

# AMERICAN RENOLIT CORPORATION

## TERMS AND CONDITIONS OF SALE

American Renolit Corporation ("Seller") agrees to sell the items designated on the face hereof ("Goods") to the person or entity purchasing hereunder ("Buyer") subject to all terms and conditions listed below and on the face of the Order ("Order"), as well as all specifications, drawings, samples or other documents referred to herein (collectively, the "Terms").

The contract ("Contract") means the sale of goods and any Terms agreed in writing between Seller and Buyer.

All or any part of the goods and any services are goods ("Goods") which the Seller is to supply in accordance with these Terms.

Unless otherwise agreed in writing by the Seller's authorized representatives, these Terms shall override and exclude any other terms or conditions stipulated or incorporated or referred to by Buyer (e.g. terms contained in Buyer's purchase order) whether in the order or in negotiations or in any course of dealing established between Seller and Buyer.

### 1. GENERAL.

All purchase orders that are accepted by Seller are accepted expressly conditioned on Buyer's acceptance of these Terms. Buyer acknowledges and agrees that:

- (i) any Goods sold by the Seller are subject to these Terms in all respects;
- (ii) any additional, different or conflicting terms proposed by Buyer are hereby rejected unless expressly accepted in writing by Seller;
- (iii) in the event that Buyer's offer is expressly conditional upon Seller's adherence to Buyer's terms and conditions, then these Terms shall operate as a counteroffer, expressly conditioned upon the Buyer's acceptance of these Terms;
- (iv) Buyer's written acceptance or acceptance of any Goods provided hereunder shall constitute Buyer's acceptance of these Terms and relinquishment and waiver of any right to limit acceptance or object to these Terms under the Uniform Commercial Code;
- (v) any representations made by sales representatives, employees or agents of Seller inconsistent with these Terms shall not be binding on Seller, and Buyer shall not rely thereon; and
- (vi) the Buyer shall be responsible for ensuring the accuracy of the terms of its order (including any specifications) and for giving the Seller all necessary information relating to the order within a sufficient time to enable the Seller to perform the Contract; and

### 2. PRICE AND ORDERS:

All prices, unless stated otherwise, are Ex Works or F.O.B Seller's facility (shipping point). The price of the Goods is subject to change without prior notice and any order is accepted subject to the price in effect at the date of agreed shipment date and as stated on Seller's order acknowledgement. Seller reserves the right to pass on surcharges and other adjustments related to changes in the prices of raw materials and utilities. Seller reserves the right to correct errors in pricing due to clerical errors, inaccurate or incomplete information or other causes. Buyer is responsible for all freight, insurance, storage, handling and other related shipping charges and Seller may add a handling fee. All applicable sales, use or excise taxes will be paid by Buyer. All drawbacks of duties paid on items used in the manufacture of the Goods delivered hereunder shall accrue to Seller and Buyer agrees to furnish Seller with all documents and cooperation necessary to obtain payment of such drawbacks. Quotations will remain valid only for a maximum period of 30 days from their date of issue unless written agreement is obtained from the Seller. Buyer shall give Seller reasonable notice of orders, specifying delivery dates and places, subject to acceptance by Seller

### 3. ACCEPTANCE, ORDER CHANGE OR CANCELLATION:

A Contract once placed with and accepted by Seller (all orders are subject to acceptance by Seller's home office) may be cancelled or changed only with Seller's written consent and upon terms that will indemnify Seller against loss.

Seller has the right to determine that any Goods quantity decrease results in a price change.

Seller's consent to a Goods quantity decrease or Order cancellation may be conditioned, at Seller's option, on Buyer's reimbursement of Seller's raw material and work-in-process costs.

Standard products regularly maintained in stock by Seller which can in the normal course of business be resold by Seller and which are in re-sellable condition may, with Seller's written consent, be returned by Buyer for credit less a restocking charge. All returned products must be shipped to Seller, freight prepaid, at Buyer's risk of loss or damage.

### 4. TERMS OF PAYMENT

Upon credit approval Payment is due within 30 days after the date of Seller's invoice, unless otherwise specified by Seller in writing, payable at Seller's location specified on the invoice and subject to the approval of Seller's credit department.

If Seller is not satisfied with Buyer's financial responsibility or Buyer defaults under any contract with Seller, Seller may require payment in cash before shipment of goods or start of production for custom orders. Seller may otherwise change credit terms by notifying Buyer in writing at least 30 days in advance.

