

STANDARD TERMS AND CONDITIONS OF SALE
THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT

1. Scope of these Standard Terms

1.1 These Standard Terms and Conditions of Sale (“Standard Terms”) of REPI, LLC, a North Carolina limited liability company, (“Seller”) shall apply to any and all contracts governing the sale or purchase of Seller’s products (“Products”). Seller does not accept and shall not be bound to any terms and conditions of any buyer or purchaser of Products (“Buyer”).

1.2 In the event of any inconsistency between these Standard Terms and the provisions contained in a quotation, purchase order confirmation, invoice, or credit note, the provisions contained in the quotation, purchase order confirmation, invoice, or credit note shall control.

1.3 Acceptance by Seller of any purchase order placed by Buyer (the “Purchase Order”) shall be conditioned upon Buyer’s assent to all Standard Terms. Any conduct by Buyer (including, without limitation, payment for or use of Products sold by Seller) which recognizes the existence of a contract, shall constitute full acceptance by Buyer of these Standard Terms.

2. Purchase Price

2.1 All prices of Products are subject to change without notice.

2.2 Seller's price shall be the price stipulated in the relevant Purchase Order that is accepted and confirmed by Seller in the order confirmation (“Purchase Price”). Purchase Price is net of sales, use, franchise, license, excise and other taxes related to manufacturing, sale or delivery of the Products furnished hereunder, export or import duties and inspection fees, and all interest and penalties thereon, all of which shall be paid by Buyer.

3. Terms of Payment

3.1 The terms of payment shall be those terms expressly specified in the Purchase Order accepted and/or confirmed by Seller in the order confirmation in addition to those terms stated herein.

3.2 Buyer may pay Seller via wire transfer, money order, check, credit card, cashier’s check, or Point of Sale subject to Seller's instructions, with banking expenses to be paid by Buyer.

3.3 Seller reserves the right to withhold shipment to Buyer and seek other remedies allowed by law, including but not limited charging interest, for Buyer's: (a) late payment; (b) non-payment; (c) break of credit; or (d) failure to provide assurances of payment upon request by Seller. Buyer shall be responsible for Seller's collection costs and expenses, as well as attorneys' fees for collecting any past due payment.

3.4 Seller reserves the right to make delivery of Products in installments. All such installments shall be separately invoiced and Seller’s price may vary with each subsequent invoice.

3.5 The Buyer shall not, unless otherwise agreed to in writing by Seller, be entitled to set off any claims or debts owed by Seller to Buyer with payments owed to Seller for Products.

3.6 No rounding or discounts allowed on invoice amounts if not authorized by Seller.

4. Terms of Delivery

4.1 Unless otherwise agreed to in writing by Seller, delivery shall be Ex Works (EXW) Seller's manufacturing facility (“Delivery”). The term Ex Works (EXW) shall have the meaning given to it by INCOTERMS 2010 as published by the International Chamber of Commerce or any superseding definitions of the INCOTERMS published by the International Chamber of Commerce.

4.2 Buyer assumes all responsibility for all risk of loss and damages to Products furnished hereunder, in accordance with INCOTERM, even when Seller agrees to pay for shipment costs.

4.3 Title to Products shall transfer to and vest in Buyer at the same time that risk of loss transfers to Buyer.

4.4 Cancellation or any amendments to Purchase Order will not be accepted once the order has been confirmed by Seller.

5. Confirmed Delivery Date

5.1 If the Buyer fails to take delivery of the Products at the place and time confirmed by Seller (“Confirmed Delivery Date”), Buyer shall remain liable for payment of Products. Seller may arrange for Products to be stored at the risk and cost of the Buyer and may subsequently direct the Buyer in writing to accept delivery of the Products within [14 days] of sending notice. If Buyer fails to accept delivery, Seller may terminate the Purchase Order, retain any pre-payments made pursuant to the accepted Purchase Order, and seek all other remedies available at law.

5.2 Seller is not bound by the Confirmed Delivery Date. The parties may mutually agree that changes to accepted Purchase Orders postpone the Confirmed Delivery Date to such other date as the Seller deems reasonable.

6. Obligations of the Buyer

6.1 The Buyer shall keep confidential Seller’s technical or marketing information, e.g. drawings or specifications, etc., or any information not known to the general public, including but not limited to trade secrets and information of commercial value, which the Buyer may discover. This obligation does not apply if such information is public knowledge before or already known to the Buyer at the time of disclosure

6.2 The above confidentiality obligation extends to the representatives, agents, and employees of Buyer and shall remain in force and effect indefinitely.

