

# INNEOS PRODUCTS SALES ORDER TERMS AND CONDITIONS

1. **AGREEMENT.** The terms and conditions as set forth herein as well as any additional terms and conditions that may appear on the Sales Order shall constitute the entire agreement between Inneos LLC (Inneos) and Buyer. Inneos will not be bound by any terms of Buyer's purchase order that are inconsistent with the terms herein unless explicitly agreed to in writing by Inneos. By providing to Inneos a signed copy of this Sales Order or by taking receipt of any units shipped under this order, Buyer accepts any and all terms of this agreement. The Agreement shall not be modified except in writing, signed by the parties hereto.
2. **CANCELLATION.** Buyer shall have no right to cancel a purchase order without first obtaining Seller's prior written consent, which shall be given at Seller's sole and absolute discretion. Cancellation charges for special, custom, or standard products or services shall be 100% of all costs incurred to the time of cancellation.
3. **RELEASE AND DELIVERY SCHEDULE.** All items are considered Released. Buyer is allowed to reschedule each line item twice, with a total delay of not more than 30 days beyond the original delivery date. Any request to reschedule more than twice or more than 30 days beyond the original delivery date may be ignored by Inneos at its sole discretion and INNEOS may continue to deliver Items per the Schedule.
  - 3.1.1. "Release" means Buyer's authorization Inneos to ship a definite quantity of Items to the schedule specified in this Sales Order.
  - 3.1.2. "Items" means the goods that Inneos is to provide to Buyer as set forth on this Sales Order.
4. **SHIPMENT.** Inneos will attempt to meet the shipment schedule specified in this Sales Order. However, any shipment quotation or forecast on an order acknowledgment is only an estimate of the time required to make shipment and INNEOS will not assume liability, consequential or otherwise, because of any delay or failure to deliver all or any part of any order for any reason. INNEOS reserves the right to allocate inventories and current production in any way it deems desirable.
5. **PRICE.**
  - 5.1. The price of all Products unless otherwise specifically stated in this Agreement is Ex Works (Incoterms 2012), at the place of manufacture or warehouse location, which is the address of Inneos exclusive of insurance cost. The cost of packaging for normal domestic shipment is included in the invoiced price. Where special domestic or export packaging and/or handling is required, involving greater expense, a charge will be made to cover such extra expense.
  - 5.2. Prices and orders do not include Federal, State or local excise, sales, use or other taxes now or hereinafter enacted, which are applicable to the Products sold hereunder or this transaction (excluding only taxes based on INNEOS's income), which tax or taxes will be added by INNEOS to the sales price when INNEOS has the legal obligation to collect the same and will be invoiced to and paid by Buyer, unless Buyer provides INNEOS with a proper tax exemption certificate. In the event INNEOS is required to pay any such tax, fee or charge at the time of sale or thereafter, the Buyer shall reimburse INNEOS therefore.
6. **CURRENCIES:** If the prices quoted herein are in a currency other than U.S. dollars, Buyer shall make remittance to Seller at the then current exchange rate most favorable to Seller; provided that if remittance is not made when due, Buyer will convert the amount to U.S. dollars at the then current exchange rate most favorable to Seller available during the period between the due date and the date remittance is actually made.
7. **PAYMENT TERMS.** Unless otherwise stated as part of this Agreement, the terms of the sale are net 30 from date of invoice. INNEOS, at its option, may charge Buyer 1-1/2% interest per month or the maximum legal rate, whichever is less, on any balance not paid by the due date. INNEOS reserves the right to require alternative payment terms, including, without limitation, letter of credit or payment in advance. All payments shall be made to INNEOS at its office in Pleasanton, California.
8. **TRANSPORTATION AND RISK OF LOSS.** All shipping shall be at the expense of Buyer per the method specified by the Buyer. Risk of loss or damage shall pass to Buyer upon delivery of the Products to the transportation company at the FOB point. Confiscation or destruction of, or damage to Products shall not release, reduce or in any way affect the liability of Buyer. Notwithstanding any defect or nonconformity, or any other matter, such risk of loss shall remain in Buyer until the Products are returned at Buyer's expense to such place as INNEOS may designate in writing.
9. **WARRANTY.**
  - 9.1. INNEOS warrants to you, the customer, that INNEOS products will be free from defects in materials and workmanship from the date of shipment until the end of 12 months after the date of shipment (the warranty period). If INNEOS receives notice of such defects during the warranty period, INNEOS will, at its option, either repair or replace products that prove to be defective. Replacement products may be either new or like new.
  - 9.2. INNEOS does not warrant that the operation of INNEOS products will be uninterrupted or error free. This warranty does not apply to defects resulting from (a) improper or inadequate maintenance or calibration, (b) software, interfacing, parts or supplies not supplied by INNEOS, (c) firmware or its interoperability with other like devices, (d) unauthorized modification or misuse, (e) operation outside of the published environmental specifications for the product, (f) improper site preparation or maintenance or (g) accident or neglect.
- 9.3. INNEOS MAKES NO OTHER EXPRESS WARRANTY OR CONDITION WHETHER WRITTEN OR ORAL TO THE EXTENT ALLOWED BY LOCAL LAW, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, SATISFACTORY QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTY SET FORTH ABOVE. INNEOS SPECIFICALLY DISCLAIMS ANY ORAL WARRANTY OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE OR ANY IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.
