

Conditions of Sale

Chase Plastics de Mexico

- 1. Terms of Sale.** Acceptance of the materials shipped by Chase Plastics de Mexico (“CPdM”) to its Customers (“Customer”) as documented on CPdM invoices shall constitute Customer’s acceptance of the terms set forth below. These terms shall supersede the terms of Customer’s purchase order in the event of a contradiction or inconsistency. No understanding, agreement, term, condition or trade custom at variance with or contradictory to these terms shall be binding on CPdM unless agreed to in writing by CPdM and signed by an Executive of Chase Plastics de Mexico. Materials shipped by CPdM are intended for use only by its Customer. Any resale or transfer (unless authorized in writing) of our product is a material breach of these terms.
- 2. Freight Charges and Passing of Title.** Where the price specified in the invoice provides that CPdM is to pay the freight charges, CPdM will have the right to select the means of transportation. In this case, the Title to all material shall pass to the Customer upon delivery at the delivery point. Any carrier claim for damage, must be noted at the time of receipt on the carrier bill of lading or CPdM will not be obligated for any reimbursement related to the claim. If the Customer requires a means of transportation other than one normally selected by CPdM, the cost incurred by reason of using such other means, plus a \$100 administrative fee, shall be paid by the Customer. If the Customer arranges the pick-up of the material or selects the carrier, title shall pass to the Customer once material is loaded on the carrier.
- 3. Force Majeure.** In the event of war, act of God, fire, flood, strike, labor trouble, accident, delay of carrier, riot, act of government authority, shortage of power, failure of CPdM raw materials suppliers to fulfill supply commitments to CPdM, or other contingencies beyond CPdM reasonable control, which interferes with the production, supply, CPdM ability to ship or the transportation of material covered by the invoice shall not constitute a default. Upon termination of the intervening cause, CPdM shall promptly complete such shipment. CPdM may, without liability during any period of shortage due to any of the causes, prorate CPdM supply of material in such manner as CPdM believes to be fair and reasonable under the circumstances.
- 4. Material Weight.** Carrier weight at point of shipment shall govern in event of disagreement between the Customer and CPdM. Due to variation in packaging and production quantities from CPdM suppliers, CPdM cannot guarantee exact quantity in all cases. The quantity delivered hereunder may vary by ten percent (10%) more or less from the quantity ordered. Customer accepts such excess or diminution as fulfillment of the order and will be billed for the actual amount shipped.
- 5. Custom Ordered or Blend Materials.** Should material be prepared specifically for the Customer and not of a grade or color customarily carried in stock by CPdM, the Customer agrees that delivery of 90% of the quantity specified in the order shall constitute fulfillment of the order. In the case of an over-run, CPdM may deliver up to 10% more than the quantity ordered. In either situation, the total price charged by CPdM will be based on the actual pounds shipped to the Customer.
- 6. Cancellations.** CPdM cannot guarantee the cancellation of any order following processing. Cancellation requests must be approved in writing by a member of the Chase Plastics de Mexico Customer Fulfillment Department prior to cancellation. The terms of cancellation and fees will be provided if the request can be accepted. If the cancellation is not accepted, the customer will be required to uphold the purchase order contract as originally processed. The Customer agrees to pay CPdM for any freight or restocking fees incurred to return the material to its manufacturer if that is determined to be an option for Purchase order cancellation acceptance.
- 7. Manufacturer’s Warranty.** CPdM shall pass along to the customer, to the extent permitted by applicable law, any warranty given by the material manufacturer. Any recommendation by CPdM for the use of the material is based on tests or experience believed to be reliable. However, since the product design, tooling, molding, final processing and use of the product are beyond CPdM’ control, CPdM will make no warranty as to such use. All requests for credit of material on Customer’s premises are subject to prior approval, quality inspection and on terms acceptable to CPdM. THIS WARRANTY IS GIVEN TO THE ORIGINAL PURCHASER ONLY AND IS IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURT OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. IN NO CASE SHALL CPdM BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR FOR INJURY OR DAMAGES TO PERSONS OR PROPERTY USING OR USED IN CONNECTION WITH THE MATERIAL, WHETHER OR NOT DEFECTIVE, OR FOR LOSS OF PROFITS, DOWNTIME, OTHER COSTS, EXPENSES OR CHARGES OF ANY KIND OR CHARACTER, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT CPdM HAS BEEN

ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

8. Claim for Damages. IN NO EVENT SHALL CPdM'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO CPdM FOR THE MATERIALS SOLD HEREUNDER. For quality claims, any settlement will be subject to evaluation and negotiation between the supplier (manufacturer), CPdM and the Customer. All claims for carrier damage must be submitted immediately upon receipt and any claims for potential quality issues must be submitted in writing within 15 days of material receipt to be considered.

