

MUNACO PACKING AND RUBBER COMPANY, INC. TERMS AND CONDITIONS OF SALES

MODIFICATIONS of SALES TERMS. Terms and Conditions contained in any purchase order or other form of communication from Munaco Packing and Rubber Company's customers, which are additional to or different from these Terms and Conditions, shall be deemed rejected by Munaco Packing and Rubber Company unless expressly accepted in writing.

ACCEPTANCE of ORDERS. All sales by Munaco Packing and Rubber Company or "Seller" are made under and expressly limited to the Terms and Conditions set forth herein. Acceptance shall be in writing or by the beginning of performance hereunder. Provisions of any purchase order or other writing submitted by Buyer shall be of no force and effect, regardless of any provisions to the contrary in any such purchase order or other writing. Munaco Packing and Rubber Company's failure to take exception to the terms and conditions embodied in any purchase order or other writing shall not be construed as a waiver of the above provisions.

QUOTATIONS. Acceptance of a quotation by Seller to offer goods for sale subject to these Terms and Conditions is expressly limited to thirty (30) days from the date the quotation is issued by Seller. Purchase orders submitted by Buyer for the goods quoted by Seller shall constitute acceptance of these Terms and Conditions. All purchase orders will be subject to approval by Seller.

PRICES and PRICE CHANGES. All prices are net F.O.B. shipping point and are subject to change without notice. In the event of a change in Seller's prices, the price for product not shipped will be the price in effect on the date of shipment. If Seller's quoted price was based upon delivery to and acceptance by Buyer of a specified quantity of product, such price shall be subject to adjustment if Buyer does not accept the quantity at the times specified in Seller's quotation, and Buyer will be invoiced at Seller's standard price without quantity discounts, if any, for the quantity of equipment actually accepted by Buyer. All prices and terms of sale are subject to correction for error.

TAXES. In addition to any prices, Buyer shall pay the amount of any present or future manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other tax, fee or charge of any nature whatsoever imposed by any governmental authority, on or measured by the transaction between Seller and Buyer. In the event Seller is required to pay any such tax, fee or charge, Buyer shall reimburse Seller. Buyer shall provide Seller at the time the order is submitted with an exemption certificate or other document acceptable to the authority imposing such tax, fee or charge.

TERMS of PAYMENT. All orders are subject to the approval of Seller. Except as otherwise provided, terms are payment net 30 days from the date of the invoice. If, during the period of performance of an order, the financial condition of Buyer is determined by Seller not to justify the terms of payment specified, Seller may demand full or partial payment in advance before proceeding with the work, or satisfactory security or guarantees that invoices will be promptly paid when due, or, at its option without prejudice to other lawful remedies, may defer delivery or cancel this order. If Buyer defaults in any payment when due, or in the event any voluntary or involuntary bankruptcy or insolvency proceedings involving Buyer are initiated by or against Buyer, then the whole order price shall immediately become due and payable upon demand, or Seller, at its option without prejudice to its other lawful remedies, may defer delivery or cancel this order. Payment Terms – All published prices are cash prices, net 30 days with approved credit. Purchasing card and credit card payments are accepted and processed at time of shipment and are subject to credit pricing. Nothing contained herein shall be construed as authorizing the Buyer to delay or withhold any payment or payments beyond the due date for any goods sold under the provisions of the Order. It is expressly understood that all claims on the part of the Buyer or of any other party are separate and shall have no bearing on the obligation of the Buyer to make payments for the goods sold under these Terms and Conditions. If Buyer shall fail to make any payment to Seller within the time provided, a service charge may be imposed at a rate of one percent (1 %) percent per month until full payment has been made. In addition to the accrual of such service charge, Buyer shall be liable for all other losses, damages or expenses directly incurred by

Seller as a result of Buyer's failure to make timely payment, including, but not limited to, reasonable attorney's fees incurred with the collection of said payments.

DELIVERY - RISK OF LOSS. All sales are F.O.B. point of shipment designated by Seller. Shipping dates are estimates only which are not guaranteed and are based upon prompt receipt from Buyer of all necessary shipping and other information. Delivery of product to a commercial carrier at Seller's loading point shall constitute delivery to Buyer, and any risk of loss and further cost and responsibility thereafter for claims, delivery, loss or damage, including, if applicable, placement and storage, shall be borne by Buyer. Claims for shortages or other errors in delivery must be made in writing to Seller within ten (10) days after receipt of shipment and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer. Seller will use its best efforts to maintain shipping schedules, however, **UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, OR ANTICIPATED PROFITS** resulting from any delay in shipment or delivery nor shall the failure to deliver goods within the time specified constitute a default. The responsibility of Seller for proper delivery ceases upon delivery of the goods to the carrier. Any storage costs incurred by Seller for the storage of goods delayed in shipment at the request of the Buyer shall be paid promptly by the Buyer when invoiced by Seller. In all cases, Buyer shall bear the risk of loss or damage from the FOB point, and the Buyer shall be responsible for the filing of all claims with the carrier.

