

## EN-PLAST LLC TERMS AND CONDITIONS OF SALE

1. **Merger of Prior Agreements.** The terms and conditions herein written shall supersede all previous communications, agreements or contracts, written or verbal, and no understanding, agreement, term, condition, or trade custom in conflict or inconsistent herewith shall be binding on En-Plast LLC, its affiliates or subsidiaries (“Seller”). No waiver or modification of the terms and conditions hereof shall be effective unless in writing and signed by both parties. Any term contained in any purchase order or other document which is different from or in addition to Seller’s terms and conditions shall be void and seller’s terms and conditions shall control. Acceptance of goods, or tender of payment or any portion thereof for such goods, by the individual or entity purchasing goods (“Buyer”) shall constitute acceptance of the terms and conditions hereunder.”

2. **Credit and Terms of Payment.** Unless otherwise specified, terms of payment are net cash, 30 days after date of invoice. In the event any invoice is not paid within 30 days after the date thereof the Buyer shall pay a late payment fee on the unpaid amounts at the rate of one and one-half percent (1 1/2 %) per month. Buyer shall also pay all collection costs of Seller on any past due amounts including, but not limited to, court costs and attorneys’ fees. Seller shall have the right at any time, in its sole and absolute discretion, to (a) limit the amount of credit which Seller may extend to Buyer for the purchase of goods hereunder, and delay manufacture or shipment of Buyer’s orders based upon said limitations (b) require full or partial payment in advance, (c) ship goods to Buyer C.O.D., or require payment to be secured by letters of credit; (d) require written guarantees of payment satisfactory to Seller; or (e) cancel or refuse to accept or fulfill any order from Buyer then outstanding or thereafter placed.

3. **Security Interest.** Buyer hereby grants to Seller a security interest in all goods sold to Buyer hereunder to secure the payment of Seller’s invoice for the purchase price of such goods. Buyer hereby authorizes Seller to execute on behalf of Buyer and to file one or more financing statements to evidence and perfect a security interest in any and all goods sold by Seller to Buyer with any governmental authority in any jurisdiction as Seller, in its sole and absolute discretion deems necessary or desirable to protect Seller’s interests. Buyer agrees to execute at Seller’s request any documents required by Seller to evidence and perfect such security interest, including individual or blanket financing statements, chattel mortgages, or similar instruments for filing in any such jurisdictions. Seller shall have all of the rights of a secured creditor under the Uniform Commercial Code or any similar law that may be applicable, including the right of repossession for non-payment.

4. **Price.** Seller’s prices are subject to adjustment at any time prior to shipment.

5. **Taxes.** Prices do not include sales, use, excise or similar taxes applicable to the sale of goods hereunder, or their use by Buyer or Buyer’s customers. If Seller should be required to pay the same, Buyer shall be liable to pay to and to reimburse Seller for any such taxes. If required by law, Seller may collect sales or use taxes on its invoices for goods sold to Buyer hereunder.

6.A.**Shipments; and Returns.** All shipments of goods hereunder shall be made at Buyer’s sole expense and, unless otherwise provided herein, shall be made by Seller F.O.B. point of shipment. Title and risk of damage to or loss of goods shall pass to Buyer upon delivery by Seller to the carrier which shall occur at a place of Seller’s choosing. Prices quoted are for furnishing and shipping the quantity or quantities listed for each item, in accordance with the specified delivery schedule, if any. Should shipping release dates or schedules be changed for any reason beyond Seller’s control, Seller reserves the right to invoice according to quantities or parts shipped. Subject to acceptance by Seller, Buyer may return goods purchased from Seller provided such goods are current, undamaged and in their original packaging, and provided Buyer pays the cost of shipment. In the event Seller agrees to accept goods returned by Buyer, Buyer shall pay a restocking charge of 25% of the purchase price of the goods, calculated based on the price invoiced to Buyer.

6.B. **Order Cancellation and Quantity Reductions.** In the event the Buyer, for any reason, should decide to cancel the purchase order, or reduce the quantity of material purchased, the seller has the right to impose charges to recover costs incurred in preparation of servicing the order. Such charges will be assessed and under the following structures:

6.B.1. **For Standard Product:** (standard product is defined as specific product configurations as published on seller's website, www.En-Plast.us) if the purchase order is canceled or the purchased quantity is reduced; 1) prior to production of the materials, the buyer is subject to a charge of 5% applied to the purchase price of the canceled or reduced quantity of goods, calculated based on the price and quantities stated on the Seller's Order Confirmation to Buyer. or; 2) after the material is produced the buyer is subject to a charge of 20% applied to the purchase price of the canceled or reduced quantity of goods, calculated based on the price and quantities stated on the Seller's Order Confirmation to Buyer.

