions to these Terms. No change, waiver or consent with respect to these Terms will be binding on us unless contained in a separate writing signed by a vice president of our company.

ARTICLE I FORMATION

1. Offer. These Terms, combined with any purchase order issued hereunder (such purchase order along with these Terms, hereinafter collectively referred to as “Purchase Terms”), is our offer and is limited to the terms and conditions reflected in the Purchase Terms. Our issuance of a purchase order is not an acceptance of any offer to sell or quotation you have provided to us.

2. Acceptance. Acceptance by you of our offer may be expressed, or implied from any conduct by you recognizing the existence of a contract pertaining to the subject matter of the Purchase Terms, including but not limited to any compliance by you with any term and/or condition of the Purchase Terms. Your acceptance of a purchase order will constitute your acceptance of the Purchase Terms. Any terms or conditions proposed in your acceptance of a purchase order that adds to, varies from or conflict with any of the Purchase Terms are deemed material and are hereby rejected. If a purchase order provided by us is deemed an acceptance of your prior offer, then our issuance of purchase order will constitute an acceptance of such offer subject to the express condition that you agree to the Purchase Terms that are additional to or different from any terms and conditions in your offer.

3. Entire Agreement. You acknowledge that except as otherwise provided in the Purchase Terms, a purchase order, together with these Terms, constitutes the entire agreement between us and you.

4. Conflict. In the event of a conflict between these Terms and a subsequently issued purchase order, these Terms shall control.

ARTICLE II PROVISION OF SUPPLIES

1. Strict Compliance. You will provide the quantities and quality of Supplies in strict compliance with any and all specifications and technical requirements contained in the Purchase Terms.

2. Adequate Assurance. We may, at any time, demand that you provide us adequate assurances of performance, which could include, but is not limited to the requirement to produce a limited number of the

Supplies for inspection. Any such demand by us will be in writing and will provide a reasonable amount of time for you to provide adequate assurance.

3. Warranties. In addition to any warranties specifically required in a purchase order, you warrant that the Supplies will be delivered:

- a. New and free from defects in material and workmanship, fully merchantable and of good quality;
- b. In conformity with any requirements concerning composition and design furnished by us to you and any other specifications, drawings, samples or descriptions furnished by either party and approved by us;
- c. In compliance with all applicable laws of the countries in which such Supplies have been manufactured or assembled or are to be used;
- d. Free from defects in design to the extent furnished by you or your subcontractors, even if the design has been approved by us; and
- e. In conformity with all other representations or warranties made by you or the manufacturer.

You further warrant that:

- a. You know of our intended use of the Supplies and all Supplies will be fit and sufficient for the particular purposes we intend;
- b. You have good title to all Supplies, free and clear of all liens and encumbrances, and will transfer such title to us;
- c. Any services included with the Supplies will be performed in a workmanlike and timely manner and will conform to the highest industry standards; and
- d. The sale and use of the Supplies will not infringe or violate any patent, trade secret, trademark, service mark, copyright or other intellectual property, right or entitlement of a third party in the United States, the country of manufacture of the Supplies or any other country where the Supplies are sold.

Your warranties will survive any delivery, acceptance or payment by us. Acceptance of all or any part of the Supplies will not be deemed to be a waiver of our right to cancel or return any Supplies or reject any services due to (i) failure to conform, (ii) discovery of latent or patent defects or a (iii) a breach of your warranties.

4. Estimates. We may provide estimates, forecasts or projections of our future volume or quantity requirements for the Supplies which are for informational and planning purposes only and are not binding on us. We make no representation, warranty, guaranty or commitment of any kind or nature, express or implied, regarding any volume projection.

5. Changes. We may change our order for the Supplies at any time without penalty, with written notice. Unless you promptly notify us in writing of an objection to any change, you will make all changes we request. You shall not make any changes without obtaining our written consent. You will promptly notify us in writing if (i) there is a proposed change in materials or manufacturing location with respect to the Supplies, (ii) any other change that can affect the form, fit or function of the Supplies, or (iii) a change that will significantly affect cost or time for performance. If you seek an adjustment in cost or time for performance, you will also provide substantiation thereof.

