

## **TERMS AND CONDITIONS**

1. **SALE OF EQUIPMENT.** Polyurethane Process Industries, LLC (“PPI”) hereby offers for sale the machinery, repairs or parts listed on PPI’s quotation or confirmation (“Equipment”), on the express condition that the Buyer (“Buyer”) agrees to accept and be bound by all the Terms and Conditions set forth herein. Acceptance by Buyer shall be by (a) written or oral acceptance received by PPI (including receipt of Buyer’s purchase order), or (b) shipment by PPI, and Buyer’s acceptance of, or payment for (including partial payment) the Equipment. Acceptance by Buyer shall constitute acceptance of these Terms and Conditions and the terms expressed in PPI’s quotation or confirmation.

2. **ENTIRE AGREEMENT.** The entire agreement between PPI and Buyer shall consist of the Terms and Conditions contained herein, together with the terms expressed in PPI’s quotation or confirmation. PPI shall not be bound by any additional or different terms, whether printed or otherwise, in Buyer’s purchase order or in any other communication from Buyer to PPI unless specifically agreed to in writing and such additional or different terms are expressly rejected. Prior courses of dealing, usages of trade and verbal agreements not reduced to writing and signed by a duly authorized representative of PPI, to the extent that they alter this agreement, shall not be binding on PPI.

3. **MODIFICATION; TERMINATION; CANCELLATION.** Except as provided herein, the purchase order and these Terms and Conditions may not be modified, terminated, repudiated or canceled, in whole or in part, except by a writing signed by PPI and Buyer. PPI may, at its option, treat any attempted modification, termination, repudiation or cancellation to which it does not assent as a breach of the entire agreement and claim all proper damages. If the purchase order is terminated or canceled and there is no contrary written agreement between Buyer and PPI, Buyer shall pay termination charges as follows:

- (a) fifteen percent (15%) of the purchase price; or
- (b) for special parts not in stock, that percentage of the purchase price which equals the percentage of completion, if greater.

In addition, Buyer shall be responsible for all transportation costs incurred by PPI as a result of such termination or cancellation of the purchase order.

4. **TITLE & SECURITY.** The title to and ownership in the Equipment sold hereunder shall remain in PPI until payment in full of the purchase price. Buyer hereby grants to PPI a security interest in the Equipment and other goods sold to secure full payment therefor and agrees, any rule of law to the contrary notwithstanding, that title and right to repossess same as its property by action in replevin or otherwise, shall remain in PPI until payment of the purchase price is made in full in accordance with the terms hereof, irrespective of any dispute arising from any warranty claim.

5. **DEFAULT.** If Buyer is in arrears in the payment of any amounts due PPI by more than 60 days, or if Buyer expresses an intention not to pay PPI, or is unable to pay, PPI shall have the following rights and remedies:

(a) **BUYER HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD IN PENNSYLVANIA, OR IN THE STATE WHERE THE EQUIPMENT OR THE CUSTOMER IS LOCATED, TO CONFESS JUDGMENT AGAINST BUYER AND IN FAVOR OF PPI FOR THE TOTAL AMOUNT THEN DUE, INCLUDING ALL ACCELERATED DEBT, PLUS ATTORNEY’S FEES EQUAL TO TEN PERCENT (10%) OF THE OUTSTANDING BALANCE. PPI MAY TRANSFER ANY JUDGMENT TO ANY OTHER JURISDICTION IN ACCORDANCE WITH APPLICABLE LAW. THE AUTHORITY TO CONFESS JUDGMENT HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ANY ONE EXERCISE THEREOF, BUT SHALL CONTINUE IN FULL FORCE AND EFFECT FROM TIME TO TIME, AND AT ALL TIMES UNTIL THE TOTAL AMOUNT DUE TO PPI IS PAID IN FULL.**

(b) After confession of judgment under sub-paragraph (a) above PPI may enter upon the premises of the Buyer during regular business hours where the Equipment is located without further notice and repossess, remove and resell such Equipment. Buyer consents to such entry, repossession and removal and waives any and all objection, if any, it could assert that the entry, repossession and removal is a violation of State law,

including a breach of the peace. Buyer shall cooperate with PPI in removing such Equipment. In the event of such repossession, PPI may retain all payments made on the purchase price as liquidated damages and as rental for the Equipment. The proceeds of any resale shall be applied in payment of costs of repair and expenses of repossession and resale and the remainder of the proceeds shall be applied in reduction of the unpaid balance of the purchase price. Upon the resale the Buyer shall be liable for any deficiency remaining after the application of the proceeds and PPI may sue for such deficiency.

(c) The failure by PPI to exercise any remedy upon the occurrence of a default shall not constitute a waiver of any rights under this agreement for any future occurrence of a default nor shall the exercise of same be the exclusive remedy available to PPI.

6. PAYMENT. Unless otherwise agreed in writing, payment of the purchase price shall be made in U.S. dollars as specified in PPI's quotation or confirmation.

7. DELIVERY. Delivery dates are approximate and are subject to extension for delays caused by fire, strike, lock out, labor dispute, civil or military authority, riot, embargo, car or truck shortage, wrecks or delay in transportation, non-delivery of materials or supplies by the carrier, or any cause beyond the reasonable control of PPI, and PPI shall not be liable for any loss or damage, whether incidental, consequential or otherwise, for delay or non-delivery from any such cause.

8. SHIPMENT. Equipment is sold F.O.B. plant of PPI, Greensburg, Pennsylvania, unless otherwise specified. Buyer shall pay all shipping costs and bear the risk of loss after PPI completes delivery to carrier.

9. WARRANTY AND LIMITATION OF REMEDY. The Equipment is warranted to be free from defects in materials and workmanship for a period of six (6) months from the date of delivery under normal use and service unless otherwise specified in PPI's quotation or confirmation; provided, Buyer gives PPI written notice of the defect or defects within thirty (30) days of their being discovered. This warranty shall not apply to any damage resulting from accident, modification, alteration, misuse or abuse of the Equipment, nor shall this warranty apply to depreciation or deterioration of material or parts due to normal wear and tear, or to any damage resulting from failure to follow PPI's instructions for the use of the Equipment or maintenance of the materials and Equipment. This warranty shall be void if Buyer defaults in any payment or fails to perform any act required by these Terms and Conditions.

**NO OTHER WARRANTIES, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, ARE GIVEN AND ALL OTHER SUCH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.**

The exclusive remedy for breach of the aforesaid warranty or for any other defect or nonconformity of the Equipment sold hereby is repair or replacement, at PPI's option, of any part or parts thereof, which Buyer has notified PPI in writing to be defective, and which PPI has determined to be defective under normal use and service within the warranty period. All replacements shall be furnished to Buyer according to the original terms of shipment specified herein. All costs of disassembling, reassembling and shipping are the responsibility of Buyer. PPI shall not be liable for any incidental or consequential damages including, without limitation, any loss or damage to any person, machine or goods, interruption of production, loss of profits, delays of any kind, administrative expenses, or overhead resulting, directly or indirectly, from the use or loss of the Equipment.

10. SEVERABILITY. In the event any provision hereof shall be determined to be unenforceable for any reason, the remaining terms hereof shall nevertheless continue in full force and effect.

11. APPLICABLE LAW, SITUS. This agreement and these Terms and Conditions shall be governed by the laws of the Commonwealth of Pennsylvania and venue of any legal proceedings arising from this agreement will be Westmoreland County, Pennsylvania.

[end – terms and conditions]