

TCR COMPOSITES GENERAL TERMS AND CONDITIONS OF SALE

1. **MISCELLANEOUS.** This Agreement contains the general terms and conditions of sale and purchase of the materials named herein and constitutes an understanding of the parties with respect thereto. Modification, extension or release from any provision hereof or waiver of any breach shall be affected unless such is noted within the Special Terms and Conditions section so noted within the Sellers quotation.
2. **PRICE VALIDITY.** Prices on this quotation are firm for thirty (30) days, unless otherwise stated.
3. **PAYMENT TERMS.** Payment terms are net thirty (30) days from date of invoice.
4. **BUYER'S CREDIT.** Seller reserves the right, among other remedies, either to terminate this Agreement or to suspend further deliveries in the event Buyer fails to pay for any invoice when due. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or satisfactory security may be required by Seller for future deliveries and for goods therefore delivered. Buyer agrees to pay all reasonable expenses that Seller incurs to obtain payment for invoices, including, without limitation, interest, collection agency expenses, court costs and attorney's fees.
5. **DELIVERY.** Shipment dates are based upon Seller's best estimate and may be subject to production limitations and factory schedules, hence are not guaranteed. Sales terms are either EXW-TCR Dock or DAP-destination. Unless Seller specifically agrees, Buyer will pay freight and delivery charges and all other charges levied or imposed on the orders after the loading from Seller's dock is completed. Seller's weight and measurements taken at the shipping point shall control unless proven to be in error.
6. **TITLE AND RISK OF LOSS.** Title of the goods shall pass to the Buyer, under EXW incoterms, upon notification that goods are ready for transport from the shipping point, and under DAP incoterms, upon delivery of goods to agreed location.
7. **ALLOCATION OF GOODS.** In the event of a Force Majeure, affecting Seller's ability to supply the total demands for goods specified in Buyer's order; Seller may allocate its viable supply among any or all Buyers on such basis as Seller may deem fair and practical, without liability for any failure of performance which may result therefrom.
8. **LIMITATION OF WARRANTIES.** Subject to the conditions of this paragraph, Seller warrants title and that all materials sold hereunder shall conform to Seller's standard material specifications for the shelf-life period, strictly under the conditions stated on the material certification. SELLER MAKES NO OTHER REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR

PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO THE MATERIAL whether used alone or in combination with other substances.

- a. Seller must be notified in writing of any claims within thirty (30) days after Buyer physically receives the material, if possible.
 - b. Buyer must provide evidence of material storage and processing conditions that match Seller recommendations found on the material certification. Indications of conditions outside Seller recommendations will not be covered under this warranty.
 - c. Seller must be given the opportunity to examine and test any allegedly non-conforming material.
 - d. No material may be returned without Seller's prior written authority.
 - e. Any returned material must be received at Seller's dock in the same condition as when received by the Buyer.
- At Seller's sole discretion, any material found by Seller not to be in compliance with this warranty will be repaired or replaced, or the price of any defective material will be credited to Buyer's account or reimbursed directly to Buyer. The remedies stated herein are the sole and exclusive remedies available for failure of the materials to conform to Seller's specifications. BUYER'S REMEDIES ARE THEREFORE LIMITED TO REPAIR, REPLACEMENT OR REFUND OF THE PURCHASE PRICE, AND UNDER NO CIRCUMSTANCES SHALL ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES BE RECOVERABLE. Buyer assumes the risk and liability for using Seller's material in combination with any other substances.
9. **HOLD HARMLESS.** Except for the exclusive remedies available to Buyer under Paragraph 8 hereof for breach of the limited warranty, Buyer agrees to indemnify, defend and hold Seller harmless for all liabilities, claims or demands for injuries or damages to any person or property arising from the performance of this Agreement or relating in any way to Buyer's purchase, storage, shipment or use of the material procured hereunder.
 10. **OWNERSHIP AND USE OF MATERIAL PROPERTIES DATA ON SPECIAL ORDER.** If this Agreement is for the manufacture and production of material that differs from the Seller's standard material specifications, the parties agree that all material properties data generated to satisfy Buyer's special order are owned and retained exclusively by Seller. Seller shall share such data with Buyer and Buyer may use such data for its internal purposes only, but Buyer shall not disclose such data to any third party without the written consent of Seller.
 11. **TERMINATION.** Termination by Buyer of orders, in whole or in part, must be by written notice to Seller. Seller shall stop work immediately upon receipt of such notice and shall be entitled to reimbursement from Buyer for actual costs incurred to the terminated portion of the order for the period up to and including the date of receipt of termination, which are properly allocable to or apportionable under recognized accounting practices, including liabilities to

subcontractors which are so allocable, and accepted finished items at contract prices not previously billed or paid for, but excluding any materials which Seller may be able to divert to other orders. Seller shall also be entitled to claim a normal profit on the work processed prior to such termination at the rate used in establishing the original purchase price. The total of such termination claim shall not exceed the cancelled commitment value of the terminated items.

12. **FREIGHT AND TAXES.** Any increase in freight rates paid by Seller on shipments covered by the Agreement and any tax or governmental charge or increase in same hereafter becoming effective, increasing the cost to Seller of producing, selling or delivering the goods or of procuring the materials used therein, and any tax now in effect or increase in same payable by Seller because of the importation, production, sale or delivery of the materials, other than income or franchise taxes, may, at Seller's option, be added to the purchase price herein specified.
13. **PATENT DISCLAIMER.** Seller does not warrant the use of the products delivered will not infringe upon the claims of any United States or other patents covering the use thereof in combination with other products or in the operation of any process.
14. **USE OF MATERIAL – DOMESTIC AND EXPORT.** These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any other person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. Government or as otherwise authorized by U.S. law and regulations.
15. **PRODUCT LITERATURE.** Buyer acknowledges that it is familiar with Seller's labeling, Safety Data Sheets and other literature concerning the material sold hereunder, and will, in accordance with applicable law, provide such information and literature to its employees and customers.
16. **DISPUTES AND APPLICABLE LAW.** The parties agree that they will work diligently to negotiate in good faith the resolution of any dispute arising under this Agreement. If a dispute cannot be resolved through good faith negotiations, either party may litigate any dispute arising under or relating to this Agreement before any court of competent jurisdiction. This Agreement and performance hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of Utah which would be applicable to contracts made and performed by Seller. All orders and rights of obligation of the Seller and Buyer arising from these Conditions of Sale shall not be governed by the provisions of the United Nations Convention on Contracts for the International Sales of Goods, application of which is hereby excluded pursuant to Article 6 thereof.