Discounts, rebates and similar items are allowed only on the sales value of the Goods for which payment has actually been received by Seller within the applicable discount or rebate period. Buyer will not be allowed any discount, rebate or similar item while any past due invoice or other amounts owed to Seller remain unpaid.

Buyer shall make all payments in U.S. currency only and in full without any discount, set off or other reductions. Preferred payment method is the ACH payment or payment by wire. Payments by Credit Card will result in the addition of the administrative charge to cover related fees of currently 3% (subject to change without notice) to the invoice.

Interest on all accounts not paid when due shall be charged at the rate of 1.5% per month on the unpaid balance accruing the day past due. Buyer shall reimburse Seller for any costs incurred in collecting past due sums or any other amounts owed by Buyer for any reason whatsoever, including but not limited to court costs and attorneys' fees.

Seller shall have, and Buyer hereby grants to Seller, a purchase money security interest in all Goods purchased by Buyer and any product proceeds to secure payment of the purchase price and all other amounts due to Seller, and Seller shall retain all rights and remedies of a secured party under the

Uniform Commercial Code (or under comparable laws outside the United States) including the right to repossess or require Buyer return Goods for which Seller does not have payment. Upon the request of Seller, Buyer shall take such action as Seller may deem necessary or appropriate to protect, maintain, record or otherwise assure to Seller the foregoing security interest.

### 5. TITLE/PROPERTY AND RISK OF LOSS:

The Goods shall remain the property of the Seller and ownership shall not pass to the Buyer until their full price has been duly paid to and received by the Seller together with the full price of any other Goods the Buyer has contracted to purchase from the Seller. Until such time as ownership/title in the Goods passes to the Buyer, Buyer shall insure the Goods to their full replacement value.

Without prejudice and subject to the rights of the Seller in law and equity, if any of the Goods shall be sold by the Buyer before payment for them has been made, that part of the proceeds of sale which represents or is equivalent to the amount owed by the Buyer to the Seller shall be held by the Buyer upon trust for the Seller.

If Seller arranges transportation for Buyer, such arrangements shall be at Buyer's sole risk and expense, and transfer of (title and) risk of loss as specified above shall not be affected.

These conditions under 5 shall survive any termination of these Terms.

### 6. SHIPMENT / DELIVERY AND TRANSPORTATION CHARGES

Unless otherwise agreed by both parties in writing, any agreement for the sale of goods involving Seller is Ex Works or F.O.B. Seller's facility (shipping point). Unless otherwise agreed in writing, all delivery dates are estimates by which Seller shall use reasonable efforts to deliver all goods within the time specified; however, in no case shall Seller be liable for any expense, loss or damage whatsoever suffered by Buyer as a result of the Seller's failure to deliver goods by the specified date. Seller reserves the right to ship prior to the scheduled shipping date. Prices for material, containers, deposits, and demurrage on containers are subject to change without notice. Seller's invoice weights and sizes are established in good faith and shall govern unless proven erroneous. Variations of 1% or less from invoice quantity of any shipment shall be disregarded. Shipment within 10% of any quantity of any item ordered shall constitute fulfillment of the order. Buyer assumes (title to and) all risks and liability with respect to the Goods when the Goods are made available to carrier at Seller's facility. If Seller arranges transportation for Buyer, Buyer shall pay any increase in transportation costs that are charged to Seller subsequent to its invoice to Buyer, including any fuel surcharges. Seller may, from time to time, receive certain discounts and rebates from its freight carriers, which may be retained in whole or in part by Seller.

All Goods will be packed for shipment in accordance with Seller's standard practices and in accordance with agreed packaging between Seller and Buyer. Concerning the administration and handling of Seller's Returnable Packaging, please refer to Seller's Returnable Packaging Agreement, if applicable. In any case returnable packaging remains the property of the Seller and should be made available for pick-up when emptied and Seller is entitled to claim damages (replacement costs) for returnable packing that are damaged, destroyed or lost at the Purchaser's place.

In these Terms "Incoterms" means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made. Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provisions of Incoterms shall have the same meaning in these Conditions 6, but if there is any conflict between the provisions of Incoterms and this paragraph, the latter shall prevail.

Where the Goods are supplied for export from the United States of America, the provisions of this condition 6 shall (subject to any special terms agreed in writing between the Seller and Buyer) apply notwithstanding any other provision of these Conditions.

