

Document Title: SP-06-003 Appendix A Terms and Conditions of Sale Rev. 2

TERMS AND CONDITIONS OF SALE

Acceptance of your order is expressly made conditional on your assent to our Conditions of Sales below, and we agree to furnish product only upon these conditions.

1. WARRANTY

- 1.1. PLASCORE, INC. ("COMPANY") WARRANTS THAT EACH PRODUCT TO BE DELIVERED HEREUNDER WILL BE OF THE KIND DESIGNATED.
- 1.2. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE SHALL APPLY.
- 1.3. The conditions of any tests shall be mutually agreed upon and the Company shall be notified of and may be represented at, all tests that may be made.
- 1.4. If any failure of any product delivered hereunder to be of the kind designated or specified appears prior to the date which is 60 days from the date of shipment, or prior to the date of use or resale of the products by the Purchaser, whichever date sooner occurs, and if the Purchaser shall notify the Company thereof immediately, the Company shall thereupon, at the company's option either (1) furnish, F.O.B. its plant or such other points as it may designate a reprocessed or replacement product or (2) refund the purchase price.
- 1.5. It is understood that any defective product will not be returned until authorized in advance by the Company.

2. LIMITATION OF LIABILITY

- 2.1. The liability of the Company (except as to title) arising out of the supplying of said product, or its use, whether on warranties, contract, negligence or otherwise, shall not in any case exceed the cost of correcting defects in the product herein provided, and upon the expiration of the applicable warranty period specified herein, all such liability shall terminate.
- 2.2. The foregoing shall constitute the sole and exclusive remedy of the Purchaser and the sole and exclusive liability of the Company.
- 2.3. THE WARRANTIES STATED HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES (EXCEPT TITLE), WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OF FITNESS FOR PURPOSE, IN NO EVENT SHALL THE COMPANY BE LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGE.

3. TECHNICAL ADVICE

- 3.1. ANY TECHNICAL ADVICE FURNISHED OR RECOMMENDATION MADE BY THE COMPANY OR ANY REPRESENTATIVE OF THE COMPANY CONCERNING ANY USE OR APPLICATION OF ANY PRODUCT FURNISHED UNDER THIS CONTRACT IS BELIEVED TO BE RELIABLE BUT THE COMPANY MAKES NO WARRANTY EXPRESS OR IMPLIED, AS TO ITS ACCURACY OR COMPLETENESS OR OF THE RESULTS TO BE OBTAINED.
- 3.2. The Purchaser assumes all responsibility for loss or damage resulting from the handling or use of any such product.

4. PATENTS

- 4.1. The Purchaser shall hold the Company harmless against any expense or loss resulting from infringement of patents or trademarks arising from compliance with Purchaser's designs or specifications or instructions.
- 4.2. The company shall in no event be liable for any use made by Purchaser of the product supplied hereunder which is converted by any adversely held patents.

5. DELIVERY

- 5.1. Unless otherwise specifically proved in writing, the terms of delivery shall be F.O.B. point of shipment and title to the product shall pass to the Purchaser at time of shipment, whether by Company or common carrier.
- 5.2. Transportation expenses to be paid by Purchaser and risk of loss of damage to products in transit shall fall upon Purchaser, whose responsibility it shall be to file claims with the carrier.
- 5.3. Shipping dates are approximate and are based upon the prompt receipt of all necessary information.
- 5.4. The Company shall not be liable for delay in delivery, or failure to manufacture, due to causes beyond its reasonable control, or due to acts of God, acts of the Purchaser, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, quarantine restrictions, war, riot, delays in transportation, car shortages or inability due to causes beyond its reasonable control to obtain necessary labor, material or manufacturing facilities.
- 5.5. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of the delay.

6. PAYMENTS

- 6.1. Each shipment shall be considered a separate and independent transaction and payment therefore shall be made accordingly.
- 6.2. If shipments are delayed by the Purchaser, payments shall become due on the date when the Company is prepared to make shipment.
- 6.3. If the work covered by the purchase order is delayed by the Purchaser, payments shall be made based on the purchase price and the percentage of completion.
- 6.4. Products held for the Purchaser shall be at the risk and expense of the Purchaser.
- 6.5. If in the judgment of the Company the financial condition of the Purchaser at any time does not justify continuance of production or shipment on the terms of payment originally specified the Company may require full or partial payment in advance and in the event of bankruptcy or insolvency laws, the Company shall be entitled to cancel order then outstanding and shall receive reimbursement for its cancellation charges.

7. SALES AND SIMILAR TAXES

- 7.1. The Company's prices do not include sales, use, excise or similar taxes.
- 7.2. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or other similar tax applicable to the sale of the product hereunder or the use thereof by the Company or by the Purchaser shall be paid by the Purchaser, or in Lieu thereof the Purchaser shall provide the Company with a tax-exemption certificate acceptable to the taxing authorities.

8. CANCELLATION

8.1. The Purchaser may cancel his order; provided he gives written notice to the Company and pays to the Company the latter's cancellation charges, if any.

9. PURCHASE PRICE

9.1. Unless otherwise stated by the Company, prices, terms of payment and pricing policies will be those in effect at the time of shipment.

10. VARIATIONS

10.1. Unless otherwise specified in writing, any variation over or under in quantities shipped not exceeding 10% of the quantities ordered shall constitute compliance with the order and the unit price will continue to apply.

11. GENERAL

- 11.1. The Company will comply with applicable Federal, State and Local Laws.
- 11.2. In no event shall any claim for special or consequential damages be made by either party.
- 11.3. Purchaser's assignment of his order or of any interest therein or of any rights hereunder, without the written consent of the Company, shall be void.
- 11.4. This acknowledgement contains the entire agreement between the Company and the Purchaser respecting the subject matter hereof and any representation, promise, condition, or understanding not contained herein shall not be binding upon either party.

 11.5. Any provisions or conditions to the Purchaser's order which are in any way inconsistent with or in addition to the Conditions of Sale (except additional shipping instructions specifying quantity and character of the items orders shall not be binding on the Company and shall not be considered applicable to the sale. 11.6. No waiver, alteration or modification of the foregoing conditions shall be valid unless made in writing and signed an executive officer of the Company. 	ed)