ARTICLE III OBLIGATION FOR PAYMENT

1. Purchase Orders. We will purchase Supplies under the terms and conditions of the Purchase Terms, provided, however, the specific commitment and obligation to purchase is subject to the issuance by us of a purchase order. We shall have no obligation to purchase any Supplies before such purchase order(s) is issued.

2. Price. The purchase order will show the applicable price(s), which, unless otherwise stated, will be in U.S. currency and will be inclusive of all value added tax, excise tax and other applicable taxes, duties, surcharges and other charges for transportation, packaging and storage. If we provide you with written

evidence that we are exempt from certain taxes that would otherwise be applicable to the transaction such taxes shall not be included in the applicable price(s).

3. Price Warranty. You warrant the prices you charge us for the Supplies are not less favorable than those you extend to any customer for like Supplies in equal or lower quantities. We will receive the benefit of (i) all discounts, rebates and incentives you customarily offer to your customers and (ii) your established price for any Supplies on the date of delivery, if lower than provided for in the purchase order. If the purchase order entitles us to a discount, the discount period will begin on the later of the date the invoice is received by us or the date we take delivery of the Supplies.

4. Responsibility. Unless otherwise provided in the Purchase Terms, we shall be the only company responsible for any obligations hereunder, including without limitation, payment obligations.

5. Payment. We will pay you within [30] days of timely delivery, [70%] of the applicable price stated in the purchase order. When we accept your Supplies in accordance with Article IV, Section 3, we will pay you the remaining purchase price not paid, less any amount (i) we are invoiced that we reasonably dispute, (ii) that is subject to an exception or setoff under this Article, or (iii) of any claim made by a third party against either us, or you, based upon any alleged failure of you to perform your obligations in accordance with the Purchase Terms. Payment for nonconforming Supplies will not constitute acceptance of them nor will it waive, limit or affect any of our rights.

6. Exceptions to Payment. Notwithstanding our payment obligations under this Article, we shall have no obligation to make any payment to you, of any kind, or for any purpose, including for delivery, while you are in default of the Purchase Terms, or for Supplies we do not accept. If acceptance is revoked pursuant to Article V below, we shall be entitled to recover any payments made to you if the revocation is based upon your failure to provide the Supplies in conformity with the specifications and technical requirements contained and described in the Purchase Terms.

7. Setoff. All amounts due to you from us will be considered net of your indebtedness to us, and our subsidiaries and affiliates. We may deduct such amount(s) from any amount we owe to you, without any other prior notice. Your acceptance of our final payment shall constitute a waiver of all claims by you against us in connection with the Purchase Terms.

ARTICLE IV DELIVERY AND RECEIPT OF SUPPLIES

1. Shipment. A packing slip will accompany each shipment of the Supplies. The Supplies must be packaged in a way as to prevent damage to the Supplies. If you fail to meet our delivery requirements, we may require you to utilize a more expeditious method of transportation. You will then, at our sole option, (i) promptly reimburse us the difference in cost between the more expeditious method and the original method, (ii) allow us to reduce payment of your invoices by such difference, or (iii) ship the Supplies as expeditiously as possible at your expense.

2. Delivery. The time, date, and location of delivery for the Supplies is of the essence, and shall be listed in the purchase order. If no delivery time and date are specified in the purchase order, a reasonable time and date shall be presumed. You are required to achieve 100% on-time delivery (during regular business hours). Whenever you have knowledge that delivery may be delayed, you will immediately give us notice. The time for delivery shall only be extended in a writing, signed by us, for reasonable delays due exclusively to causes beyond your control and without fault to you, including but not limited to acts of God, fires, strikes, and floods.

3. Our Acceptance. Acceptance of the Supplies shall be deemed to occur on the date when (i) the Supplies have been delivered and, (ii) in the reasonable and sole opinion of us, the Supplies conform to the specifications and technical requirements of the Purchase Terms. After both conditions occur, we will provide you with an electronic confirmation evidencing our acceptance. Acceptance of any part of an order will not bind us to accept future shipments nor deprive us of the right to reject and return Supplies already accepted.