The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon.

### 7. COMPLIANCE

Buyer represents and warrants that it has complied and will comply with all applicable laws and regulations pertaining to the Goods including, without limitation, laws and regulations pertaining to transportation, storage, use, installation, resale, export, and import of the Goods. Buyer shall have sole responsibility to obtain any transportation, storage, use, export, import or other licenses or permits required under applicable laws and regulations.

Buyer acknowledges that it has received and is familiar with Seller's labeling and literature concerning the Goods (including but not limited to instructions, information, warnings and, if applicable, Material Safety Data Sheets) and agrees to, in a timely manner, forward such information to its employees, agents, customers and others who will purchase, handle, use, process, install, sell or be exposed to such Goods. Buyer agrees that it will not knowingly sell or transfer the Goods to persons using or proposing to use the Goods for purposes which are unsafe or prohibited by law.

Buyer hereby assumes complete responsibility for:

- a. having qualified personnel with requisite skills, training and experience to sell, select, use, handle, install, and/or dispose of the Goods,
- b. the suitability of the Goods for the use intended by Buyer or Buyer's customer;
- c. identifying, issuing and following all required instructions, labeling requirements and warnings concerning the sale, use, transportation, processing, installing, and/or disposal of Goods.

Nothing contained in this Agreement shall be construed to void or diminish any warnings, notices, instructions, or other information provided by Seller or its representatives or agents pertaining to product characteristics or the safe or appropriate use, handling, storage, installation, transport or disposal of Goods

In the event that the Goods or any portion of them are re-sold by Buyer in any form, Buyer agrees to comply with all laws of the United States of America and all laws of each state relating to or regarding providing disclosures or warnings about the chemical content or chemical components of the Goods and all potential injury that may occur from exposure to or use of the Goods.

### 8. RETURNS

Goods sold by Seller are reasonable only in accordance with the warranty provisions hereof. Before returning any product, Buyer must obtain Seller's written Return Authorization Number and instructions.

Buyer shall carefully inspect all Goods deliveries upon receipt and report to Seller promptly any alleged error, shortage, defect or nonconformity of such Goods. Buyer waives any claim or right to revoke acceptance if Buyer fails to so inspect and report promptly in writing. Seller's obligation for valid claims is limited to replacement of the nonconforming Goods at the original destination, or giving the Buyer credit for the amount of nonconforming Goods, whichever the Seller chooses. No credit will be allowed for nonconforming goods returned without a Return Authorization Number

issued by the Seller. The Buyer may not apply any credits as payments for materials, other than those issued by the Seller. No claims will be considered on products after one year of receipt.

#### 9. LIMITED WARRANTY

Seller warrants only that the Goods conform to Seller's specifications when they are made available for pickup at Seller's facility.

All statements, technical information and recommendations concerning Goods sold or samples provided by Seller are based upon tests believed to be reliable but do not constitute a guarantee or warranty. All Goods are sold and samples of Goods provided with the understanding that Buyer has independently determined the suitability of such Goods for its purposes. Seller warrants the Goods to be free from defects in material and workmanship. Should any failure to conform to this warranty appear within one year (or the time period stated on the specific product specification sheet, if any, and if not the info on the specific information literature in effect at time of shipment) after the initial date of shipment, Seller shall, upon notification thereof and substantiation that the Goods have been stored and applied in accordance with Seller's standards, correct such defects by suitable repair or replacement of the Goods without charge at Seller's plant or at the location of the Goods (at Seller's election); provided, however, that if Seller determines that repair or replacement is not commercially practical, Seller shall issue a credit in favor of Buyer in an amount not to exceed the purchase price of the defective Goods.

THERE IS NO OTHER WARRANTY, REPRESENTATION OR CONDITION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER ASSUMES NO RESPONSIBILITY FOR BUYER'S DESIGNS, DRAWINGS, PLANS, AND SPECIFICATIONS.

#### 10. BUYER'S RESPONSIBILITIES

Buyer acknowledges that all Seller Goods and services are sold with the understanding that it is the sole and exclusive responsibility of Buyer to determine the suitability of the Goods and services for Buyer's intended purposes. Buyer acknowledges that Seller has no control over Buyer's use of the Goods and that Seller has made no warranties, guarantees, or assurances as to the results that may be obtained from the use of the Goods whether used singly or in combination with other items. All technical advice rendered by the Seller is intended for use by persons having the appropriate education and skill and at their own risk.