6.B.2. **For Custom Product:** (custom product is defined as any product configuration not published on the seller's website, www/En-Plastcorp.com) Prepayment is required for all custom product. If the purchase order is canceled or the purchased quantity reduced prior to production of the materials, the buyer is subject to a charge of 50% of the canceled or reduced quantity of the purchase price of the goods, calculated based on the price invoiced to Buyer or; 2) upon production of the material seller will not refund any prepayment for product produced.

7. **Time of Shipment.** Customer orders shall be processed in order of their acceptance by Seller, and Seller shall use its reasonable efforts to ship goods specified in accepted customer orders in accordance with its manufacturing schedule. Shipment dates are acknowledged to be estimates only, and Seller shall not be liable for any failure to ship or for any delays in shipment, including failures or delays occasioned by contingencies set forth in Section 17 below.

8. **Allocation of Goods.** In the event of shortages in goods for any reason, Seller shall have the right to allocate available goods among its customers in such manner as Seller, in its sole and absolute discretion, may deem appropriate.

9. **Unloading and Demurrage.** All unloading shall be done by Buyer. All demurrage for delays in unloading and responsibility for damages to persons or property resulting from such unloading shall be borne by Buyer and shall be Buyer's responsibility.

10. **Examination of Material.** Prior to acceptance of goods from the carrier, Buyer shall examine the goods and shall advise the transportation company of any damage or shortage thereof and, except for any latent defects, shall advise Seller of any claim with respect to shortages or damages within ten (10) days after receipt. Buyer shall advise Seller of any claim with respect to latent defects within ten (10) days after discovery of such defects. Failure to so advise the transportation company and/or Seller, as the case may be, shall relieve Seller from any claim by Buyer for shortages or damages and shall constitute a waiver by Buyer of all claims with respect to said goods.

11. **Warranties to Buyer.**

11.1 Defects. Seller warrants to Buyer that all goods sold to Buyer hereunder shall be free from defects in material and workmanship for a period of one year from the date of shipment. This warranty shall not apply to any goods (i) which have been repaired or altered outside of Seller's factory, or in any way in Seller's judgment, to affect their stability, (ii) which have been subject to misuse, negligence, accident or improper storage or handling, (iii) which have been put to other than normal use and service or (iv) which have been exposed to conditions beyond the operating constraints specified by Seller. Seller is not responsible for the selection or suitability of the goods by or for the Buyer or its customers. Seller makes no representation or warranty as to the Buyer's success or prospects for success in marketing or selling the goods to Buyer's customers.

11.2 Remedy. Seller's sole obligation, and Buyer's sole remedy, under the warranties set forth above shall be the repair or, at Seller's sole option, the replacement of any goods which may be determined by Seller to be defective, provided that Buyer shall have notified Seller in writing of such defects within the warranty period set forth above and, provided further, that Buyer shall ship such goods to Seller's offices for repair or replacement, if necessary, in accordance with Section 11.3 below. Notwithstanding the foregoing, in no event shall Seller be liable to Buyer for any amount in excess of the purchase price for the goods paid by Buyer to Seller.

11.3 Cost. Buyer shall pay all freight, insurance, taxes and other costs incurred in the return of goods to Seller's plant for repair or replacement, and Seller shall pay all such costs incurred in the return

shipment from Seller's office or plant to Buyer, provided that, if Seller determines, in its sole judgment, that the goods were not defective when returned or were not otherwise covered by the warranties contained herein, Buyer shall pay all such costs

12. **Limitation of Warranties.** THE WARRANTIES SET FORTH IN SECTION 11 OF THIS CONTRACT ARE THE SOLE AND EXCLUSIVE WARRANTIES OF SELLER WITH RESPECT TO THE GOODS SOLD HEREUNDER AND ARE MADE IN LIEU OF ALL OTHER WARRANTIES. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE FOR ANY PRODUCTS, SERVICES OR OTHER ITEMS SOLD OR FURNISHED UNDER THESE TERMS AND CONDITIONS, AND SELLER DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WAIVES ANY AND ALL WARRANTIES TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAW.

