

TEX TECH INDUSTRIES AND AFFILIATES
STANDARD TERMS AND CONDITIONS OF SALE

1. ACCEPTANCE - ENTIRE AGREEMENT: Buyer's purchase order, whether written or verbal, is accepted only upon the terms and conditions contained in this acknowledgement. When this acknowledgement is interpreted as an acceptance of Buyer's offer, this acceptance is expressly conditioned upon Buyer's assent to any additional, deleted or different terms (from Buyer's offer) on this form. When this acknowledgement is interpreted as an offer, acceptance is limited to the exact terms of this offer, as stated on this form, and Tex-Tech Industries, Inc. or any of its wholly owned subsidiaries including but not limited to Tex-Tech Coatings, LLC (each individually being a "Seller") hereby notifies Buyer of Seller's objection to any additional, missing or different terms in Buyer's acceptance. These terms and conditions constitute the entire agreement between the parties and supersede any prior or contemporaneous representations, warranties, proposals, terms, conditions or agreements, whether oral or written. No change to or modification of these terms and conditions shall be binding upon Seller unless signed by an authorized representative of Seller.

2. PAYMENTS, LATE CHARGES, AND COSTS: Unless otherwise agreed to in writing by Seller, payment for products shall be NET 30 days from the date of Seller's invoice. Buyer shall pay interest at the rate of 1.5% per month on all overdue contract or invoice balances. Buyer further agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by Seller in collecting overdue contract or invoice balances or in otherwise enforcing the terms and provisions of this contract. Any check or remittance received from or for the account of the Buyer may be accepted and applied by Seller or its factor against any indebtedness or obligations owing by Buyer as shown by the books and records of Seller or its factor, without prejudice to or the discharge of the remainder of any such indebtedness or obligation, regardless of any condition, proviso, statement, legend or notation appealing on, referred to or accompanying such check or remittance.

3. APPLICABLE LAW AND JURISDICTION: This contract shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to principles of conflicts of law. Buyer hereby consents to the personal jurisdiction of the state and federal courts in Guilford County, North Carolina with regard to any lawsuit arising out of this contract, or any goods or services provided by Seller to Buyer or any agreement, obligation or transaction between Seller and Buyer. The United Nations Convention on Contracts for the International Sale of Goods or any subsequently enacted treaty or convention shall not apply to this contract or any dispute arising therefrom.

4. LIMITED WARRANTY: Seller warrants only that its product will be of good workmanship and substantially conform to written specifications of the Buyer acknowledged in writing by Seller. Except for the foregoing limited express warranty, SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES, WHETHER AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, WITH RESPECT TO PRODUCTS SOLD OR OTHERWISE PROVIDED BY SELLER TO BUYER. NO VERBAL STATEMENTS BY SELLER'S AGENTS OR EMPLOYEES, MADE BEFORE OR AFTER THE PERFORMANCE OF THIS CONTRACT, AND NO SAMPLES SUBMITTED TO BUYER, SHALL BE CONSTRUED AS CREATING ANY WARRANTIES, EXPRESS OR IMPLIED, FROM SELLER.

In the event of any defect or non-conformity which causes Seller's product not to comply with the foregoing limited express warranty, Buyer's remedy for such breach of warranty shall be limited to having Seller repair or replace the product, subject to the requirement that Seller is provided with prompt notice of the defect or non-conformity and is able to verify the same. Any claim by Buyer for any breach of Seller's limited express warranty with respect to any product must be made by Buyer to Seller in writing within 15 days after delivery of the product by Seller or such claim shall conclusively be deemed to have been waived by Buyer. Buyer shall pay all freight costs incurred in returning the defective or non-conforming product to Seller for examination and repair or replacement, if appropriate. IN NO EVENT SHALL BUYER BE ENTITLED TO CLAIM OR RECOVER ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES FROM SELLER OF ANY NATURE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS OR LOSS OF USE RESULTING FROM ANY DEFECT OR NON-CONFORMITY IN SELLER'S PRODUCTS. In the event Seller fails to repair or replace a defective or non-conforming product as aforesaid, Seller's liability shall be limited to return of the purchase price paid by Buyer to Seller for such item. Furthermore, in the event that, notwithstanding the foregoing, Seller is determined to be obligated to Buyer for any damages or costs related in any manner to Seller's product or the performance of any purchase order, Seller's liability will in no event exceed the price paid by Buyer to Seller for the product. These provisions allocate the risks related to any defect or nonconformity in Seller's products or performance of

any purchase order between Buyer and Seller and Seller's pricing to Buyer reflects such allocation of risk and the contractual limitation of Seller's liability stated herein.

