

STANDARD TERMS AND CONDITIONS OF SALE

TO THE EXTENT THAT THIS ORDER IS COVERED BY CONTRACT BETWEEN US, IT IS ACCEPTED PURSUANT TO THE TERMS AND CONDITIONS SET FORTH HEREIN, TO THE EXTENT THIS ORDER IS NOT COVERED BY CONTRACT, OUR ACCEPTANCE IS MADE EXPRESSLY AND SOLELY SUBJECT TO THE TERMS AND CONDITIONS HEREOF AND SELLER ASSUMES NO OBLIGATION EXCEPT AS HEREIN SET FORTH.

All orders are accepted subject to and sales made in accordance with our Standard Terms and Conditions of Sale which are printed on the back of our invoices, quotes and price lists.

This agreement is not transferable by either party, in whole or in part, except with the written consent of either party.

STANDARD TERMS AND CONDITIONS OF SALE

1) SELLER warrants that (a) the product is of the quality set forth in published specifications, if any, or as may be otherwise expressly stated in this contract, and (b) the title conveyed is good and the product is free from any lawful security interest, lien or encumbrance. SELLER MAKES NO FURTHER REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE. Buyer assumes all risk of patent infringement by reason of any use Buyer makes of the product in combination with other material or in the operation of any process.

2) PRICES. All prices are in US Dollars, unless otherwise specified. All prices are F.O.B. Santa Fe Springs, California, USA. Prices are subject to change without notice. Orders accepted subject to the price prevailing at the time of shipment. Any special packaging requirements, forwarding, loading, unloading, etc., shall be extra and charged separately.

3) Terms of payment until such time as credit has been established are C.O.D. Invoices not paid when due are subject to a finance charge of 1½% per month (18% per annum) or at the maximum rate permitted by law and adjusted as necessary to reflect the cost of carrying past due receivables.

4) It is the Buyer's responsibility to arrange for transit risk or any other insurance that may be required by the Buyer. SELLER will have no responsibility for any loss or damage beyond SELLER's point of shipment. SELLER will not be responsible for any delay in collection, transportation and handling of the material by any common carrier. SELLER is responsible only to the point of readying the material for shipment.

SELLER shall not be responsible for any delay or failure caused by force majeure, conditions such as acts of God, fire, flood, epidemic, war, revolutions, strike, labor unrest and other such similar causes beyond reasonable control of the SELLER.

All shipments should be inspected immediately upon arrival. If the material is not satisfactory, notify us at once. The weights, tares and tests fixed by SELLER's invoice shall govern unless proven to be incorrect. Buyer shall waive claims relating to quality, weight, and condition of any of the product sold hereunder unless made within ten (10) days after receipt of product by Buyer.

Consignee MUST make all claims against carrier for shortages, damage, and delays in delivery.

To maintain the quality of SELLER's products NO RETURNS are allowed. All sales are final. In special cases, permission to return material must be pre-approved by an authorized SELLER's employee before material is returned. Responsibility for the return lies with the customer, i.e., ordered in error, excess stock, discontinuance of product use, etc. When return is authorized by SELLER, credit will be issued after receipt and approval of quality at 20% less than the purchase price or current selling price at date of SELLER's receipt, whichever is lower. Returned material must be in shippable condition with any reconditioning expense borne by the customers' account. Return transportation is borne by the customers' account. Where the responsibility for the return is determined to lie with SELLER, credit will be issued upon receipt and inspection of the material at full purchase price. Material shall be protected from damage while in the customer's possession. Transportation in both directions is the responsibility of the SELLER.

5) TITLE. Title to and risk of loss of all products sold hereunder shall pass to Buyer at SELLER's point of shipment (Ex Works, Santa Fe Springs, California) whether or not SELLER pays all or any part of the freight, and notwithstanding any designation of F.O.B. elsewhere in the contract.

All shipments will be made freight charges "COLLECT", unless special arrangements are made prior to shipment. All charges applicable beyond SELLER's point of shipment shall be borne by the Buyer.

6) SELLER warrants that all products (or materials) delivered hereunder were produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended.

7) Buyer acknowledges that it has received and is familiar with SELLER's labeling, literature and safety information concerning the products (or materials) sold hereunder and will forward such information to its employees who handle, process or sell such products and customers of such products, if any.

8) Buyer shall reimburse the SELLER for all taxes, excises or other charges that the SELLER may be required to pay any Government (National, State or Local) upon the sale, production, or transportation of the products sold hereunder.

9) 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. SELLER may recover for each shipment hereunder as a separate transaction, without reference to any other shipment.

10) It is further understood and agreed between Buyer and SELLER that if this agreement covers products (or materials) that must necessarily be manufactured especially for Buyer and is suspended or terminated for any reason, Buyer will take delivery of and make payment for such products 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, he will make payment, therefore, as though delivery had been made and SELLER will store such products (or materials) on Buyer's account and at Buyer's expense.

11) Buyer acknowledges that the Goods may require special handling, storage, transportation, treatment or use to comply with applicable safety and environmental laws and agrees to take all reasonable action to comply with these laws and avoid spills or other damages to persons, property or the environment.

12) This Terms and Conditions of Sale shall be enforced and construed pursuant to the laws of the State of California with the exception of conflict of laws principles and venue for any lawsuit shall be brought in the Los Angeles County Superior Court in the Southeast District.