7. Technical Specifications

7.1 Seller is entitled to make such changes to Products as Seller deems necessary or reasonable. Advanced notice shall be given by Seller to Buyer for any changes that materially impact Products’ installation or performance.

7.2 Seller is under no obligation to disclose changes to Products that do not materially impact Product installation or performance, including minor changes of raw materials used in manufacturing Products.

8. Duty to Inspect

8.1 Upon receipt of Products, Buyer shall inspect quality, specifications, and packaging of Products.

8.2 All claims related to quantity delivered or damage to packaging must be filed within 48 (forty-eight) hours after receipt of the Products.

8.3 If Buyer discovers that Products are damaged or broken, Buyer shall:

(i) immediately send the Seller written notice, which Seller must receive no later than 48 (fortyeight) hours after receipt of the Products by Buyer (“First Deadline”), stating the: (i) contract number, (ii) delivery time and place, (iii) name, batch and quantity of the Products, (iv) type of damage found, and

(ii) add the wording “acceptance subject to verification” to the carrier’s delivery note.

8.4 If after inspection Buyer identifies any non-conformity in Products per the approved Purchase Order, Buyer shall send the Seller a written notice that must be received by the Seller within 15 (fifteen) days of the receipt of Products by Buyer (the “Second Deadline”) stating: (i) contract number, (ii) delivery time and place, (iii) name, batch and quantity of the Products which are non-conforming, (iv) the reason why Buyer considers the Products non-conforming, (v) Buyer’s inspection method, and (vi) any related documentation and information.

8.5 After receiving the above-referenced notice(s) (Articles 8.3 and 8.4), Seller shall reply to Buyer in writing, specifying whether Buyer is authorized to send Products or a portion thereof back to Seller or not authorized to do so. Shipment costs shall be borne by Buyer in the event Seller authorizes reshipment of Products.

8.6 Buyer’s failure to send above-referenced notices before the First Deadline per Article 8.3 or the Second Deadline per Article 8.4 shall constitute a waiver by Buyer of all warranty claims.

8.7 If the Buyer fails to conduct an inspection of Products and fails to raise any claims regarding the quantity, quality or specifications of the Products within the First or Second Deadline, as applicable, the Products shall be deemed to be in conformity with the Purchase Order and the Buyer shall be deemed to have accepted the Products and the Seller shall not be liable for any claims raised thereafter.

The Seller may replace the defective Products with new Products free of defects, repair the defective Products, or reduce the Purchase Price at Seller's discretion.

9. Product Warranty

9.1 Seller warrants to Buyer that at the time of Delivery: (a) the Products sold hereunder shall conform to Seller's then current specifications; (b) Seller has good title to such Products; and (c) such Products are free and clear of all liens and encumbrances created by Seller. Seller makes no warranty of any results Buyer might obtain for any particular application of Products.

9.2 Buyer's sole and exclusive remedy for any breach of warranty shall be limited, in Seller's sole discretion, to either replacement of any defective Products or refund of the Purchase Price thereof. Notwithstanding the foregoing warranties and remedies, Seller shall have no obligation hereunder if the Products become defective as a result of improper storage, contamination, adulteration, improper use, misapplication, or improper mounting of connections after delivery thereof to Buyer. The above warranties extend only to Buyer.

9.3 There is no warranty of merchantability or fitness for a particular purpose, nor other warranty, express, implied or statutory, by Seller. Buyer acknowledges that it is purchasing the products solely on the basis of the commitments Seller expressly sets forth herein.

10. Exclusion of Liability

10.1 Seller shall not be liable for the normal wear and tear of Products or for any defects resulting from the negligence and/or fault of the Buyer in maintaining, repairing, altering or modifying Products without the consent of Seller.

10.2 Seller shall not be liable for any indirect damages to Products incurred by Buyer or any subsequent end customer or user of Products whether or not foreseeable.

10.3 Seller shall not be liable to Buyer in any action or claim for damages arising out of or related to these Standard Terms.

10.4 Seller's liability for any claim shall not exceed the lower of either the Purchase Price of Products or the replacement of such defective Products by Seller.

10.4 Without prejudice to different terms set forth by applicable laws, any action resulting from a claim against Seller must be commenced within one (1) year after Delivery of Products.

11. Intellectual Property Rights and Non-Competition

11.1 All intellectual property rights in the Products, including the Seller's trademarks and service marks, as well as any other documentation connected thereto shall remain vested in the Seller.