DELAYS - CAUSES BEYOND SELLER'S CONTROL. Seller shall not be liable for any ordinary, incidental, or consequential loss or damage as a result of delay in or failure of delivery or installation due to (i) any cause beyond Seller's reasonable control, (ii) an act of God, act of the Buyer, embargo or other government act, authority, regulation or request, fire, theft, accident, strike, slowdown or other labor disturbance, war, riot, delay in transportation, or (iii) inability to obtain necessary labor, materials, components, or facilities. Should any of the aforementioned events of force majeure occur, Seller, at its option, may cancel Buyer's order with respect to any undelivered product or extend the delivery date for a period equal to the time lost because of delay. Notice of such election shall be given promptly to Buyer. In the event Seller elects to so cancel the order, Seller shall be released of and from all liability for failure to deliver the product, including, but not limited to, any and all claims on behalf of Buyer for lost profits, or any other claim of any nature which Buyer might have. If shipping or progress of the work is delayed or interrupted by Buyer, directly or indirectly, Buyer shall pay for all additional charges resulting therefore.

WARRANTIES. All Seller products are warranted against defects in Seller's workmanship and materials. Warranty Period – Seller standard products are warranted for 12 months from the date of shipment to Seller's customer from Seller. Some Seller products are warranted for a longer period of time as set forth in the separate Limited Warranty and Service Policy. **Warranty Remedies**—If a Seller product is defective due to Seller's workmanship or materials and the defect occurs during the warranty period, Seller will either repair the product or replace it with a new one, whichever Seller believes to be appropriate under the circumstances. Seller is not responsible for removal or shipping of the Seller product to the Seller's location, the reinstallation of the Seller product upon its return to the customer, or any incidental or consequential damages resulting from the defect, removal, reinstallation, shipment or otherwise. Warranty service is available for all Seller products by contacting the Seller at 1-864-676-2055. **Exclusions** - This warranty does not: (i) apply and shall be void with respect to product repaired or altered by others than Seller or Seller's authorized service agencies, or to product which was subjected to abuse, negligence, misuse, misapplication, accident, damages by circumstances beyond Seller's control, to improper installation (if by others than Seller), operation, maintenance or storage, or to other than normal use or service, and (ii) apply to product or components not manufactured by or for Seller. With respect to product or components not manufactured by Seller, Seller's warranty obligations shall in all respects conform and be limited to the warranty actually extended to Seller by its suppliers, but in no event shall Seller's obligations be greater than those provided under Seller's Warranty set forth in this section. **EXCEPT FOR THE EXPRESS WARRANTY SET FORTH ABOVE, MUNACO PACKING AND RUBBER COMPANY DISCLAIMS ALL OTHER EXPRESS AND IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY. NO OTHER WARRANTY, EXPRESS OR IMPLIED, WHETHER OR NOT SIMILAR IN NATURE TO ANY OTHER WARRANTY PROVIDED HEREIN, SHALL EXIST WITH RESPECT TO THE GOODS SOLD UNDER THE PROVISIONS OF THESE TERMS AND CONDITIONS. ALL OTHER SUCH WARRANTIES ARE HEREBY EXPRESSLY WAIVED BY THE BUYER.** This is the sole

warranty of Seller and no other affirmations or promises made by Seller shall be deemed to create an express or implied warranty. Seller has not authorized anyone to make any representations or warranties other than the warranty contained herein.

LIMITATIONS of LIABILITY - CONSEQUENTIAL DAMAGES. Disclaimer of Damages – UNDER NO CIRCUMSTANCES SHALL MUNACO PACKING AND RUBBER COMPANY BE LIABLE OR RESPONSIBLE IN ANY MANNER WHATSOEVER FOR ANY INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, OR ANTICIPATED PROFITS RESULTING FROM THE DEFECT, REMOVAL, REINSTALLATION, SHIPMENT OR OTHERWISE UNDER ANY THEORY OF RECOVERY, INCLUDING BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. Damages not recoverable shall include, but not be limited to, loss of profits or revenues, loss of use of the product or associated equipment, cost of substitute equipment, facilities, down time costs, increased construction costs or claims of Buyer's customers or contractors for such damages.

