

**1. TERMS:** These General Terms and Conditions (the “Agreement”) shall apply to any agreement between Composite Piping Technology LLC or its affiliates (collectively, the “Seller”) and you as the buyer (“Buyer”), whereby Buyer purchases any Product (“Product”) from Seller or any of its affiliates. Buyer’s acceptance of this Agreement is a condition precedent to any such sale. Any signing of a contract by Buyer, payment submission, acceptance of delivery or otherwise taking possession of any Product, or any other partial performance by Buyer, shall be construed as Buyer’s acceptance of this Agreement. Notwithstanding anything herein to the contrary, no modification to this Agreement shall be accomplished by the confirmation, acknowledgment, or acceptance by Seller of any purchase order, acknowledgement, release, or any other forms or documents provided by Buyer containing any terms or conditions other than those contained herein, as such terms or conditions are hereby rejected by Seller.

**2. PRICING:** Price is the price quoted by Seller or otherwise agreed in writing, or documented in an order acknowledgement.”

**3. PAYMENT:** Payment shall be made in the full invoice amount, less deposits made without set-off, discount or deduction in U.S. Dollars at the time of delivery or such other terms, cash or credit, as may be fixed from time to time by Seller, offered in a quote, or otherwise agreed in writing. In the event payment for any invoice is not received by Seller on or before the due date, Seller shall have the right, in addition to any other remedy available, to impose a late payment charge at the rate of 1 ½% per month (which is an annual percentage rate of 18%) or the maximum rate permitted by applicable law. Buyer shall be liable for all costs and expenses incurred in connection with the collection of Buyer’s account(s), including court costs, collection agency fees and reasonable attorneys’ fees.

**4. FINANCIAL RESPONSIBILITY:** The sale of Product to Buyer is subject to credit approval by Seller. If the financial condition of Buyer becomes impaired or unsatisfactory in the sole discretion of Seller, advance cash payments, guarantees, a letter of credit, collateral, or other satisfactory security for each delivery shall be given by Buyer upon demand in writing by Seller, and shipments may be withheld until such payment or security is received. If such payment or security is not received within fifteen (15) days from Seller’s demand therefore, Seller may immediately terminate this Agreement. This provision is also applicable in the event Buyer’s approved credit limit has been exceeded.

**5. TAXES:** In addition to the purchase price, Buyer shall also pay to Seller any duty, tax, fee, or other charges (foreign or domestic) now in effect or hereafter enacted or assessed together with any interest, penalties, or other costs levied thereon, which Seller (or its suppliers) may be required to collect or pay with respect to the production, manufacture, sale, transportation, delivery, or use of any product sold hereunder and which is not otherwise given effect in Seller’s applicable prices.

**6. RISK OF LOSS/TITLE TRANSFER:** All Product is sold FOB at Seller’s Kilgore, Texas facility (even if Seller arranges transport of the Product) unless otherwise agreed to in a written instrument signed by both parties, and title and risk of loss shall pass upon loading the Product on transport truck at Seller’s facility.

**7. TRANSPORTATION CHARGES:** Buyer shall be responsible for any freight or demurrage charges and any returned freight charges for the Product.

**8. FAILURE TO PERFORM:**

(a) Any delays in or failure of performance of either party hereto shall not constitute default hereunder or give rise to any claims for damages if and to the extent that such delay or failure is caused by occurrences beyond the control of the party affected, including, but not limited to, acts of God or the Public enemy; expropriation or confiscation of facilities; compliance with any order or request of any governmental authority; acts of war, rebellion or sabotage or damage resulting therefrom; embargoes or other import or export restrictions, accidents or breakdowns, riots or strikes or other concerted acts of

workers whether direct or indirect; fires, floods, explosions or any other causes whether or not of the same class or kind as those specifically above named which are not within the control of the party affected and which, by the exercise of reasonable diligence, said party is unable to prevent or provide against.