5. CREDIT APPROVAL AND ORDER ACCEPTANCE: All orders are subject to acceptance at Seller's corporate office and no order is binding upon Seller until such acceptance occurs. Acceptance of any order submitted by Buyer shall be subject to credit approval by Seller. If, after initial credit approval, Buyer's credit becomes unsatisfactory to Seller, Seller reserves the right to terminate any order upon written notice to Buyer. In that event, Seller shall have no liability to Buyer for such termination and Buyer shall not be entitled to assert any claim against Seller for such termination.

6. SECURITY INTEREST AND LIEN: Buyer grants to Seller a security interest and lien upon all goods and property of Buyer in the possession of Seller, now and in the future, (including goods billed and held and including goods in the possession of any parent, subsidiary or affiliate of Seller), to secure all present and future obligations of Buyer to Seller, including without limitation the obligations arising out of this contract. Acceptance of a note, bill, acceptance or additional security, shall not constitute a waiver of Seller's security interest and lien upon such goods. In the event Buyer fails to pay or perform any obligation to Seller when due, Seller shall have the option to sell all or any part of the goods subject to the foregoing security interest and lien at public or private sale after ten (10) days written notice to Buyer mailed to Buyer by registered mail, at Buyer's last-known address. Seller shall be entitled to purchase all or any part of the goods at such sale and the proceeds of sale shall be applied first to the costs of sale, including reasonable attorneys' fees, and then to Buyer's obligation to Seller. Buyer shall be responsible for any deficiency existing after application of the proceeds. The security interest and lien provided for herein shall be in addition to all liens and remedies in favor of Seller provided by law.

7. ORDER CANCELLATION AND RETURNED PRODUCTS: No order in the process of production is subject to cancellation, deferment or change in specifications without written agreement by Seller. Cancellation charges shall be determined by Seller, in its sole discretion, and will include cost of all labor and material ordered by Seller or in process for the Buyer's order in question. No products shall be returned to Seller without Seller's prior written consent and Buyer's payment of such return charges as Seller shall determine, in its sole discretion.

8. DELIVERY DATES: Delivery dates are estimated based upon conditions prevailing at the date of quotation and are subject to change based upon conditions at the date of order or any subsequent change in conditions which materially affect Seller's manufacturing schedule or ability to acquire goods and materials necessary to complete Buyer's order. Seller will have no liability for such changes, but will provide reasonable notice of any changes to Buyer.

9. NONSTANDARD MANUFACTURED ITEMS: All nonstandard manufactured products will be supplied only on condition that the Buyer accepts overruns and underruns not exceeding 10% of the quantity ordered, to be paid prorata, unless otherwise specifically arranged and agreed to in writing by both Buyer and Seller.

10. DELIVERY TERMS AND TITLE: Unless otherwise agreed upon in writing by Seller, all products ordered by Buyer shall be shipped FOB Seller's facilities. Buyer shall have all risk of loss following delivery of the product to Buyer at Seller's facilities. Title and ownership to products shall remain with Seller until Seller has received full payment thereto.

11. FORCE MAJEURE: Seller shall not be liable for any default in, delay, reduction, or failure of, delivery due to causes beyond its control, including, without limitation, strikes, pandemic, floods, lock outs, disputes or disagreements resulting in work stoppages, inability to timely acquire the products from Seller's supplier for reasons beyond Seller's control, embargoes, government regulations, military service, war, delays by carriers, lack of shipping facilities, unavoidable casualties, fires, storms, explosions, epidemics, civil disturbances, acts of God or public enemy, or any other causes or conditions in addition to the foregoing which are beyond Seller's control. In any such circumstances, Seller may without liability on Seller's part, cancel or terminate the contract or parts thereof or suspend and thereafter, upon removal of the difficulty or cause of such default in, delay, reduction or failure of, delivery, resume delivery of all or part of the products remaining undelivered, and Buyer shall accept such deliveries, provided that if such delay in delivery exceeds thirty (30) days, Buyer may demand delivery of the products so delayed by providing Seller with a written demand by registered or certified mail and if said products are not shipped by Seller within ten (10) days after receipt of such demand, the order at issue shall be deemed terminated without liability on Seller's part, as to said products.