INDEMNIFICATION BY BUYER. Buyer shall indemnify, hold harmless, and defend Seller and Seller's employees and agents from and against any and all damages, liability, claims, losses, and expenses (including reasonable attorneys' fees, court costs, and out-of-pocket expenses) arising out of or resulting in any way from claims by customers of Buyer or third parties against Seller alleging a breach of contract or warranty by Seller.

DRAWINGS - OTHER DESIGN DATA. All specifications, drawings, designs, data, information, ideas, methods, tools, gages, dies, fixtures, patterns and/or inventions made, conceived, developed or acquired by Seller in connection with procuring and/or executing Buyer's order will vest in and inure to Seller's sole benefit notwithstanding any charges therefore which may have been or may be imposed by Seller. Buyer shall not give, loan, exhibit, sell or transfer to any person not then employed by Buyer and authorized to receive such information, or to any organization or entity, any drawing, photograph or specification furnished by Seller or reproduction thereof which may enable such person, organization or entity to furnish similar goods or parts therefore.

PRODUCT CHANGES. Seller may, at any time and without notice, make changes (whether in design, material, improvements or otherwise) in any standard goods, and may discontinue the manufacture of any standard goods, without incurring any obligations of any kind as a result thereof.

RETURN of PRODUCTS. No product or part shall be returned to Seller without written authorization and shipping instructions first having been obtained from Seller.

ASSIGNMENT and SUBCONTRACTING. None of the Buyer's rights under any order shall be assigned by the Buyer to any other person, whether by operation of law or otherwise, without Seller's prior written approval. Seller may, without the necessity of obtaining Buyer's prior written consent, subcontract the production of all or any portion of the product.

CANCELLATION. No order submitted to Seller may be cancelled by Buyer without the prior written consent of Seller, which consent will at all times be conditioned on Buyer's agreement to pay Seller's cancellation charge. For finished product, which in Seller's judgment is readily resalable to others, the cancellation charge shall be 15% of the invoice price of the equipment. For all other cancellations, the cancellation charge shall amount to all costs and expenses incurred by Seller and arising out of or in connection with Buyer's order, net of recoverability, but in no event less than 10% of the invoice price of the product or more than the invoice price.

GENERAL. Governing Law - These Terms and Conditions, and the contract of sale between Seller and Buyer, shall be governed by and construed in accordance with the laws of the state of South Carolina. Buyer agrees to the jurisdiction of any state or federal court located in Greenville County, South Carolina and waives any arguments or defenses based upon personal jurisdiction, venue and forum non conveniens. Seller represents that its products will be produced in compliance with the Fair Labor Standards Act of 1938 as amended. Applicability - The Terms and Conditions as stated herein are applicable as of the date of this printing and until such time as changed by Seller. Proprietary Materials – Munaco Packing and Rubber Company reserves to itself copyrights and other intellectual property rights on all quotations, drawings, or any other information or data provided to Buyer. Such

materials shall remain the property of Seller and shall not be disclosed to any other third party without Seller's prior written permission. If requested, Buyer shall return all items to Seller and certify, in writing, that all copies thereof have been destroyed. Patent Rights - Seller warrants that the use of the goods delivered hereunder will infringe no claim of any U.S. patent covering the goods themselves; but does not warrant against infringements by reason of the use thereof in combination with other material or in the operation of any process. If Seller is subject to any claims or charges of patent infringement within the meaning of this paragraph, Buyer or any party in privity with Buyer agrees to hold harmless and indemnify Seller, its successors and assigns, against any and all such claims, demands, and suits, including all damages, expenses and attorney's fees, resulting from such claims, demands, and suits. Severability - The provisions of these Terms and Conditions are severable and, once accepted, if any provision herein shall be held unenforceable or invalid, such invalidity shall not affect any other provision contained herein. Waiver - Seller's failure to insist on performance of any of these Terms and Conditions herein or to exercise any right or privilege or the waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type. Entire Agreement - The Terms and Conditions shall become effective upon acceptance. It is expressly understood and agreed by the Buyer and Seller that this document (together with Buyer's purchase order, if any, or any separate document to which these Terms and Conditions may be attached) constitute the full understanding of the parties, a complete allocation of the risks between them, and the final and entire agreement between them. Any other Terms and Conditions, whether contained in any purchase order, invoice, acknowledgement or any other document, which may vary from any term of condition contained herein shall not be made except with the written consent of both Seller and Buyer.