(b) Allocation. Notwithstanding the foregoing, if Seller does not have sufficient supplies of Product to meet the supply obligations under this Agreement and its other ongoing Product supply obligations, then Seller may allocate its available supplies of Product on any basis which in Seller’s sole judgment is fair and reasonable including, but not limited to, an allocation based on historical or planned deliveries. The shortage creating the need to allocate may be based on any of the following: a condition of force majeure; an actual shortage of Product; a partial or total interruption or loss or shortage of transportation facilities or supplies of Product; or a shortage in the contemplated source of supply of Product. Seller shall have no obligation to make up any shortage resulting from an allocation hereunder nor shall Buyer have any obligation to accept shortfall quantities resulting from such allocation at a later date. Furthermore, this Agreement shall not be construed in any way to require Seller to purchase Product to supply any or all of the contract volume hereunder. If for any reason there is a reduction of transportation capacity in facilities through which Seller normally makes deliveries under this Agreement, the obligation of Seller under this Agreement to make deliveries hereunder shall, at its option, be reduced in proportion to such loss or reduction in transportation capacity. Notwithstanding the foregoing, in any case in which Seller’s obligations under this agreement may be reduced. Seller shall give Buyer prompt written notice of any reduction in Seller’s obligation pursuant to the provisions of this paragraph.

(c) Seller shall not be required to make up deliveries omitted on account of any of the causes set forth in this section.

(d) Nothing in this section shall excuse Buyer from making payment when due for deliveries made under this Agreement.

**9. NON-CANCELLATION AFTER PURCHASE ORDER:** Buyer acknowledges and agrees that upon receipt by Seller of Buyer’s purchase order, Seller will rely on the quantity of goods in such purchase order to procure raw materials and reserve production time and as such, (i) Buyer’s order will be non-cancellable by Buyer and (ii) Buyer will be liable for the full purchase price of the goods. Notwithstanding the foregoing, Seller may choose, at its sole discretion, to accept a purchase order cancellation from Buyer and in such event, Buyer acknowledges and agrees it will be charged a restocking fee equal to twenty-five (25%) of the purchase price of the goods (hereinafter “Restocking Fee”). Payment for any Restocking Fee will be due in accordance with Section 3 above.

**10. INSPECTION:** Buyer shall have the right, at its expense, to have an inspection made at delivery point, provided such inspection shall not delay shipment. Should Buyer fail to make inspection, it shall accept Seller’s inspection and count.

**11. WARRANTIES:** Seller warrants that Seller will convey good title to the Product supplied free of all liens. Seller further warrants that for a period of twelve (12) months from the date of shipment, the Products sold pursuant to the Agreement will materially conform to Seller’s written specifications in this Agreement or, if none specified, the Seller’s written specifications in effect on the date of shipment and applicable to such Products; provided, however, notwithstanding anything to the contrary in this Agreement, the warranty set forth in this Section 11 will not apply (i) when the Products have been subjected at any time to application or use in a manner inconsistent with Product Literature from Seller, ASTM International (hereinafter “ASTM”), or Plastic Pipe Institute (hereinafter “PPI”), American Society of Mechanical Engineers (herein after “ASME”), International Standards Organization (hereinafter “ISO”), including, but not limited to, internal pressure or external load in excess of Seller’s, ASTM’s, PPI’s, ASME’s, and ISO’s guidance regarding

recommended pressure, temperature, time, fluid, or environmental limitations during installation, testing, operation, or use of the Products, (ii) when the Products have been installed, joined, fused, or affixed with other products or goods (whether from Seller or a third party) in a manner inconsistent with Product Literature from Seller, ASTM, ISO, ASME, or PPI, (iii) when the Products have been subjected to mishandling, accident, damage, or abuse at any time after departure from Seller's shipping point, or (iv) when the Products have been subjected to damage, destruction, loss, injury, impairment, or stress arising from negligent or deficient installation, joining, backfill placement or compaction, trenchless installation, leak or pressure testing, disinfecting, or commissioning, or operation of heavy equipment over or near. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES WHETHER WRITTEN, ORAL, OR IMPLIED. THE WARRANTY OF MERCHANTABILITY AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

**12. CLAIMS:** For any claim for defect or variance in quality, including a warranty claim under Section 11, Buyer shall notify Seller in writing within ten (10) days of discovery of the basis of the claim and no later than twelve (12) months after the date the Products were shipped. For any claims, Seller shall be given an opportunity to inspect the Products on a timely basis.. UPON NOTICE AND VERIFICATION OF THE CLAIM BY SELLER, SELLER AT ITS OPTION, MAY REPLACE THE PRODUCT OR REFUND THE PURCHASE PRICE OF THE PRODUCT, WHICH SHALL BE BUYER'S SOLE AND EXCLUSIVE REMEDY HEREUNDER. BUYER HEREBY WAIVES ANY OTHER REMEDIES AVAILABLE AT LAW. Time is of the essence for any claims made by Buyer hereunder.

