



151 North Franklin Street, Chicago, Illinois 60606

Standard Procurement Terms and Conditions

(updated as of December, 2021)

1. General. These Standard Procurement Terms and Conditions (“*Terms*”) form a part of any purchase order (“*PO*”) for goods or services (collectively, “*Goods*”) between Continental Casualty Company or its parents, affiliates or subsidiaries (collectively, “*CNA*”) and a vendor or service supplier (“*Vendor*”), and supersede all prior written or oral inquiries, proposals, agreements, negotiations or commitments pertaining to the Goods to be provided by Vendor unless CNA and Vendor have entered into a separate written agreement, in which case the terms and conditions of that agreement will apply. Except as otherwise specified herein, these Terms and the PO shall be governed by the applicable provisions of the Uniform Commercial Code (“*UCC*”). To the extent the PO entails delivery or performance of services, such services shall be deemed Goods within the meaning of the UCC, except when clearly not appropriate. The headings contained in these Terms are for reference purposes only and have no effect on the interpretation of these Terms or their application. There are no third party beneficiaries to these Terms or any PO unless expressly specified. No amendments, modifications, substitutions, or supplements to these Terms are binding unless in writing and signed by CNA’s designated representative. Unless expressly specified otherwise in the PO, CNA is not obligated to purchase any amount of Goods from Vendor and is not obligated to purchase Goods exclusively from Vendor.

2. Offer/Acceptance of Purchase Order. Any PO from CNA reflects CNA’s offer to purchase the Goods listed in the PO subject to the PO as supplemented by these Terms. Vendor’s acceptance or performance of a PO shall constitute acceptance of these Terms.

3. Shipment, Delivery and Acceptance of Goods.

(a) Goods shall be packaged in a manner which assures that they are protected against damage and deterioration. All Goods shall be delivered to the “ship to” address specified in the PO at Vendor’s expense unless otherwise set forth in the PO. Title and risk of loss remains with Vendor until acceptance by CNA as set forth in this section.

(b) If a delivery date is set forth in the PO and Vendor fails to meet the specified delivery date (absent an event or occurrence outside Vendor’s reasonable control), CNA reserves the right to cancel the order without obligation.

(c) Regardless of prior inspection or payments, all Goods will be subject to final inspection and acceptance at CNA’s facility within a reasonable time after delivery. If an item is defective in material and/or workmanship, or does not conform with the requirements of a PO, CNA will have the right to reject it, to require its correction, or to accept it with an adjustment in price. Any Goods that have been rejected or require correction must be replaced or corrected by and at the sole expense of the Vendor promptly after notice. Cost of all return shipments will be borne by Vendor with title and risk of loss passing to Vendor at CNA’s facility, unless otherwise specified by CNA at the time of return. Should Vendor fail to promptly replace or correct any defective item, CNA may (i) replace or correct such item and charge to Vendor the cost occasioned thereby, (ii) without further notice, terminate the PO for default, or (iii) require a corresponding reduction in price.

(d) Where applicable, Vendor represents that it shall comply with any applicable export/import laws and regulations, as amended, and the rules and regulations issued thereunder insofar as they pertain to the import, export, installation, use and manufacture of Goods provided under a PO. Vendor’s responsibilities under this section shall include filing all required documentation (including all export and import documentation) and obtaining all necessary permits or licenses required to provide and deliver the Goods. Vendor shall act as the exporter of record for all Goods and shall be responsible for payment of all charges attributable to the export or import of the Goods, including all duties, taxes, freight and insurance.

4. Invoicing, Payment and Taxes.

(a) Unless otherwise specified, the prices for the Goods shown on a PO are the total amounts owed by CNA for the Goods. Unless otherwise specified, the prices include, without limitation, all shipping, packing, handling and in-transit insurance charges. The acceptance of a PO constitutes a warranty that the prices to be charged for the Goods are not in excess of prices charged to other customers for similar quantities and delivery requirements. CNA will receive the benefit of any price decreases for the Goods up to the date of shipment.

(b) Vendor shall submit an invoice to CNA no later than thirty (30) days after delivery of the Goods referenced on the applicable invoice, or after every thirty (30) days of services, and no later than sixty (60) days following completion of the services referenced on the applicable invoice. Invoices shall include receipts and other documentation sufficient to support itemized charges and shall be submitted either through CNA's purchase order system or electronically in .pdf or .doc format via email to invoices@cna.com.