4. Title/Risk of Loss. Title and risk of loss will remain with you until you have delivered the Supplies in a completed state, and we have inspected and accepted delivery at the location specified in the purchase order.

ARTICLE V NONCONFORMING SUPPLIES

You will deliver only Supplies that conform in all respects to the specifications and technical requirements contained within the Purchase Terms. Neither the acceptance of any Supplies by us, an electronic confirmation evidencing our acceptance, or payment, shall preclude the subsequent rejection or revocation of acceptance thereof if such Supplies are found to be defective or otherwise not in conformity with the specifications and technical requirements in the Purchase Terms. For a period of [3 years] from the date of a purchase order, and without first providing an opportunity to you to cure, we may repair or replace any nonconforming Supplies. In such event you shall pay to us the cost and expense thereof. However, at our discretion, you may be given the opportunity to repair or replace any nonconforming Supplies within [30 days] after notice in writing of the existence thereof, for a period of [3 years] from the date of the purchase order at your sole cost and expense. In the event of the failure by you to repair or replace the nonconforming Supplies within the stated time period, we may repair or replace such nonconforming Supplies, and in such event you shall pay to us the cost and expense thereof.

ARTICLE VI INSPECTION

We, or whomever we may appoint, may inspect the Supplies at any stage of manufacture, delivery and completion, and may reject the Supplies for defects revealed thereby. You shall provide reasonable assistance and cooperation as necessary to permit us to inspect the Supplies to ensure conformity with the specifications and technical requirements in the Purchase Terms. If during the inspection the Supplies are found to be nonconforming, you shall re-work, replace or otherwise remedy the nonconformity within the existing deadline established in the Purchase Terms. You will bear the sole risk of loss and expense associated with the re-work, replacement or remedying the Supplies into conformity.

ARTICLE VII TERMINATION

1. For Cause. We reserve the right to cancel all or any part of the Purchase Terms, effective on the date specified in our written notice of termination, without liability, if you:

- a. Repudiate or breach any part of the Purchase Terms;
- b. Fail to provide adequate assurances of performance as requested, and within the time period required by us;
- c. Exceed any scheduled performance date, including but not limited to the delivery date;
- d. Fail to provide the Supplies in conformity with the specifications and technical requirements in the Purchase Terms;
- e. Experience a:
 - i. Change of control or a sale of a substantial portion of your assets or become insolvent;
 - ii. Bankruptcy; or
 - iii. General assignment for the benefit of creditors, or a receiver is appointed for you; or

- f. Fail to perform as otherwise specified by us, or the Purchase Terms.

For any termination occurring under Article VII, Section 1.e, we may take possession of the Supplies at whatever stage of completion they may be, immediately obtain custody of all Proprietary Information, and contract with or employ any other person(s) to finish such Supplies. In any event of a termination under Article VII, Section 1, you will be liable for all direct, incidental and consequential losses, costs and expenses incurred by us (including reasonable fees of attorneys and other professionals) relating to the cause for termination. We, in turn, we will pay you, subject to any claims we have hereunder, for any unpaid Supplies previously delivered and accepted that fully conform to the requirements of the Purchase Terms, and any undelivered finished or unfinished Supplies we choose to take possession of, in our sole discretion. Should we terminate all or any part of the Purchase Terms for cause, we shall have no obligation to make any payment to you of any kind, or to provide to you any restitution of any alleged damages related to your assertion that you have detrimentally relied upon the Purchase Terms.

2. For Convenience. Because of the commitments we have to our members, you may not terminate all, or any part of the Purchase Terms, at your option. In addition to any other rights we have to cancel or terminate the Purchase Terms, we may at our option immediately terminate all or any part of the Purchase Terms at any time and with or without any reason, effective on the date specified in our written notice. Upon such termination for convenience, we will pay you the following amounts without duplication: (i) the price for all Supplies that have been completed in conformity with a purchase order, accepted by us, and not previously paid for; and (ii) the actual cost (without mark-up or profit) of any work-in-process, parts and/or materials, incurred by you in furnishing Supplies; less, the reasonable value or cost (whichever is higher) of any Supplies, work-in-progress, parts, and/or materials capable of being used or sold by you. Payments made under this Article VII, Section 2 will not exceed the aggregate price we would have paid for finished Supplies. Except as provided in this Article VII, Section 2, we will not be liable for, directly or on account of claims by your subcontractors, loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs and general and administrative burden charges from termination of any order.