13. **Limitation and Exculpation of Liability.** IN NO EVENT SHALL SELLER, ITS SUBSIDIARIES, AFFILIATES, AGENTS OR EMPLOYEES BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE AGREEMENT AS TO WHICH THESE TERMS AND CONDITIONS ARE APPLICABLE, OR THE SALE OR FURNISHING OF ANY GOODS, SERVICES OR OTHER ITEMS HEREUNDER, OR ANY THIRD-PARTY'S OWNERSHIP, MAINTENANCE OR USE OF ANY GOODS, SERVICES OR OTHER ITEMS FURNISHED HEREUNDER INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED GOODS, DAMAGE TO ASSOCIATED GOODS, COSTS OF CAPITAL, COSTS OF SUBSTITUTE GOODS, OR CLAIMS OF CUSTOMERS FOR SUCH DAMAGES. IN NO EVENT SHALL SELLER, ITS SUBSIDIARIES, AFFILIATES, AGENTS OR EMPLOYEES BE LIABLE FOR THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER INTENTIONAL MISCONDUCT OF ANY THIRD-PARTY NOR SHALL SELLER BE LIABLE FOR ITS OWN NEGLIGENCE, BUT SELLER SHALL ONLY BE LIABLE FOR ITS GROSS NEGLIGENCE, OR INTENTIONAL MISCONDUCT. BUYER'S SOLE REMEDY FOR ANY LIABILITY OF SELLER OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, GROSS NEGLIGENCE, FRAUD, OR INTENTIONAL MISCONDUCT, WITH RESPECT TO ANY PRODUCT, SERVICE OR OTHER ITEM OR SERVICE FURNISHED TO BUYER UNDER THE AGREEMENT AS TO WHICH THESE TERMS AND CONDITIONS ARE APPLICABLE OR OTHERWISE, SHALL BE LIMITED TO THE REMEDY SET FORTH IN SECTION 11.2 OF THESE TERMS AND CONDITIONS. SELLER WILL NOT BE RESPONSIBLE FOR MEETING ANY FEDERAL, STATE, LOCAL OR MUNICIPAL CODE OR SPECIFICATION (WHETHER STATUTORY, REGULATORY OR CONTRACTUAL), INCLUDING SPECIAL BUILDING OR CONSTRUCTION CODES, UNLESS BUYER SO SPECIFIES IN WRITING AT THE TIME OF ORDER AND AN AUTHORIZED EMPLOYEE OF SELLER AGREES THERETO IN WRITING.

14. **Use of Names and Marks.** Buyer represents, warrants and covenants that it shall not use, make reference to, publish, copy or otherwise designate, either orally or in writing, any logo, trademark, service mark or trade name of Seller ("Mark(s)") without prior written consent of Seller. Whenever Buyer may be permitted to use any Mark in any form of printed material, Buyer shall place an asterisk immediately after and slightly above the first use of the Mark which shall correspond to a footnote reading "Trademark of En-Plast LLC." Upon the termination of the Agreement as to which these terms and conditions are applicable and at the written direction of Seller, Buyer shall discontinue the use of all Marks of the Seller and all legends adopted in accordance with this Section 14. Buyer further agrees to leave in place all designations of Marks placed on the goods by Seller.

15. **Proprietary Information and Confidentiality.** Buyer shall hold in confidence and shall not disclose, divulge or publish to any person, or use or copy any trade secret, process, record, plan, projection, or other information pertaining to Seller or customers or prospective customers of Seller including financial information, marketing strategies or any other confidential or proprietary information (including these terms and conditions, any other contract as to which these terms and conditions form a part, or any other agreement between Buyer and Seller) acquired hereunder or in connection herewith, or disclosed or transmitted by Seller or any of its agents, employees or affiliates to Buyer, except as authorized in writing by Seller. Buyer shall keep, and shall require its officers, directors, employees and agents to keep, all such information confidential, and shall store such information in a secure location, marked as confidential. Upon termination of the

Agreement as to which these terms and conditions are applicable and at the written direction of Seller, Buyer shall surrender all written and descriptive matters including, but not limited to, descriptions, manuals or other papers or documents (and all copies thereof) which contain any confidential or proprietary information. The obligation to keep such information confidential shall continue in effect after the termination for any reason of the Agreement as to which these terms and conditions are applicable.

16. **Infringement.** Seller shall have the right to defend and, at its sole option, settle any suit or proceeding brought against Buyer based upon a claim that any product manufactured or assembled by Seller infringes upon any United States patent. Buyer will promptly notify Seller of any such claim and shall provide Seller with all authority, information and prompt assistance necessary for the defense of the same. Seller shall indemnify and hold Buyer harmless from and against any final judgment that any goods sold hereunder infringes upon a United States patent, but only to the extent of the amount paid by Buyer for such goods. The foregoing states the entire liability of Seller to Buyer for infringement. In the event any such claim for infringement shall be made, Seller shall have the option to immediately terminate the Agreement as to which these terms and conditions are applicable with respect to any alleged infringing goods and to terminate any unfulfilled orders for the alleged infringing goods. IN NO EVENT SHALL SELLER BE LIABLE FOR THE INFRINGEMENT OF ANY PATENTS CAUSED BY THE USE OF ANY GOODS IN COMBINATION WITH OTHER ARTICLES OR MATERIALS OR FOR INFRINGEMENT OF ANY PROCESS.

