

POREX CORPORATION

Standard Terms and Conditions of Sale

- I. **GENERAL.** The addressee named on the face of this document is herein referred to as "Buyer" and Porex Corporation, 500 Bohannon Road, Fairburn GA 30213 USA, or one of its affiliates or subsidiaries, as "Seller". This document and any agreement signed by Seller to which these terms and conditions are attached or made a part thereof are limited to their express terms and any modification or additional or different terms proposed by Buyer orally or in writing are objected to and rejected. All orders are subject to acceptance by Seller. If the terms and conditions herein shall be deemed to be an offer by Seller, any acceptance by Buyer is limited to acceptance of the express terms and conditions contained herein. All sales are upon the terms herein contained, whether pursuant to Buyer's written or oral request **and** notwithstanding any other terms presented by Buyer at the time of such request. Oral statements by Seller's employees or agents regarding the goods or materials (the "goods") to which these terms apply are not warranties, shall not be relied on by Buyer, and are not part of any contract. No waiver or modification hereof shall be binding upon Seller unless in writing and signed by a duly authorized representative of Seller.
- II. **SHIPPING AND DELIVERY.** Unless otherwise indicated herein, Seller shall determine in its discretion and make arrangement for shipment of the goods to the location(s) specified herein. Delivery by Seller to the carrier at the shipping point shall constitute delivery to Buyer in accordance with its order. The signature of Buyer or any of its representatives, on the Bill of Lading or receipt of shipment shall constitute conclusive proof of receipt by Buyer and shall be deemed acceptable by Buyer. Delivery of ten percent (10%) more or less than the quantity specified for any order or separate lot shall constitute fulfillment of the order and any excess not exceeding ten percent (10%) shall be accepted and paid for by Buyer.

All shipments shall be EXW (as defined in Incoterms 2017) Seller's place of business. All risk of loss, damage or charge with respect to the goods, including the responsibility to insure the goods, shall pass to Buyer upon Seller making the goods at the disposal of Buyer's carrier at its shipping point.

Shipment or delivery may be made in separate lots or partial shipments. Buyer may not refuse delivery of any lot or partial shipment or refuse payment therefore because of failure to deliver any other lot or nonconformity in any other lot or partial shipment.
- III. **PURCHASE PRICE AND PAYMENT TERMS.**
 - A. **Goods.** The price of each shipment of goods shall consist of the prices charged for the goods excluding all loading, freight and insurance charges incurred by Seller which shall be added to the invoice and reimbursed by Buyer to Seller. Each shipment will be invoiced separately. Payment shall be made in the currency stated within the terms specified on Seller's invoice. Payments received shall be applied to the specified invoice, if no invoice is specified on payment, funds will be applied to the oldest obligation owed to Seller. Any payments made later than fifteen (15) days after the due date, specified on Seller's invoice may be accessed a late charge of one and one-half percent (1-1/2%) per month, or any portion thereof, or the highest legal rate, whichever is lower. Buyer shall be liable for any and all collection costs and expenses, including attorney's fees, incurred by Buyer and Seller with regard to delinquent amounts. Prices are subject to change without notice. In addition, Seller may without notice pass on any cost increases including but not limited to increases in material and manufacturing costs, tariffs, transportation, and fuel costs.

Goods are sold only in standard packaging quantities. Minimum orders are subject to change without notice,
 - B. **Tooling.** Terms of payment for tooling shall be based on Buyer's current credit profile and from shipment of first (1st) samples.

Normal repair and maintenance of tooling will be done at Seller's expense unless otherwise agreed by the parties for the first two (2) years after the date of original invoice. Worn out tooling that requires maintenance beyond that normally provided shall be replaced at Buyer's expense. Tooling will be considered obsolete if no orders have been received for production for two (2) years and Seller accepts no responsibility for the continued existence or availability of tooling after such period. Seller will not be obligated to notify Buyer of expiration of said two (2) year period.
- IV. **CREDIT APPROVAL.** Contracts or orders are subject to approval by Credit Department of Seller. Seller shall have the right to modify, change or withdraw credit terms at any time without notice and to request guarantees, security or payment in advance of the amount of credit involved. In the event Buyer fails to fulfill terms of payment or in case Buyer's financial responsibilities shall become impaired or unsatisfactory to Seller, Seller may discontinue further production and/or shipment unless Buyer agrees to revised terms of payment acceptable to Seller. Accounts unpaid shall constitute a lien on Buyer-owned molds, dies, tools and equipment in Seller's possession.
- V. **SECURITY INTEREST.** Buyer hereby grants to Seller a security interest in (1) goods sold; (2) any molds, dies, tools and equipment of Buyer in the possession of Seller; and (3) all proceeds there from, as security for full payment and Buyer will execute and deliver documents to evidence and perfect such security interests. If amounts become past due, Buyer shall upon request, at its expense, assemble, properly store and make the goods available to Seller at a convenient place.
- VI. **INSPECTIONS, CLAIMS, WARRANTY.** Seller's goods shall be judged solely on the Seller's standard specifications unless specifications are furnished by Buyer and accepted in writing by Seller in which case the goods shall be judged solely on Buyer's specifications. Buyer shall be solely responsible for the accuracy and completeness of any specifications furnished by Buyer for the goods to be purchased. Seller will not consider other requirements than those stated in the specifications furnished by the Buyer. Unless any such Buyer-furnished specifications are modified by mutual agreement in writing, such specifications will become the approved specifications. Buyer shall inspect and test all goods shipped hereunder and shall notify Seller of any goods that do not comply with the applicable specifications within thirty (30) days from delivery. Such notice shall specify the reasons for rejection, and Buyer shall thereafter (insofar as they are in its possession and with Seller's written approval) return the rejected goods to Seller at Seller's risk and expense. If Buyer does not deliver such written notice of rejection