You will furnish us, within thirty (30) days after the effective date of any termination under this Article VII, Section 2, your termination claim, if applicable. Your claim must include sufficient supporting data to permit us to verify and substantiate the claim. We may audit your records, before or subsequent to payment, to verify amounts requested in your termination claim.

ARTICLE VIII LIMITATION OF LIABILITY

Under no circumstances will we or our members, affiliates, subsidiaries, customers, directors, officers, employees and agents be liable for:

- a. Consequential, incidental, indirect, special, punitive or similar damages, whether foreseeable or not, including but not limited to directly or on account of claims by your subcontractors, loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, and general and administrative burden charges from termination of any order.
- b. Attorney fees;
- c. Expert fees;
- d. Court costs;
- e. Mediation costs; or
- f. Other costs not specifically provided for recovery under the Purchase Terms

Any attempt by you to disclaim any theory or grounds of recovery or kinds or classes of damages recoverable or to establish contractual time limitations periods, in each case, concerning a claim by us are hereby rejected by us and will not be effective. Any claim for relief by you, against us, must be commenced within one (1) year after the cause of action accrues.

ARTICLE IX INDEMNIFICATION

To the fullest extent permitted by law, you will indemnify, defend and hold harmless us and each of our members, affiliates, subsidiaries, customers, directors, officers, employees and agents (collectively, the "Indemnified Persons") against and from any and all claims, lawsuits, judgments, losses, Recalls (as defined herein), penalties or actions, costs, liabilities, damages and expenses (including attorneys' fees) incurred or to be incurred (collectively, "Claim(s)"):

- a. For your breach of the Purchase Terms;
- b. To the extent it is alleged that the Supplies or the use of the Supplies caused or will cause:
 - i. The death of or injury to any person or damage to any property which resulted or is alleged to have resulted from any acts or omissions by you, your employees, subcontractors or agents or from the Supplies or their use;
 - ii. Your or the Supplies' failure or alleged failure to comply with any of your warranties, guarantees or representations contained in the Purchase Terms;
 - iii. A Claim made in connection with any promotional or advertising matter, guarantees, warranties, labels or instructions furnished by you or submitted to you by us to the extent they were approved by you; or
 - iv. Infringement of any patent, design, trade name, trademark, copyright, trade secret or other intellectual property (collectively, "IP") right or entitlement of any third party; or
- c. Otherwise arising or alleged to have arisen out of your acts or omissions in performing your obligations under the Purchase Terms

We will notify you as soon as practicable of any Claim and permit you to control the defense thereof. If you should fail to assume your obligations hereunder within fourteen (14) days of your receipt of such notice, including your obligation to pursue and pay for the defense thereof, we will have the right, but not the obligation, to defend ourselves and require from reimbursement from you for any and all reasonable costs and expenses (including attorneys' fees). You will provide us with written notice within fourteen (14) days of the receipt of any evidence that an alleged act by us may have been the proximate cause of the Claim. We shall have the right, but not the obligation, to participate as we deem necessary in the defense of any such Claim, at our own expense. Neither of us shall enter into any settlement or compromise of a Claim for the benefit of the other without the express written consent of the other.

ARTICLE X MISCELLANEOUS

1. Materials. Upon our request, you will promptly provide us with copies of any data, materials or other information that relate to the Supplies, their composition or any component, materials or substances used in the Supplies or in connection with their production. You will notify us of any inherent hazard related to any material incorporated in the Supplies that could expose anyone to hazard during handling, transportation, storage, use, resale, disposal or scrap.