- 9.4. TO THE EXTENT ALLOWED BY LOCAL LAW, THE REMEDIES IN THIS WARRANTY STATEMENT ARE YOUR SOLE AND EXCLUSIVE REMEDIES. EXCEPT AS INDICATED ABOVE, IN NO EVENT WILL INNEOS BE LIABLE FOR LOSS OR FOR DIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING LOST PROFIT OR DATA), OR OTHER DAMAGE, WHETHER BASED IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE.
10. **INSPECTION AND ACCEPTANCE.** The Buyer shall have the right to inspect the goods upon tender of delivery. Failure of the Buyer to inspect the goods and give written notice to the INNEOS of any alleged defect or nonconformity within thirty (30) days after tender of delivery shall constitute an irrevocable acceptance by Buyer of the goods delivered to him. Use of any such goods by Buyer, its agents, employees or licensees, for any purpose after delivery thereof, shall also constitute acceptance of the goods by Buyer.
11. **RETURNS.** The Products may be returned to INNEOS after Buyer obtains an RMA from INNEOS. The RMA request shall include the order number, approximate date shipped and any and all other identifying numbers (such as invoice number, date of invoice, P.O. numbers, etc.). Each RMA request for credit should state the type and quantity of goods, the part numbers and the reasons for the return. If return authorization is granted, Products shall be returned in a clean, well-packaged condition. No credit allowance on defective items will be made and no replacement for defective items will be shipped in any event, unless INNEOS after suitable testing and inspection, among other things, establishes to its satisfaction the alleged defects.
12. **INNEOS'S RIGHTS TO SUBCONTRACT.** INNEOS may subcontract any portion of the work on any item subject to this Agreement, but INNEOS's obligations and rights hereunder shall not be limited or affected thereby.
13. **PROPRIETARY RIGHTS.** The sale of the Products hereunder to Buyer shall in no way be deemed to confer upon Buyer any right, interest or license in any patents or patent applications or design copyrights INNEOS may have covering the Products. INNEOS retains for itself all proprietary rights in and to all designs, engineering details, and other data and materials pertaining to any Products supplied by INNEOS and to all discoveries, inventions, patents and other proprietary rights arising out of the work done by INNEOS in connection with the Products or with any and all Products developed by INNEOS as a result thereof, including the sole right to manufacture any and all such Products. Buyer warrants that it will not divulge, disclose, or in any way distribute or make use of such information, and that it will not manufacture or engage to have manufactured such Products.
14. **ERRORS.** Stenographic and clerical errors are subject to correction.
15. **APPLICABLE LAW; JURISDICTION AND VENUE.** This agreement will be governed by the Laws of the State of California.
16. **LIMITATION OF LIABILITY.** INNEOS will not be liable for any loss, damages or penalty resulting from delay in delivery of the Products when such delay is due to causes beyond the reasonable control of INNEOS, including without limitation, supplier delay, force majeure, act of God, labor unrest, fire, explosion or earthquake. In any such event, the delivery date will be deemed extended for a period equal to the delay.
17. **INNEOS'S LIABILITY UNDER, FOR BREACH OF, OR ARISING OUT OF THIS AGREEMENT AND/OR SALE WILL BE LIMITED TO REPAIR OR REPLACEMENT OF ANY DEFECTIVE PRODUCTS OR A REFUND OF THE PURCHASE PRICE OF THE PRODUCTS, AT INNEOS'S SOLE OPTION, AS SET FORTH IN PARAGRAPH 9 ABOVE. IN NO EVENT WILL INNEOS BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTED PRODUCTS BY BUYER, NOR WILL INNEOS BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES INCLUDING WITHOUT LIMITATION LOSS OF PROFIT WHETHER OR NOT INNEOS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS HOWEVER CAUSED, WHETHER FOR BREACH OR REPUDIATION OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE. THIS EXCLUSION INCLUDES ANY LIABILITY THAT MAY ARISE OUT OF THIRD PARTY CLAIMS AGAINST BUYER. THE ESSENTIAL PURPOSE OF THIS PROVISION IS TO LIMIT THE POTENTIAL LIABILITY OF INNEOS ARISING OUT OF THIS AGREEMENT AND/OR SALE.**
18. **SUBSTITUTIONS AND MODIFICATIONS.** INNEOS will have the right to make substitutions and modifications of the specifications of Products sold by INNEOS, provided that such substitutions or modifications will not materially affect overall Product performance.
19. **WAIVER.** Any concession or indulgence made by INNEOS or INNEOS's failure to insist on performance of any of the terms and conditions hereto shall not be considered a waiver of any other term, whether the same or similar. No waiver by INNEOS of any default or provision hereof shall be deemed a waiver of any subsequent default or provision.
20. **INDEMNIFICATION.** Buyer shall defend, indemnify and hold Inneos, its subsidiaries and affiliates, their officers, directors, employees, and agents harmless from and against any claims, actions or demands, liabilities and settlements, including, without limitation, reasonable attorney and accounting fees, resulting from, or alleged to result from Buyer's use of the Product