

JOWAT CORPORATION

General Terms and Conditions

Except as otherwise expressly agreed in writing and signed by an authorized officer of JOWAT Corporation ("Seller"), these terms and conditions shall solely govern all quotations covering purchase orders for and sales of products sold by Seller or Seller's parent, affiliates and subsidiaries (each individually a "Product" and collectively, the "Products") as well as service relating to such Products (including, without limitation, any services performed under the warranty stated hereunder), if applicable, and any provision of the Buyer's order in addition to or inconsistent herewith shall be deemed rejected by Seller and waived by Buyer. Any acceptance by Buyer of Seller's offer to provide Products, and any acceptance by Seller of Buyer's offer to purchase Products, is limited solely to the terms and conditions contained herein. All orders are subject to acceptance and approval by Seller. If in any way Seller's actions, conduct or silence would otherwise constitute an acceptance of Buyer's order or purchase agreement, any such acceptance is hereby limited to the terms and conditions herein, and is made conditional on Buyer's assent to these additional or different terms and waiver of Buyer's own additional or different terms.

Prices:

1. Unless otherwise stated in the purchase order (specifically with respect to transfer of title and risk of loss), prices quoted are FCA High Point, NC (INCOTERMS 2010).
2. Prices quoted are for prompt acceptance and subject to change without notice at any time prior to receipt and acceptance of Buyer's order by Seller unless escalation terms are included heretofore in the quotation. Published prices of the Products are subject to change without notice and will be applied as in effect at the time of shipment.
3. Prices exclude Federal, State or local use, excise, transportation, occupational or other similar taxes. Buyer agrees to pay any such taxes applicable to the sale or use of the Products or, in lieu thereof, Buyer shall provide Seller with a tax exemption certificate acceptable to the relevant taxing authorities. The Buyer shall promptly reimburse the Seller for any such tax advanced or paid by the Seller with respect to such products.
4. Prices are subject to change if buyer requests changes to or deviations from the terms quoted by Seller after acceptance of Buyer's order.
5. In any instance where no price term is indicated on the face of this acknowledgement, unless a price term is subsequently confirmed in a writing signed by an authorized representative of Seller, the effective price for any and all such product(s) purchased hereunder for which no price term is indicated shall be Seller's price in effect for such product(s), with respect to orders for such product(s) of substantially similar quantity and timing and on substantially similar terms, at the time of deliver.

Terms of Payment:

1. The purchase price of the Products shall be payable, without deduction of any kind, within such period of time and according to such terms as provided in the invoice.
2. If payments are made late, Seller shall impose a monthly service charge which will not exceed one and one half percent (1-1/2%) of the total amount due. Acceptance of such service charge by Seller shall not constitute a waiver of any rights which Seller has due to non-payment by Buyer.
3. Buyer hereby agrees to pay all costs and expenses of collection, including reasonable attorney's fees, and the costs, if any, of financial or credit checks or investigations on accounts sixty (60) or more days past due.

Title and Risk of Loss:

1. Notwithstanding anything herein to the contrary, delivery of the Products to a carrier by Seller, consigned to Buyer, or as Buyer may direct, shall constitute transfer of title, ownership, possession and risk of loss or damage to the Products at the point of such delivery, and such carrier shall thereafter be deemed to be acting for Buyer. Seller assumes no obligation whatsoever with respect to damage in transit.
2. Seller uses great care in packing the Products and will not be responsible for damage or loss in transit. All claims for damage or loss after delivery of the Products to the carrier must be made by Buyer to the carrier, but Seller will provide all reasonable assistance in securing a satisfactory adjustment of such claims.

Insurance:

After receipt of the Products, Buyer will maintain, as long as any part of the purchase price of the Products remains unpaid or until all servicing of the Products is completed, sufficient insurance to provide full coverage of damage or loss by fire, theft, negligence of Buyer's employees or other causes, naming the Seller as an additional insured. The insurance will also cover tools, testing equipment and other property brought onto Buyer's premises temporarily by Seller's field or service personnel.