2. Recalls. In the event you or we decide, or a United States or foreign government agency ("Agency") issues an order requiring us, to recall, replace, repair or make refunds with respect to any of our products

included within the Supplies or that incorporate the Supplies (a “Recall”), you will fully cooperate and assist us in any such Recall. If the Supplies are the subject of a Recall, whether initiated by us, you or an Agency (including the issuance of safety notices), you will be responsible for all matters and costs associated with the Recall (including our employee costs, overhead, warehousing, etc.), including, but not limited to: (i) consumer notification and contact; (ii) customer refunds and transportation costs and (iii) reporting the Recall to, and contact with, any Agency. If an Agency initiates any inquiry or investigation relating to the Supplies, you will notify us immediately and take reasonable steps to resolve the matter without exposing us to liability or risk.

3. Compliance with Laws and Regulations, and Policies, Procedures, and Programs. You warrant your Supplies will be provided in strict compliance with all federal and state laws and regulations applicable, as well as any applicable policies procedures, and programs (collectively “Rules”) we provide to you, or that are otherwise available on our website at <https://aecc.com/aeci-terms-and-conditions/> (“Website”). These Rules may hereafter be revised, from time to time, by us, by posting revisions on the Website without notice to you, and such revisions shall be binding on you and us upon posting. You agree that you will check the Website for any revisions to these Rules. No change, waiver or consent with respect to these Rules will be binding on us unless contained in a separate writing signed by a vice president of AECC. If performing work on or at our facility, you also agree to comply with the *Campus Emergency Procedures*, and *Campus Security Plan*, which will be provided to you prior to beginning work.

At our request, you shall certify in writing your compliance with the foregoing. You shall indemnify us and hold us harmless from and against any Claims arising from or relating to your noncompliance. We have the right to (i) audit you and any person or entity you employ to work on our behalf, and/or (ii) retain independent third parties to audit you and any person or entity you employ to work on our behalf, for compliance with your obligations under the Purchase Terms, including without limitation the provisions of this Article X, Section 3.

4. Subcontractors. We will not be deemed by virtue of the Purchase Terms or otherwise to have any contractual obligation to or relationship with any of your subcontractors. You shall include a clause to this effect in each subcontract with your subcontractors. You shall be solely responsible for paying each subcontractor for services, equipment, materials or supplies in connection with any work under the Purchase Terms.

5. Dispute Resolution. An attempt to resolve any dispute, claim or controversy arising out of the Purchase Terms must first be made, in good faith, between an executive of our company, and an executive of your company, by phone or in person. If such attempt fails, then the dispute, claim or controversy shall be submitted to mediation. If mediation fails, then final resolution of any dispute, claim or controversy arising out of the Purchase Terms shall be made before a court of law in the State of Arkansas, Pulaski County.

6. Governing Law/Jurisdiction. The Purchase Terms will be construed and interpreted according to the laws of the State of Arkansas, without regard to the laws regarding conflicts of laws. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

7. Our Facility and/or Job Site. You agree that if the provision of the Supplies requires construction, installation and/or repair services on or at our facility and/or our job site, you shall comply in all regards with the *Contractor Safety and Health Rules* (“Rules”). These Rules will be valid and binding on you without your signature if issued by us through our computer system or other electronic means, and can be found on the Web Site. These Rules may hereafter be revised, from time to time, by us, by posting revisions on the Web Site without notice to you, and such revisions shall be binding on both you and us upon posting. You agree that you will check the Web Site for any revisions to these Rules. No change, waiver or consent with respect to these Rules will be binding on us unless contained in a separate writing signed by a vice president of our company. If performing work on or at our facility, you also agree to comply with the *Campus Emergency Procedures*, and *Campus Security Plan*, which will be provided to you prior to beginning work.

8. Remedies. The rights and remedies reserved by us in the Purchase Terms will be cumulative and in addition to any other rights or remedies provided by law or equity.

9. Waiver. Our waiver of any right or remedy will not affect any right or remedy subsequently arising under the same or similar clauses. A waiver of nonperformance under the Purchase Terms must be in writing and will apply only to the specific instance addressed in the waiver and to no other past or future nonperformance.

10. Assignment. Neither party may assign any benefit or obligation under the Purchase Terms without the written consent of the other party.