12. PROPRIETARY RIGHTS AND CONFIDENTIALITY: (a) All confidential information, know-how, copyrighted materials, trademarks, trade names, trade secrets, documentation, plan drawings, specifications, processes, techniques, test

results, designs and patterns furnished or created by Seller or by Seller's agents or subcontractors (other than Buyer) and all property rights embodied therein are and shall remain the sole property of Seller and neither Buyer nor any other party shall have or acquire any title to or interest therein. (b) Buyer recognizes and acknowledges that it may gain access to certain confidential, secret or proprietary information possessed by Seller which is a valuable business asset of Seller and that disclosure or unauthorized use of the information would cause grave and irreparable injury to Seller. Buyer shall at all times honor, maintain and protect the confidentiality of such information. Buyer will take appropriate action to restrict access to such information to those of its employees and agents who have actual need for such access in the course of their duties. Buyer shall not make any copies of any such information nor use such information for any purpose without prior written consent of Seller. The provisions of this Paragraph shall survive the delivery of, and payment for, Seller's products.

13. **DEFAULT:** The occurrence of any of the following shall constitute an event of default under this contract: (a) the Buyer shall be in default if Seller shall not have received a payment from Buyer, when due, and such failure of payment shall remain uncured for a period of five (5) days; (b) a party shall be in default if it shall fail to perform any other obligation under the contract and such failure is not excused or cured within ten (10) days after written notice thereof, or if it files a petition in bankruptcy or otherwise commences or acquiesces in the commencement of a proceeding under any bankruptcy, insolvency, reorganization or similar law, or makes an assignment for the benefit of creditors, or has a bankruptcy petition filed against it which is not withdrawn or dismissed within thirty (30) days after filing, or has a liquidator, administrator, custodian, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its assets or otherwise becomes insolvent. In the event of default, the non-defaulting party, in its sole discretion, may do any one or more of the following: (i) suspend performance under the contract or any other agreement between the parties, or (ii) cancel the contract or any other agreement between the parties. The foregoing rights shall be cumulative and alternative and in addition to any other rights or remedies to which the non-defaulting party may be entitled under applicable law.

14. **SHORTAGES:** Claims for shortages, other than lost in transit, must be made to Seller in writing within five (5) days after receipt of shipment.

15. **PRICES:** Prices shall be those in effect at the time of shipment and delivery of product to Buyer and therefore may change following acceptance of order. To the extent Seller's costs increase pursuant to the imposition of tariffs on raw materials used in the products, Seller may pass the direct cost of such tariffs to Buyer. Prices shown do not include any sales, excise or other government charge payable by Seller to federal, state or local authority. Any such taxes now or hereafter imposed upon sales or shipments will be added to the purchase price. Buyer agrees to reimburse Seller for any such tax or provide Seller with acceptable tax exemption certificate.

16. **WAIVER:** No waiver by either party, whether express or implied, of any provision of this contract or any breach or default by either party, shall constitute a continuing waiver or waiver of any other provision or provisions of this contract and no such waiver by either party shall prevent such party from enforcing any and all provisions of this contract as to any subsequent breach or default by the other party under any provisions of this contract.

17. **CUMULATIVE RIGHTS:** All rights and remedies of Seller under this contract are in addition to Seller's other rights and remedies provided by law and are cumulative, not alternative.

18. **SEPARABILITY:** If any provision of this contract is or becomes, at any time, under any law, rule, or regulation, unenforceable or invalid, no other provision of this contract shall be affected thereby and the remaining provisions of this contract shall continue with the same effect as if such unenforceable or invalid provisions shall not have been inserted in this contract.

19. **ASSIGNMENT:** This contract binds and inures to the benefit of Buyer and Seller and their respective successors and permitted assigns. Buyer may not assign any interest in, nor delegate any obligation under the contract, by operation of law or otherwise, without Seller's prior written consent. Any assignment or attempted assignment in contravention of the foregoing shall be null and void, shall be considered a breach of the contract, and shall permit Seller, in addition to any other rights that it may have, to terminate the contract.

20. **PARTNER CODE OF CONDUCT:** Buyer agrees to adhere to the terms of the Seller Partner Code of Conduct, a copy of which may be found on the Seller's website and the terms of which are incorporated herein by reference.