within such thirty-day period, Buyer shall be deemed to have accepted the shipment. In the event that Buyer delivers notice to Seller that Buyer has rejected any shipment, Buyer shall promptly make available to Seller for examination and testing the goods contained in such rejected shipment (excluding units consumed in Buyer's testing). All returned goods must be approved in writing by Seller and must bear a Returned Goods Authorization Number (RGA#), obtained by telephoning Seller's Quality Assurance Department. Returned goods must be unused and packed in a protective manner similar to original shipment from Seller. Goods approved by Seller to be returned must be received by Seller within thirty (30) days after the issuance by Seller, of an RGA #. Seller shall only be obligated to replace or accept for credit those goods not complying with Seller's specifications and returned in the manner prescribed herein. Seller shall not be obligated to replace or accept return of goods meeting Seller's approved product specifications regardless of the performance of the goods and/or the functionality of the goods as used by Buyer. In no event shall Seller be liable to Buyer or any third party for the effect of Buyer's components on Seller's product, or any modifications of, or additions to, Seller's product. Seller is under no obligation to inform Buyer of special material formulations or changes in the manufacture of goods. Such special material formulations are proprietary and confidential technical information and are the exclusive property of Seller. Seller shall not change the manufacturing location for the Products without providing Buyer prior written notice of such changes.

No claim against Seller of any kind, whether as to goods delivered or for non-delivery of goods, shall be greater in amount than the purchase price of the goods in respect to which such claim is made; and in no event shall claim be made for indirect, incidental, special or consequential damages (including loss of revenue or profits) exemplary or punitive damages whether or not Buyer has been previously apprised of such damages. Failure of Buyer to give notice of claim within thirty (30) days from the date of delivery shall constitute a waiver by Buyer of all claims with respect to goods.

Seller warrants that the goods will conform to the applicable specifications. Buyer's sole and exclusive remedy for breach of this warranty shall be to provide Seller with the notice and receive the remedies as provided above in this Section VI. Seller warrants that it possesses good and marketable title to the products sold to the Buyer under this agreement. Other than as set forth herein, Seller makes no representations or warranties of any kind, whether express or implied, with respect to the Products. Seller expressly disclaims all warranties of merchantability, fitness for a particular purpose, title, regulatory compliance, and all warranties arising from conduct, course of dealing or custom of trade. Oral statements made by Seller's employees or agents, or statements made in Seller's general advertising or printed material do not constitute warranties. Conformity of the goods to any model or sample is not a part of the basis of the bargain between Buyer and Seller.

In no event shall Seller be responsible for any damage, change or effect to the goods resulting from or related to any acts or omissions of Buyer or of any agent, distributor or vendor of Buyer or their customers or any intermediary or end user of any product manufactured, distributed or sold by Buyer including but not limited to improper storage, handling, installation, modifications, abuse or misuse.

VII. INFRINGEMENT AND INDEMNIFICATION. Buyer agrees to defend, indemnify and hold harmless Seller and its affiliates and its suppliers, and its and their shareholders, directors, officers and employees from and against any and all claims, liability, damages, cost and expenses, including reasonable attorney's fees, resulting from or arising out of (a) the goods; (b) the possession or use by any person of any Buyer product containing goods, including without limitation the death of or bodily injury to any person on account of the use of any such Buyer product; or (c) any third party claim for patent or trademark infringement of any Buyer product containing goods. Seller agrees to defend, indemnify and hold harmless Buyer and its affiliates, and its and their shareholders, directors, officers and employees against any and all claims, liability, damages, cost and expenses, including reasonable attorney's fees resulting from or arising out of any third party claim for patent or trademark infringement by the technology, processes, know-how and other intellectual property used by Seller to manufacture the goods, except that Seller shall not be obligated to provide such indemnification in connection with any claim for patent or trademark infringement by any Buyer products containing goods.