11. Advertising. You shall not, without first obtaining our specific written consent, in any manner advertise, publish or disclose to any third party that you have contracted with us to furnish Supplies covered by the Purchase Terms except as specified by us in writing or required for completion of an order.

12. Continuing Obligations/Severability. The continuing obligations of each party under the Purchase Terms, including but not limited to Article II, Section 3, Article VIII, and Article IX, will survive the expiration, non-renewal or termination of the Purchase Terms. Any term or condition that is declared unlawful or unenforceable by a court of competent jurisdiction will not apply. The unenforceability of any such term or condition will not affect the enforceability of any other term or condition.

13. Proprietary Information/Intellectual Property. All specifications, drawings, notes, instructions, engineering notices, technical data and equipment referred to or supplied by us in connection with the Purchase Terms are incorporated into the Purchase Terms by reference. You agree that this, together with all information (whether disclosed directly or indirectly, orally, in writing or by inspection of tangible objects and whether or not labeled confidential, including without limitation technical design, manufacturing and application information, financial information and business plans, information concerning customers, sales and marketing, know-how and trade secrets) we disclose to you or information or work product created by you in providing the Supplies, is our confidential and proprietary information ("Proprietary Information"), and you will not reproduce, extract, use or disclose it to others without our prior written consent. You will take reasonable steps to safeguard Proprietary Information from unauthorized access and disclosure. Absent written consent between the parties, you will not make use of any of our Proprietary Information in connection with preparing or filing a patent application, including any application containing information that is derived from our Proprietary Information, and you covenant not to file any patent application based on our Proprietary Information including but not limited to a patent application containing information that is derived from our Proprietary Information without our written consent. You will not challenge any application for or subsequent registration of a patent containing information that is derived from Proprietary Information. You hereby assign to us any information, writings or inventions derived by you or your agents from our information or resulting from the provision of the Supplies. We shall have the right at no additional charge to use, incorporate or reproduce all or portions of material found in your literature. You agree, upon our request, to require each of your employees who may be engaged in work under the Purchase Terms to execute an agreement assigning to us all IP rights relating to work hereunder, including the right to enforce such IP rights. You agree to assign to us the entire right, title and interest in and to any and all IP rights covering any inventions made by you or your employees during the course of the Purchase Terms which relate to the Supplies. At our sole cost, you will assist us in preparing and obtaining any IP rights and perfecting title thereto. You agree not to assert any rights or claims based on any IP or other rights for the use of the IP by us or on our behalf. You agree not to challenge any application for or subsequent registration of any IP rights containing information that is derived from the Supplies. You hereby further agree to grant us a royalty-free, non-exclusive and irrevocable license to reproduce, translate, publish, make derivative works, use and dispose of (and authorize others to do so) any and all IP furnished as a result of the provision of the Supplies provided by you hereunder. In this regard, to the extent permitted by law, all copyrights and derivative works shall be "work made for hire" for us in accordance with applicable copyright laws. Any copyrights for work that may not be covered as a work made for hire are owned by us and shall be assigned by you to us at our request. It is understood, however, that

we do not obtain ownership in any of your background confidential information existing prior to the Purchase Terms, although we shall have the full right to use and sell work product and Supplies provided to us by you hereunder. Upon demand by us or upon completion by you of your obligations under the Purchase Terms, you will return to us all Proprietary Information and you will not retain any copies, summaries or extracts of all or any part thereof. Any information you disclose to us with respect to any services or the design, manufacture, sale or use of Supplies will be deemed to have been disclosed as part of the consideration for the Purchase Terms, and you will not assert any claim against us by reason of our use of such information. Without our express written consent, you will not disclose to any third party or permit any third party to use any samples, over-runs, rejected parts or scrap produced or used by you in connection with the Purchase Terms (collectively, the "Remaining Product"), all of which you agree will be considered Proprietary Information. Upon termination of the parties' relationship, or at any time upon our request, you will destroy all Remaining Product unless otherwise directed by us. If Supplies specified in the Purchase Terms are peculiar to our design either as an assembly or as a component part of an assembly, or if they bear our trademark or other identifying mark, they will not bear your trademark or other designation and similar material will not be sold or disposed of to anyone other than us.