(c) Within sixty (60) days after receipt of an invoice, CNA shall either remit payment for the invoice or send written notice to Vendor advising of CNA's reasons for withholding payment. If CNA pays the undisputed amount on any invoice within ten (10) days of receipt, the amount shall be subject to a two percent (2%) discount, or within fifteen (15) days of receipt, the amount shall be subject to a one percent (1%) discount. If CNA disputes an invoice, CNA shall remit the amount CNA determines is properly due in accordance with this section and the parties shall use their best efforts to resolve such dispute as soon as possible. Notwithstanding anything to the contrary, holdbacks from Vendor's invoices may be made for defective Goods or if CNA reasonably believes that Vendor has failed to substantially perform matters or incur expenses included within the submitted invoice. CNA reserves the right not to pay invoices received more than ninety (90) days after delivery of the Goods or completion of the services referenced on the applicable invoice.

(d) Vendor's invoices shall state applicable taxes owed by CNA, if any, by tax jurisdiction and with a proper breakdown between taxable and nontaxable items. Vendor shall remit such tax payments to the appropriate jurisdiction. Vendor will indemnify CNA from any claims by any jurisdiction relating to taxes paid by CNA to Vendor and for any penalties, fines, additions to tax or interest thereon imposed as a result of Vendor's failure to remit the taxes in a timely manner to the appropriate taxing jurisdiction or for Vendor's failure to invoice CNA for the correct amount of taxes. Notwithstanding the foregoing, the parties understand and agree that as an Illinois-domiciled insurance company CNA is exempt from the payment of privilege and occupation taxes levied by any municipality, county or other political subdivision of the State of Illinois pursuant to 215 ILCS 5/415. In no event will Vendor pay or collect any State of Illinois or City of Chicago taxes without notifying CNA and giving CNA an opportunity to challenge the applicability of such taxes.

(e) Vendor will keep records to validate invoices for a period of not less than five (5) years from the date of the relevant invoice; provided that in the event CNA provides written notice of the pendency of a tax or other regulatory proceeding requiring a longer retention period, Vendor agrees to retain such information as necessary to accommodate such proceeding. CNA reserves the right to audit all invoices, and Vendor shall afford reasonable access to all supporting documentation to enable CNA to do so.

5. Warranties and Indemnity.

(a) Vendor warrants to CNA that the Goods: (a) will conform strictly to specifications, samples and description specified by CNA, furnished by Vendor, and/or set forth in the applicable PO; (b) will be of good and merchantable quality; (c) will be fit for any particular purpose for which the Goods are required by CNA, to the extent known by Vendor; (d) will be free from defects in material, design, and workmanship; (e) will not infringe any patents, copyrights, trademarks or intellectual property rights of third parties; (f) are owned by Vendor immediately prior to delivery, will be transferred to CNA without violation of any agreement to which Vendor is a party or by which Vendor is bound and will be free of security interests, liens, and encumbrances; and (g) will be produced, packaged and shipped in compliance with good manufacturing practices, applicable licenses and all applicable laws, regulations and rules, including without limitation those related to hazardous and toxic materials, the environment, labor, immigration, occupational safety and health, labeling and adulterated, misbranded or banned goods. Vendor further represents and warrants that it will comply with all applicable laws, rules and regulations ("Applicable Laws") pertaining to the performance of its obligations under each PO and that upon full payment, CNA shall have good and marketable title to the Goods free and clear of all liens, claims and encumbrances of whatever kind and description. Vendor hereby assigns to CNA all warranties provided by any manufacturer or other supplier in the applicable purchase documents pertaining to the Goods to the extent Vendor is not the manufacturer or other original source of the Goods or any part thereof. These warranties will survive any inspection, delivery, acceptance, payment or use by CNA of or for the Goods.

(b) Vendor will, at its expense, indemnify, hold harmless and, at CNA's request, defend CNA and CNA's affiliates, directors, officers, employees, agents and independent contractors from and against all claims, liabilities, damages, losses, costs and expenses, including but not limited to reasonable attorneys' fees, professional fees and costs, and the costs of settlement, compromise, judgment or verdict incurred by or demanded from CNA, arising out of or in connection with any alleged: (a) breach of any warranty made by Vendor under any PO, and/or (b) act or omission of Vendor or Vendor's employees or agents, including but not limited to the extent such act or omission causes or contributes to (i) any bodily injury, sickness, disease or death; (ii) any injury to or destruction of tangible or intangible property (including computer programs and data or any loss of use resulting therefrom); or (iii) any violation of any statute, ordinance or regulation, in

each case arising in whole or in part from the sale of the Goods to CNA or CNA's exercise of rights in connection with such Goods.

6. Confidentiality.

(a) Each party acknowledges that material and information that has or will come into the possession or knowledge of each in connection with a PO or the performance thereof, may consist of confidential and proprietary data, whose disclosure to or use by third parties will be damaging ("Confidential Information"). Both parties agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of any PO, to release it only to employees or agents requiring access to such information, and not to release or disclose it to any other party without consent of the disclosing party, which consent shall not be unreasonably withheld. Upon the providing party's request, the recipient party shall either destroy or return such confidential and/or proprietary information.