All Seller Goods are sold with the understanding that the disclaimers, limitations, and disclosures in these Terms apply to subsequent purchasers or users of the Goods as well as any Buyer Goods which incorporate the Goods. Buyer shall obtain from any subsequent purchaser or user of the Goods appropriate terms which give Seller the protection and benefit of the disclaimers, disclosures, and limitations in these Terms.

Unless otherwise agreed in writing, all costs for tooling and similar items (including design and development costs) which are incurred by Seller to make Goods for Buyer will be paid by Buyer in addition to the price of the Goods and are due and payable upon completion of the tooling or similar items. Unless otherwise agreed in writing, all such tools and similar items shall be and remain the exclusive property of Seller and Buyer shall not have any rights to ownership, possession or removal, nor to prevent their disposal or use by Seller for others.

Buyer represents and warrants that any specifications, designs, drawings, tooling, equipment, materials, or other items furnished by or on behalf of Buyer to Seller for use in connection with production of Goods by Seller can be used by Seller to produce Goods for Buyer without liability to any other person. Buyer shall bear all costs of delivering such specifications, designs, drawings, tooling, equipment, materials and other similar items to Seller's facility. Seller shall not be liable for loss, damage, maintenance, repair or renewal of any tooling or similar item or any equipment furnished by Buyer, regardless of cause except to the extent (but only to the extent) caused solely by Seller's gross negligence.

#### 11. LIMITATION OF LIABILITY

Buyer's exclusive remedy for contract, warranty, negligence, tort or strict liability claims, or for any loss, liability, damage or expense, is replacement of Goods or a credit for the price of the nonconforming Goods.

IN NO EVENT SELLER SHALL NOT BE LIABLE, AND BUYER WAIVES ALL CLAIMS AGAINST SELLER FOR, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF USE OR PRODUCTION OR LOSS OF CAPITAL, BASED UPON NEGLIGENCE, BREACH OF WARRANTY, STRICT LIABILITY IN TORT OR ANY OTHER CAUSE OF ACTION.

#### 12. INDEMNIFICATION

Buyer shall release, indemnify and hold harmless Seller, its officers, employees, agents, successors and assigns ("Indemnitees"), from and against any and all claims, liabilities, judgments, losses, costs, damages and expenses (including attorney's fees and incidental, special and consequential damages) arising or alleged to arise from any actual or alleged:

- (i) violation of any law, government regulation or order;
- (ii) Buyer's breach of any Term stated herein;
- (iii) claim that the manufacture, use, sale or resale of any Good produced according to Buyer's specifications infringes any patent, trademark, trade secret, copyright or other intellectual property right of others;
- (iv) the use, handling, treatment, storage, disposal, transportation, maintenance, or re-sale by Buyer of any Goods purchased hereunder; or
- (v) any asserted deficiencies or defects in the goods supplied hereunder caused by any alteration thereof made by Buyer with or without Seller's consent.
- (vi) Any claims regarding failure to warn of the chemical contents or chemical components of the Goods or of any potential injuries that may result from exposure to or use of the Goods.

THIS INDEMNITY SHALL BE BROADLY CONSTRUED, SHALL APPLY TO THE FULLEST EXTENT ALLOWED BY LAW, AND SHALL APPLY REGARDLESS OF WHETHER IT IS ALLEGED THAT THE INDEMNITEES WERE SOLELY NEGLIGENT, THAT BUYER WAS SOLELY NEGLIGENT, OR THAT THE INDEMNITEES AND BUYER WERE JOINTLY NEGLIGENT OR OTHERWISE.

Any claim against Seller permitted under this Agreement and not brought within 12 months after the cause of action accrues shall be deemed waived by Buyer. Buyer agrees never to institute, file, initiate, prosecute or maintain any claim, demand, cause of action, action, suit, administrative or other proceeding (at law, in equity or otherwise), seeking any remedy except for those remedies permitted by these Terms.

The rights of indemnification shall survive cancellation or termination of these Terms and/or delivery of the Goods.

For so long as Buyer purchases, re-sells, or uses any Goods, Buyer will maintain, at its own expense, at least US\$ 2 Million per occurrence of Commercial General Liability, including premises-operations, products and completed operations, and contractual liability, written on an occurrence basis. If Buyer or any subsequent party who acquires any Good uses this Good in a High-Risk Application, Buyer's policy limits must be US\$ 10 Million per occurrence.