9. Fail-Safe or Critical Operations. CPdM products are not designed, intended, authorized, or warranted to be suitable for use or resale as control equipment in, or for other applications related to, hazardous or critical environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft navigation or communications systems, air traffic control, life support, weapons systems, or other application in which the failure of a product could lead to death, personal injury, or severe physical or environmental damage. In addition, CPdM products are not intended for use in medical applications involving permanent implantation in the human body, or other such implementation lasting longer than 29 days. Customer will not use or permit to be used the purchased products for such fail-safe or critical applications, and further agrees to indemnify Seller and its employees, officers, directors, agents, affiliates, successors and assigns against all actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys' fees, arising out of any breach of Customer's obligations in this Section 9.

10. Pricing. All price quotes are valid for 30 days. All material prices (including those covered under Blanket Purchase Orders) are subject to change based on supplier notification and subject to change at time of shipment. CPdM will make its best effort to provide its customers with 30-day notice on any supplier or other market condition price increases. All prices include regular freight unless otherwise agreed to in writing.

11. Invoice Payment. Payment terms will be defined by CPdM and will be clearly defined on the face of the Order Confirmation and Invoice. In the event the Customer fails to fulfill previous terms of payment, or if CPdM should have doubt as to Customer's financial responsibility, CPdM may decline to make further deliveries except upon receipt of cash or other special arrangements. In addition, CPdM may elect to reduce or withdraw credit limits and terms without advance notice should payments fall outside of terms.

12. Governing Law & Arbitration. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the State of Michigan without giving any effect to any choice or conflict of law provisions or rule. In the event of a dispute between CPdM and the Customer regarding the interpretation or application of the terms in the invoice, or the relationship between CPdM respective companies, the Customer shall submit the dispute to binding arbitration at a location within Oakland County, Michigan. The rules promulgated by the American Arbitration Association pertaining to commercial arbitration shall govern the arbitration. The award of the arbitrators shall be binding upon the Customer and CPdM and shall be enforceable in the state of federal courts of Michigan. The arbitrators will be authorized to award costs and reasonable attorney's fees to the prevailing party as part of the arbitration award.

13. Sales Literature. The Customer acknowledges that CPdM sales literature and brochures are intended only to present summary descriptions and are not intended to substitute for testing of such materials, compliance with written specifications, knowledgeable manufacturing procedures and/or continuous quality control. CPdM will supply a material certification for all material shipped to the Customer. Upon the Customer's request, CPdM will endeavor to furnish such technical advice as CPdM has available in reference to the use of the material by buyer. The Customer acknowledges, however, that all CPdM technical advice is not intended to represent an "expert opinion". CPdM assumes no obligation of liability for the advice given or the results obtained. All such advice is given and accepted by the Customer at the Customer's own risk.

14. Product Changes. CPdM will notify its customers of any change in formulation or changes in manufacturing locations when notified by its supplier. In the case of CP Pryme® material, manufacturing locations are based on material availability and subject to change without notice.

15. Hazardous Materials. The Customer acknowledges that the materials covered by the invoice may be, or become, considered as "hazardous materials" under applicable laws and regulations. It is the Customer's responsibility to ensure compliance with all local, state, and federal regulations regarding the purchase, handling, transportation, storage, and disposal of hazardous materials. If the Customer is responsible for arranging transportation, Customer must ensure that all applicable shipping and handling regulations for hazardous materials are strictly followed. This includes, but is not limited to, proper labeling, packaging, and documentation as required by the relevant authorities.

16. Indemnification. The Customer agrees to indemnify, defend, and hold harmless CPdM and CPdM consultants, agents and employees, from and against any and all claims, demands, causes of action, damages, losses or expenses including costs and attorney fees because of bodily injury, whether actual or merely alleged, including death, sustained by any person or persons,

or on account of damage to property, whether actual or merely alleged, including loss of use of such property, or rising out of, in connection with or in relation to the material sold to the Customer by CPdM, whether such injuries to persons are due, or claimed to be due, to the negligence of CPdM, CPdM consultants, agents, or employees, except only such injury or damage as shall have been occasioned by the sole negligence of CPdM, CPdM consultants, agents and/or employees.

17. **Default.** Failure to pay CPdM invoice(s) according to its terms shall constitute a default. In the event of default, the Customer agrees to pay CPdM, in addition to the unpaid balance, interest at the maximum rate permitted under the law together with all costs incurred by CPdM to collect the balance due.