17.A. **Excusable Delays.** The obligations of Seller are contingent upon acts of God, floods, fires, storms, strikes or similar occurrences, as well as governmental restrictions, prohibitions and regulations or other interferences beyond the parties' reasonable control, to the extent that the same prevent or delay the performance of the obligations herein contained.

17.B. **Force Majeure Clause.** A Force Majeure Event means any act or event, whether foreseen or unforeseen, in that (1) prevents En-Plast in whole or in part, from performing its obligations to manufacture products ordered by the Buyer; or satisfying any conditions on shipping product to the Buyer; (2) is beyond the reasonable control of and not the fault of En-Plast; or (3) En-Plast has been unable to avoid or overcome by the exercise of due diligence.

17.B.1 **Suspension of Performance.** Subject to the provisions of this Force Majeure Clause, if a Force Majeure Event occurs, En-Plast is excused from (1) whatever performance is prevented by the Force Majeure Event to the extent so prevented; and (2) satisfying whatever conditions precedent to the customer's obligations that cannot be satisfied to the extent they cannot be satisfied.

17.B.2 **Termination.** If the suspension of performance continues for a period of one week as a result of a Force Majeure Event, either party is entitled to terminate the purchase agreement by giving a notice to the other party in writing, which is the exclusive remedy available to both parties with respect to a Force Majeure Event.

17.B.3 **Shipments made at the Expense of En-Plast (FOB Jobsite).** If En-Plast's selected carriers refuse to deliver any products to Buyer due to a Force Majeure Event, the Buyer has the option of either arranging for shipment at its expense, receiving a credit from En-Plast for the freight charges in the quotation as built into the unit price of the product, or terminating the transaction under the provisions of the Force Majeure Clause.

18. **Indemnification.** Buyer agrees to indemnify and hold harmless Seller and its affiliates, employees, officers, directors, agents, and attorneys from any and all damages, liabilities, losses, or expenses, including reasonable attorney's fees, and costs and expenses of litigation, arising in any manner from Buyer's performance of this agreement, including but not limited to, any and all claims, demands, causes of action, fines, penalties, proceedings or suits for bodily injury, illness, disease, death, property damage or loss, loss of use, maintenance, cure, or wages arising from or on account of the performance or non-performance of this Agreement by Buyer or its affiliates, employees, officers, directors, agents, or independent contractors, the fault of Buyer, or which are caused in part or in whole by any act or omission whether passive or active, of Buyer.

19. **Testing.** Products manufactured by Seller will be tested during the manufacturing process, based upon customary random sampling techniques in accordance with Seller specifications. All material testing will be performed by Seller's laboratory, with record thereof maintained according to customary En-Plast LLC Quality Control and Quality Assurance standards and policies ("QCQA"). Copies of the standard QCQA results are available to Buyer. Buyer may have goods tested by independent laboratories at Buyer sole cost and expense; however, all results are subject to confirmation by Seller. If the results reported by the independent laboratory do not meet Seller's specifications, Buyer and Seller agree that any dispute will be resolved by the method for settling disputes identified in the American Society of Testing Materials applicable standard. Buyer's sole remedy for failure to meet Seller's specifications shall be return and replacement of the product and in no event shall Seller be liable for costs of removal and reinstallation of product if product is accepted by Buyer, installed and later is proven not to meet Seller specifications.

20. **Assignment.** This contract shall be binding upon and inure to the benefit of the parties, their successors and assigns, provided that Buyer may not assign the agreement as to which these terms and conditions apply without prior written consent of Seller.

21. **Attorneys' Fees.** In the event that any legal action or other proceeding is brought for the enforcement of this contract or in connection with any provision contained herein, Seller shall be entitled to recover its reasonable attorneys' fees, court costs and expenses, even if not taxable court costs, including, but not limited to, those fees and costs incurred incidentally to arbitration, mediation, investigation, discovery, travel, appellate proceedings, bankruptcy, collection, retention of expert witnesses, and post judgment proceedings.

22. **WAIVER OF JURY TRIAL.** THE PARTIES KNOWINGLY AND WILLINGLY WAIVE ANY RIGHT THEY HAVE UNDER APPLICABLE LAW TO A TRIAL BY JURY IN ANY DISPUTE ARISING OUT OF OR IN ANY WAY RELATED TO THIS CONTRACT OR THE ISSUES RAISED BY THAT DISPUTE.

23. **Applicable Law.** With regard to any dispute relating in any manner to the performance this Agreement, Buyer agrees that the State of Maryland shall have jurisdiction over the Buyer, and that any dispute relating in any manner to this Agreement shall be brought in either the Circuit Court of Maryland for Baltimore City or the United States District Court for the District of Maryland. This Agreement shall be construed under the laws of the State of Maryland, without regard to conflicts of law principals.

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