(b) CNA shall retain ownership of its Confidential Information and any and all of its proprietary systems and methodologies. "Customer Data" shall mean all data and information (a) provided to Vendor by or on behalf of CNA or its customers, (b) obtained, developed or produced by Vendor in connection with a PO, or (c) to which Vendor has access in connection with the provision of the Goods. All Customer Data is, or will be, and shall remain the property of CNA, and shall be deemed Confidential Information. Without CNA's prior written approval the Customer Data shall not be (i) used by Vendor other than is necessary for Vendor's performance of its obligations under the PO, (ii) disclosed, sold, assigned, leased or otherwise provided to third parties by Supplier, or (iii) commercially exploited by or on behalf of Supplier. Supplier will comply with all Applicable Laws governing the collection, receipt, access, use, storage, disposal, and disclosure of Customer Data.

7. Vendor Representations and Warranties. Vendor represents and warrants to CNA that:

(a) Vendor has the legal right to enter into and to perform its obligations under the PO and that it has and will keep renewed and up to date all permits and licenses required by Applicable Laws to provide the Goods thereunder.

(b) No Goods provided by Vendor hereunder and no electronic messages, connections, data and communications (in whatever form) provided or utilized by Vendor will contain either embedded devices or capability that allow Vendor or a third party to disrupt the systems or operations of CNA or its affiliates, or any virus, time bomb, trap door, or other code designed to disrupt, disable, harm or otherwise impede, or to allow unauthorized access to, the operation of any CNA software, firmware, hardware or computer system;

(c) Vendor has not provided any commissions, payments, kickbacks, lavish or extensive entertainment, or other inducements of more than minimal value to any employee or agent of CNA, CNA Financial Corporation, or any affiliates or subsidiaries thereof, in connection with the PO;

(d) Vendor warrants that (i) it has in place reasonable cybersecurity policies and procedures to protect CNA information systems and Customer Data, including training for employees and permitted subcontractors, and (ii) without limiting the foregoing, it shall maintain its internal security procedures in a manner that meets or exceeds the levels required by Applicable Laws.

(e) Except as expressly provided to CNA in writing, none of the personnel who perform or shall in the future perform work under the PO is a former employee of CNA or any CNA affiliate; and

(f) Vendor shall comply with the regulations and restrictions of the U.S. Treasury's Office of Foreign Assets Control ("OFAC"). All payments made or received on behalf of CNA will be reviewed for compliance with OFAC. Vendor shall comply with the USA Patriot Act and any regulation promulgated under that act. If, at any time subsequent to the inception of a PO, either (a) the ownership, control, or management of Vendor is altered or changed, in whole or in part, in such a way that receipt or payment of funds or any other contemplated transaction under this Agreement would be prohibited by United States or other applicable statute, regulation, or law, or (b) Vendor becomes subject to restrictions imposed by the United States government so that receipt or payment of funds or other contemplated transaction under any PO would be prohibited by statute, regulation, or law, then Vendor must immediately notify CNA of the same in writing via certified, registered or internationally recognized overnight courier service, and CNA's obligation to pay or receive funds or otherwise to perform under such PO shall be suspended until such time, if any, as CNA is authorized by applicable law, regulation or license to perform under the PO. In such case, CNA may also, at its option and as authorized by United States law, terminate the PO.

8. Works for Hire. Except for pre-existing software, documentation or other materials which Vendor has expressly identified in writing to CNA as proprietary to Vendor or a third party, all materials or products designed or developed by Vendor under the PO shall be deemed works made for hire belonging

exclusively to CNA such that Vendor shall be deemed to have forever transferred and assigned to CNA any and all right, title and interest it may have therein. As to such identified proprietary or third party material, Vendor grants CNA a non-exclusive, royalty free, fully paid, perpetual, irrevocable license of such material, without right to sublicense, to make, use, sell, copy and display the same.

9. Assignment and Subcontracting. Vendor may not assign any of its rights or delegate any of its obligations under a PO without CNA's prior written consent, which CNA will not unreasonably withhold. CNA may, at its option, void any attempted assignment or delegation undertaken without CNA's prior written consent. Vendor may not subcontract any of its rights or obligations under a PO without CNA's prior written consent. If CNA consents to the use of a subcontractor, Vendor will: (i) guarantee and will remain liable for the performance of all subcontracted obligations; (ii) indemnify CNA for all damages and costs of any kind incurred by CNA or any third party and caused by the acts and omissions of Vendor's subcontractors, and (iii) make all payments to its subcontractors. If Vendor fails to timely pay a subcontractor for work performed, CNA will have the right, but not the obligation, to pay the subcontractor and offset any amount due to Vendor by any amount paid to the subcontractor. Vendor will defend, indemnify and hold CNA harmless for all damages and costs of any kind, including without limitation, incurred by CNA and caused by Vendor's failure to pay a subcontractor.