Delivery and Shipping Schedule:

1. Delivery of the Products shall be as specified in Seller's acceptance of Buyer's order.
2. Seller shall not be liable for unavoidable delays or inability to perform, including delivery or service, caused indirectly or directly or in any manner by fires, flood, accidents, riots, pandemics, epidemics, Acts of God, war, governmental interference, embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials or supplies, transportation delays or any other cause or causes (whether or not similar in nature to any of those specified herein) either beyond its control or which it cannot remedy without great economic hardship.
3. In no event shall the contract of sale be subject to cancellation by Buyer as a result of delays in delivery or servicing or for any other cause, except by mutual written agreement (see cancellation provisions herein).
4. No penalty for late performance may be assessed against Seller unless agreed upon in writing when Buyer's order is placed.

5. Seller shall not be liable for any special, incidental or consequential damages as a result of delay in shipment or servicing.
6. Unless otherwise agreed upon in writing, Seller reserves the right to make partial shipments and to submit invoices for such partial shipments in accordance with Seller's standard terms.

Limited Warranty and Disclaimers:

1. Seller warrants that the Products are free from defects in material and workmanship. Any warranty described herein shall extend to the first ultimate user for a period of six months for Jowat Products, from the date of shipment when properly stored according to the relevant technical data sheet.
2. Seller's sole obligation, and Buyer's sole and exclusive remedy, under this warranty shall be limited to (i) Seller crediting Buyer with the invoice value of any nonconforming Products upon their return to Seller or (ii) Seller repairing or replacing any nonconforming Products, in Seller's sole discretion.
3. **SELLER SHALL IN NO EVENT BE LIABLE FOR ANY CLAIM FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.**
4. No warranty is made as to Products which have not been installed, used or maintained in accordance with Seller's instructions, or which have been subject to misuse, abuse, accident or alteration or to improper or negligent use, maintenance, storage, transportation or handling.
5. **Unless otherwise agreed in writing by Seller, no implied or express warranty is made regarding the fitness of Products for any particular Buyer application or use.**
6. THE WARRANTY CONTAINED HEREIN IS EXCLUSIVE AND EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WRITTEN, ORAL, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, EXPRESSED OR IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, SELLER SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, IN CONNECTION WITH OR RESULTING FROM THE PURCHASE, USE OR SALE OF THE PRODUCTS.

Assignment:

Buyer shall not assign his order or any interest therein or any rights thereunder without the prior written consent of Seller.

Cancellation:

1. Seller shall have the right to cancel an order if at any time Buyer does not strictly comply with all the terms and conditions contained herein or if Buyer's credit standing is at any time disapproved by Seller by giving written notice of this decision to Buyer. The notice shall be effective when mailed.
2. Contracts shall not be subject to cancellation without Seller's written consent.
3. In the event that cancellation of an unfinished contract is accepted in writing by Seller, Buyer agrees to pay without delay the full contract price for all delivered Products, cancellation charges for any unfinished portion of the contract (taking into account actual expenditures by Seller, including, but not limited to, overhead charges) and reasonable profit on the unfinished portion of the contract.

General:

1. In the event of breach or repudiation by Seller, Buyer shall not be entitled to incidental or consequential damages for loss of use.
2. THE TRANSACTION BETWEEN BUYER AND SELLER, AND ANY CLAIM ARISING FROM SUCH TRANSACTION, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NORTH CAROLINA. FURTHER, BUYER AGREES THAT ANY LAWSUIT FILED BY BUYER ARISING FROM THIS TRANSACTION SHALL BE FILED EXCLUSIVELY IN THE GENERAL COURT OF JUSTICE, SUPERIOR COURT DIVISION, GUILFORD COUNTY, NORTH CAROLINA AND BUYER EXPRESSLY SUBMITS TO THE PERSONAL JURISDICTION OF SUCH FORUM.
3. No agent, salesman, or distributor has any authority to obligate Seller by any terms, stipulations or conditions not herein expressed.
4. Neither the warranty nor any other provision stated herein entitles Buyer or any third party to damages, direct, indirect or consequential, for personal injury arising from the installation, operation, servicing or use of the Products and Buyer agrees to assist the Seller and to hold the Seller harmless in effectuation of this provision.
5. These terms and conditions are intended by the parties as a complete and exclusive statement of the terms of their agreement and supersede all prior agreements, written or oral. No course of prior dealings between the parties or usage of the trade may be used by Buyer to supplement or explain any term used herein.