11.2 The Buyer shall not, directly or indirectly, whether in the Buyer's country or abroad, produce or manufacture the same or similar Products sold to Buyer by Seller.

12. Force Majeure

12.1 Force Majeure shall mean any of the following events: earthquake, storm, flood, fire or other acts of nature, epidemic, acts of God, war, riot, public disturbance, strike or lock-outs, raw materials shortage, prohibitions on export or import, government and legislative actions or any other event beyond the control of the parties, where its occurrence is not preventable or unavoidable.

12.2 If a Force Majeure event occurs, Seller shall not be responsible for any damage, increased costs, or losses that Buyer may sustain by reason of Seller's failure or delay of performance.

13. Applicable Law and Dispute Resolution

13.1 These Standard Terms as well as all Purchase Orders shall be governed by the laws of North Carolina.

13.2 Any dispute, controversy or claim arising out of or relating in any way to these Standard Terms or any Purchase Order, including without limitation any dispute concerning the construction, validity, interpretation, enforceability or breach of these Standard Terms, any Purchase Order, or transaction between Seller and Buyer, shall be exclusively resolved by binding arbitration upon a Party's submission of the dispute to arbitration. In the event of a dispute, controversy or claim arising out of or relating in any way to these Standard Terms or any Purchase Order, the complaining Party shall notify the other Party in writing thereof. Within thirty (30) days of such notice, management level representatives of both Parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining Party shall seek remedies exclusively through arbitration. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other

matter in question has arisen, and in no event shall it be made after **one year** from when the aggrieved party knew or should have known of the controversy, claim, dispute or breach.

13.3 The arbitration shall be conducted by one arbitrator. If the Parties are not able to agree upon the selection of an arbitrator within twenty days of commencement of an arbitration proceeding by service of a demand for arbitration, the arbitrator shall be selected by the American Arbitration Association in accordance with the terms of this agreement.

13.5 The arbitrator shall have ten years of experience in the market of liquid colorants and additives for polyurethane, thermoplastics and/or plastic materials.

13.6 The arbitration shall be conducted in accordance with the then existing Commercial Rules of the American Arbitration Association.

13.7. The arbitration shall be conducted in Gaston County, North Carolina unless both parties agree to another location.

13.8. The laws of the State of North Carolina shall be applied in any arbitration proceedings, without regard to principles of conflict of laws.

13.9. It is the intent of the parties that, barring extraordinary circumstances, arbitration proceedings will be concluded within one hundred and twenty days from the date the arbitrator is appointed. The arbitrator[s] may extend this time limit in the interests of justice. Failure to adhere to this time limit shall not constitute a basis for challenging the award.

13.10. Except, as may be required by law, neither a party nor its representatives may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all parties.

13.11. The Parties shall exchange a copy of all exhibits for the arbitration hearing and shall identify each witness who will testify at the arbitration, with a summary of the anticipated testimony of such witness ten days before the arbitration hearing.

13.12. The arbitrator shall have no authority to award punitive/consequential/special/ indirect damages. The arbitrators shall not be entitled to issue injunctive and other equitable relief.

13.13. The cost of the arbitration proceeding and any proceeding in court to confirm or to vacate any arbitration award, including, without limitation, reasonable attorneys' fees and costs, shall be borne by the unsuccessful party, as determined by the arbitrator, and shall be awarded as part of the arbitrator's award. It is specifically understood and agreed that any party may enforce any award rendered pursuant to the arbitration provisions of this Section by bringing suit in any court of competent jurisdiction.

13.14. Each party shall pay its own proportionate share of the arbitration fees and expenses as well as the fees and expenses of the arbitrator.

14. Miscellaneous

14.1 These Standard Terms shall to the greatest extent possible be interpreted in such a manner as to comply with applicable laws. If any provision herein is invalid or unenforceable per applicable law, the remaining provisions of these Standard Terms shall remain in force.

14.2 Any modifications and/or amendments to these Standard Terms shall be made in writing and signed by both parties. Any waiver of any term or condition hereof shall be in writing and signed by the party waiving its rights and shall be deemed to refer only to the specifically referenced term or condition.

14.3 These Standard Terms were originally written in the English language.

14.4 These Standard Terms shall be integrated into every sale contract or related documents between Buyer and Seller.

14.5 Any issues that are not expressly addressed by these Standard Terms shall be addressed by the then existing version of the Uniform Commercial Code.