10. Insurance. Vendor will secure and maintain insurance providing coverage for liabilities to (a) CNA and its affiliates, and (b) any third parties, in each case for bodily injury (personal injury) and damage to property in amounts sufficient to protect CNA in the event of such injury or damage, and will be in compliance with any and all Applicable Laws addressing the liabilities of an employer to its employees for injuries and disease suffered in connection with employment. Vendor further will maintain such additional types and limits of insurance as is customary for a company of similar size and similar operations to Vendor in the jurisdiction or jurisdictions in which Vendor's operations take place.

11. Outsourcing Acknowledgment. CNA has, or may have in the future, agreements with third party outsourcers ("Outsourcing Suppliers") to provide certain services on CNA's behalf, including without limitation CNA's source-to-pay procurement processes. Such outsourcing includes, but is not limited to, management by the Outsourcing Suppliers, on CNA's behalf, of agreements as may be in place from time to time between Vendor and CNA, however CNA will remain the contracting party. In connection therewith, Vendor hereby authorizes CNA to provide such Outsourcing Suppliers with access to any agreements, POs, statements of work, work orders, schedules, exhibits and other attachments, as well as to the Goods provided thereunder, provided that: (i) such access is solely for the benefit of CNA and its affiliates, (ii) the Outsourcing Suppliers may not use or access the Goods for their own internal business purposes, and (iii) the Outsourcing Suppliers are bound to CNA by confidentiality obligations that are no less stringent than those set forth in these Terms. Notwithstanding the foregoing, the Outsourcing Suppliers have the right to anonymize and aggregate Confidential Information, which may include Vendor information, and use such anonymized and aggregated information for their own business purposes.

12. Relationship of the Parties. Vendor is an independent contractor for all purposes. Neither party shall be deemed to be the legal representative of the other. Vendor agrees to assume complete responsibility for its own employees with regard to federal or state employers' liability, workers' compensation, Social Security, unemployment insurance, and Occupational Safety and Health Administration requirements, and agrees to comply with all other Applicable Laws pertaining to its employees.

13. Applicable Law and Jurisdiction. Unless otherwise specified in a PO, each PO is governed and shall be construed and enforced in accordance with laws of the State of Illinois (with the exception of conflict of laws rules) and all actions relating to any PO must be brought and heard in a court of competent jurisdiction located in or having jurisdiction over Cook County, Illinois.

14. Dispute Resolution. Any dispute or controversy between the parties arising out of or relating to a PO including, without limitation, a dispute or controversy relating to the construction of any provision or the validity or enforceability of any term or condition (including this provision), or of the entire PO, or any claim that all or any part of a PO (including this provision) is void or voidable, shall be submitted to arbitration before a single arbitrator in accordance with the Commercial Rules of the American Arbitration Association then in effect. Any arbitration under this provision shall be conducted in Illinois. Each party shall bear its own costs and expenses in any such proceeding. To the fullest extent permitted by law, the parties irrevocably submit to the jurisdiction of such forum and waive any objection it may have to either the jurisdiction or the venue of such forum, provided, however, that nothing herein shall prevent a party from seeking an injunction or any other legal or equitable remedy in a court of competent jurisdiction related to breaches of the confidentiality obligations hereunder and/or protection of the parties' respective trade secrets, trade names and similar intellectual property interests. In each case, Vendor will continue to diligently perform its obligations under the applicable PO pending final resolution of the dispute.

15. CNA Signatories. CNA policy requires signatures to be provided by a Senior Vice President, provided by the CNA procurement officer, or provided by a delegated CNA officer ratified by the Corporate Secretary.

16. Publicity. Any news release, public announcement, advertisement, publicity or any other disclosure concerning a PO to any third party, except as may be necessary to comply with other obligations stated in a PO, requires prior written approval of CNA, which may be withheld in CNA's sole discretion. Additionally, Vendor shall not use CNA's trademarks, names, logos, service marks or trade names in connection with any solicitation, press release, announcement, advertisement, promotion or sales marketing publication or advertisement without CNA's prior written consent, which may be withheld in CNA's sole discretion.

17. Severability of Provisions. Each provision of these Terms shall be considered separable; and if, for any reason, any provision of these Terms is determined by a court of competent jurisdiction to be invalid, unlawful, or unenforceable, such determination shall not affect the enforceability of the remainder of these Terms or the validity, lawfulness, or enforceability of such provision in any other jurisdiction. If any court of competent jurisdiction shall deem any provision of these Terms too restrictive, the other provisions hereof shall stand, and the court shall modify the provisions at issue to the point of greatest restriction permissible by law.