#### 13. ASSIGNMENT

Neither these Terms nor any of the rights, interests or obligations shall be binding upon and inure to the benefit of the respective successors and assigns of the Buyer and Seller. No right under these Terms (including the right to receive monies due and to become due hereunder) shall be assigned and/or transferred, nor shall any duty of performance be delegated, by Buyer without the prior written consent of Seller, and any purported assignment or delegation without such consent shall be void.

#### 14. WAIVER

No delay or failure on the part of Seller in exercising any rights or remedies under these Terms and no partial or single exercise thereof, shall constitute a waiver of such rights or of any other rights hereunder nor shall any termination of the Contract operate as a waiver of any of the terms hereof.

#### 15. FORCE MAJEURE

Notwithstanding any provision hereof to the contrary, Seller shall not be liable to the Buyer for any loss, damages or expense, including but not limited to, loss of use or profits, loss of business, expenses or costs arising from business interruption, attorneys' fees or any consequential, contingent, incidental or special damages caused or alleged to be caused from failure or delay in the performance of any obligations hereunder, whether such failure or delay is incurred, suffered, or caused by Seller, Seller's affiliate, subsidiary, subcontractor or independent manufacturer or carrier, if such failure or delay is, in whole or in part, beyond its reasonable control, including but not limited to, flood, fire, explosion, labor disputes, strikes, pandemic, lack of supply of raw materials, government acts, war, terrorism acts or acts of God. Seller may delay shipment of the goods until shipment is feasible, allocate capacity among Seller's customers as Seller sees fit, and/or cancel the sale, in whole or in part, in each case without incurring liability for breach of any agreement. Risk of expense caused by this clause will be borne by the Buyer.

#### 16. GOVERNING LAW

This contract shall be governed by and construed in accordance with the laws of the state of Indiana, and Buyer hereby irrevocably consents to the jurisdiction and venue of the state and federal courts located in Indiana and in La Porte County. If any legal action is brought by either party, it is expressly agreed that the party in whose favor final judgment shall be entered shall be entitled to recover from the other party reasonable attorney's fees in addition to any other relief awarded.

#### 17. ENTIRE AGREEMENT; SEVERABILITY

The Terms contained herein constitute the entire agreement and understanding between Seller and Buyer relating to the sale and purchase of Goods covered hereby, are intended as a complete and exclusive statement of the terms of agreement and supersede any terms contained in Buyer's purchase order. Buyer acknowledges that Seller has not made any representation to Buyer other than those which are specifically referred to or contained herein. If any clause, sentence or provision hereof shall be deemed invalid, void or unenforceable, such determination shall not in any way affect, impair or invalidate any other clause, sentence or provision hereof. This Agreement may only be modified by a written document signed by the Parties' authorized representatives.

#### 18. GENERAL PROVISIONS

Buyer shall hold in confidence any Seller proprietary and/or confidential commercial or technical information and shall protect any such information from any disclosure to others and shall not use such information other than in connection with the sale of Goods and services by Seller to Buyer. Upon request of Seller or termination of sales to Buyer, all such information in whatever form shall be returned to Seller immediately without retaining any copies thereof.

Buyer acknowledges and agrees that Seller has acquired various patent rights, copyrights, trademarks, trade names, and other trade designations and intellectual property with respect to the Goods or services; that no right, title or interest in or to any such patents, copyrights, trademarks, trade names, and other trade designations and intellectual property shall pass to Buyer; and that all rights, benefits, and interest that arise from the use of any of such items shall belong and inure exclusively to the benefit of and Buyer hereby assigns all such rights, benefits and interests to, Seller.

If the Buyer files for protection under the United States Bankruptcy Court, liquidates or attempts an out-of court restructuring or any other similar events; then the Seller shall be entitled to treat the Contract as being at an end or suspend any further deliveries under the Contract. If the Goods have been delivered but not been paid for the price shall become due immediately regardless of any previous agreement.

This Agreement shall survive any completion of the sale of or any cancellation or termination of any order of Goods or services.

Under no circumstances are any officers, employees or representatives of the Seller authorized to accept free gifts, samples, prizes, rewards or competition entry forms from the Buyer. The Buyer shall not enter into any private or separate purchasing agreement with any employee of the Seller.