VIII. CONFIDENTIALITY, ADVERTISING AND PROPRIETARY INFORMATION. Buyer shall not disclose any details concerning the subject matter hereof to any third party without the prior written consent of Seller. All specifications, drawings, designs, materials information, manufacturing or process data, or any other information transmitted to Buyer by Seller are the sole and exclusive property of Seller; and Buyer agrees that such items shall not be reproduced, used, or furnished to any other third party for any purpose whatsoever without the prior written consent of Seller. Such items shall be returned to Seller promptly upon its request at any time during or after completion of Seller's performance. All marks and/or descriptive product words so noted with the designation "TM" or "®" are the trademarks and property of Porex Corporation, 500 Bohannon Road, Fairburn, GA 30213-2828 USA. The obligations of this section will survive the cancellation, termination, completion, or fulfillment of any order hereunder. Notwithstanding anything else herein to the contrary, in no event shall Seller be required to disclose to Buyer any proprietary or confidential information.

IX. PRODUCTION EQUIPMENT. Buyer acknowledges and agrees that all molds, tools and equipment used to make the goods ("production equipment") whether paid for by Buyer or Seller, embody trade secret and proprietary technology of Seller and such production equipment may be used solely by Seller. Production equipment cannot be removed from Seller's manufacturing facilities and no information pertaining to the use, size, design, etc. thereof will be made available to Buyer before, during, or after the completion of any contracted product order. The design and production technique of any production equipment shall remain the property of Seller. At Buyer's request, Seller shall destroy tooling used exclusively to manufacture goods manufactured pursuant to Buyer's specification or paid for by Buyer to Buyer indicating compliance with Buyer's request.

Any special equipment required to inspect Buyer's parts shall be furnished by Buyer or at Buyer's expense. Changes requested by Buyer and accepted by Seller will be made at Buyer's expense and Buyer assumes all risks from any resultant change.

- X. **TAXES.** In addition to the price specified herein, Buyer shall pay the amount of any present or future sales or use taxes, excise taxes, taxes on transportation, tariffs, and other direct or indirect taxes whether such taxes are Federal, State, or Local, applicable to the sale, delivery, use or other handling of the goods sold hereunder.
- XI. **CANCELLATION OR ASSIGNMENT.** Unshipped orders, order modifications and/or cancellations must be confirmed in writing to Seller and are subject to a cancellation charge. Cancellation of unshipped orders for custom made goods will be reviewed for costs incurred up to the date of the written notice and Buyer will be notified of the related cancellation charges, which will include the cost of any inventories on hand, work in progress, and all other reasonable costs incurred by Seller.
- Orders cannot be assigned without the written consent of Seller.
- XII. **FORCE MAJEURE.** Seller shall not be responsible or liable for any loss or damage occurring by reason of delay in performance or non-performance caused by circumstances beyond Seller's reasonable control including, but not limited to, acts of God, fire, flood, war, government action, accident, labor trouble or shortage, or inability to obtain material, equipment or transportation. If resulting delay occurs, shipments may be proportionately or wholly suspended and resumed upon removal upon such cause. Quantity so affected may be eliminated from the order without liability, but the order shall remain otherwise unaffected.
- XIII. **GOVERNING LAW, JURISDICTION.** These terms and conditions shall be governed by and construed in accordance with the Uniform Commercial Code as enacted in the State of Georgia and other applicable laws of the State of Georgia without regard to the conflict of laws provisions thereof.
- Seller and Buyer each hereby consent to personal jurisdiction and venue in the courts in Fulton county Georgia and further agree that such courts shall have the exclusive jurisdiction to hear and determine any claims or disputes between Buyer and Seller, pertaining directly or indirectly to any goods or materials supplied pursuant to the terms and conditions herein contained. Buyer expressly submits and consents in advance to such jurisdiction and any action or proceeding commenced in such courts. The exclusive choice of jurisdiction set forth in this paragraph shall not be deemed to preclude the bringing of any action by Seller or the enforcement by Seller of any judgment obtained in any such jurisdiction and any other appropriate jurisdiction.
- XIV. **MISCELLANEOUS.** Seller's failure to exercise any privilege hereunder shall not thereafter waive any of the terms, conditions, or provisions, whether the same or similar type. The invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision. The rights and obligations of Buyer hereunder may neither be assigned nor delegated without the prior written consent of Seller. Goods sold by Seller may be subject to U.S. export controls. Retransfer of such items to countries or end-users not approved for U.S. export is prohibited except with proper U.S. Government authorization. Violations may result in penalties.
- POREX® is a registered trademark of Porex Corporation 2017.

The terms of the Porex Corporation Terms and Conditions of Sale 2018 supersede all prior versions and understandings between Seller and Buyer.

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