

Standard Conditions of Sale

Zaclon LLC

1. Seller warrants that the products (or materials) delivered hereunder meets Seller's standard specifications for the products (or materials) or such other specifications as may have been expressly agreed to. SELLER MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER EXPRESS OR IMPLIED WARRANTY, EXCEPT AS PROVIDED IN CONDITION 3 HEREIN. Buyer assumes all risk and liability resulting from use of the products (or materials) delivered hereunder, whether used singly or in combination with other products (or materials).
2. No claim of any kind, whether as to products (or materials) delivered or for non-delivery of products (or materials), and whether or not based on negligence, shall be greater in the amount that the purchase price of the products (or materials) in respect of which damages are claimed, and failure to give notice of claim within ninety (90) days (or such other period as may be provided in the special conditions of sale referred to in condition 14 hereof) from date of delivery, or the date fixed for delivery (in the case of non-delivery), shall constitute a waiver by Buyer of all claims in respect of such products (or materials). No charge or expense incident to any claims will be allowed unless approved by an authorized representative of Seller. Products (or materials) shall not be returned to Seller without Seller's prior permission, and then only in the manner prescribed by Seller. The remedy hereby provided shall be the exclusive and sole remedy of Buyer, and in no event shall either party be liable for special, indirect or consequential damages, whether or not caused by or resulting from the negligence of such party.
3. Seller warrants that the products (or materials) delivered hereunder were produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended.
4. No liability shall result from delay in performance or non-performance, directly or indirectly caused by circumstances beyond the control of the party, affected, including, but not limited to, act of God, fire, explosion, flood, war, act of or authorized by any government, accident, labor trouble or shortage, inability to obtain material, equipment or transportation. Quantities so affected may be eliminated without liability. Seller shall have no obligation to purchase supplies of the products (or materials) specified herein to enable it to perform.
5. It is further understood and agreed between Buyer and Seller that if the products (or materials) delivered hereunder must be manufactured especially for Buyer and is suspended or terminated for any reason, Buyer will take delivery of and make payment for such products (or materials) as have been completed and such as are in process on the date notice of suspension or termination is received by Seller, provided that if Buyer for any reason cannot accept delivery of such products (or materials), he will make

payment therefor as though delivery had been made and Seller will store such products (or materials) for Buyer's account and at Buyer's expense.

6. If for any reason Seller is unable to supply the total demand for products (or materials) specified herein, Seller may distribute its available supply among any or all purchasers, as well as departments and divisions of Seller, on such basis as it may deem fair and practical, without liability for any failure of performance that may result therefrom.
7. At Buyer's request, Seller may furnish such technical assistance and information as it has available with respect to the use of the products (or materials) delivered hereunder. Unless otherwise agreed in writing, all such technical assistance and information will be provided gratis, and Buyer assumes sole responsibility for results obtained in reliance thereon.
8. Buyer acknowledges that it has received and is familiar with Seller's labeling and literature concerning the products (or materials) delivered hereunder and will forward such information to its employees who handle, process or sell products (or materials) and customers of such products (or materials), if any.
9. Buyer shall reimburse Seller for all taxes, excises or other charges excepting income taxes and franchise taxes based upon income that Seller may be required to pay to any government (national, state or local) upon the sale, production or transportation of the products (or materials) delivered hereunder.
10. In the event Buyer fails to fulfill Seller's terms of payment, or in case Seller shall have any doubt at any time as to Buyer's financial responsibility, Seller may decline to make further deliveries except upon receipt of cash or satisfactory security.
11. Delivery or receipt hereunder is not assignable or transferable by either party, in whole or in part, except with the prior written consent of the other party.
12. In addition to the Standard Conditions of Sale set forth herein, any special conditions of sale set forth in the current price list (or attached hereto) for the products (or materials) delivered hereunder shall apply and are incorporated by reference herein.
13. In the event there exists no separate written agreement the document contains all of the terms and conditions with respect to the sale and purchase of the products (or materials) delivered hereunder. These terms and conditions supersede any of previous date, and no modifications thereof shall be binding on Seller unless separately contracted in writing and agreed to by a duly authorized representative of Seller. No modifications shall be effected by the acknowledgement of acceptance of purchase order forms stipulating different conditions. Unless Buyer shall notify Seller in writing to the contrary as soon as practicable after receipt of this document by Buyer, acceptance of the terms and conditions hereof by Buyer shall be indicated and, in the absence of such notification, the Buyer's acceptance of the products (or materials) shall be

equivalent to Buyer's assent to the terms and conditions hereof. Waiver or either party of any default by the other hereunder shall not be deemed a waiver by such party of any default by the other that may thereafter occur.

14. If the products (or materials) delivered hereunder are shipped in rail cars furnished by the Seller, Buyer agrees that such rail cars will be unloaded within seven (7) days (Sunday and holidays included) after constructive receipt thereof, unless other arrangements are in effect. Thereafter, a detention charge, independent of and in addition to any demurrage charge by the railroad company, shall be payable to the Seller at Seller's then-current rate.

Special Conditions Applicable To Export Sales Only

1. All remittances hereunder, including interest payments, shall be made payable in United States Dollars to Zaclon, Inc. without deduction for exchange fluctuations, customs or other foreign government assessments (taxes, or similar charges).
2. Shipping terms for this transaction shall have the meaning accorded the by the International Rules for the Interpretation of Trade Terms (INCOTERMS) unless otherwise stated.