**13. COMPLIANCE WITH LAW:** Buyer represents and warrants that it will comply with all applicable laws in connection with this Agreement. Buyer represents and warrants to Seller that neither it, its affiliates, nor any member, shareholder, owner, officer, director, employee, or other associated person is on the U.S. Office of Foreign Assets Control Specially Designated Nationals list or is otherwise covered by sanctions, embargoes, or other trade restrictions, and Buyer shall not re-sell, transfer, or otherwise use any Product in violation of such laws.

**14. INDEMNIFICATION:** TO THE MAXIMUM EXTENT PERMITTED BY LAW, EXCEPT TO THE EXTENT IT IS JUDICIALLY DETERMINED BY A FINAL NON-APPEALABLE JUDGMENT TO HAVE BEEN CAUSED BY SELLER'S SOLE NEGLIGENCE OR WILLFUL MISCONDUCT, BUYER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER, ITS SUBSIDIARIES, AFFILIATES, AND RELATED COMPANIES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, AND AGENTS (THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, LOSSES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) ARISING, IN WHOLE OR PART, OUT OF ANY ALLEGATION: (A) RELATING TO THE TRANSPORTATION, DELIVERY, STORAGE, HANDLING, OR USE, SINGLY OR IN COMBINATION WITH OTHER PRODUCTS, OF THE PRODUCTS AFTER RISK OF LOSS TRANSFERS TO BUYER; (B) RELATING TO THE INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, OR OTHER INTELLECTUAL PROPERTY RIGHT DUE TO USE BY BUYER, ITS AFFILIATES UNDER COMMON OWNERSHIP, OR ITS AND THEIR OFFICERS, EMPLOYEES, OR AGENTS, OF ANY PRODUCT, PROCESS, COMPOSITION, MACHINE, OR ARTICLE OF MANUFACTURE, OR ANY METHOD, STRUCTURE, APPARATUS, MATERIAL, OR OTHER OBJECT OR DOCUMENTATION, IN CONJUNCTION WITH THE GOODS SOLD PURSUANT TO THE AGREEMENT; (C) FOR INJURY TO OR DEATH OF ANY PERSONS WHILE ON OR ADJACENT TO THE FACILITY, AND FROM LOSS OF OR DAMAGE TO ANY PROPERTY, IN ANY WAY ARISING, IN WHOLE OR IN PART, OUT OF THE PRESENCE OR ACTIVITIES OF ANY KIND OR CHARACTER OF BUYER OR ANY TRANSPORTATION CARRIER LOADING AT SELLER'S FACILITY RELATING TO THE PRODUCT SOLD HEREUNDER. THIS INDEMNITY AGREEMENT IN FAVOR OF SELLER WILL APPLY REGARDLESS

OF WHETHER THE INJURY, DEATH OR PROPERTY DAMAGE IS ALLEGED TO HAVE BEEN CAUSED BY THE JOINT, CONCURRENT OR CONTRIBUTORY NEGLIGENCE AND/OR STRICT PRODUCT LIABILITY OF ANY PARTY.

**15. LIMITATION OF LIABILITY:** (A) THE TOTAL LIABILITY OF SELLER WITH RESPECT TO THE GOODS SOLD TO BUYER PURSUANT TO THE AGREEMENT, OR OTHERWISE ARISING IN CONNECTION WITH THE AGREEMENT, WHETHER SUCH LIABILITY IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE, WILL NOT EXCEED THE PURCHASE PRICE OF THE GOODS IN RESPECT OF WHICH THE CLAIM IS MADE; AND (B) SELLER AND ITS AFFILIATES, SHALL NOT BE LIABLE TO BUYER FOR ANY DEMURRAGE, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, THE LOSS OF BUSINESS, LOSS OF PROFIT, LOSS OF USE, OR ANY LOSS REVENUE .

**16. MODIFICATION OF CONTRACT:** Unless expressly provided for herein, this Agreement may be modified or rescinded only by a writing signed by both of the parties or their duly authorized agents.

**17. WAIVER:** No waiver by either party of any breach of any of the covenants or conditions herein contained to be performed by the other party shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.

**18. NO THIRD-PARTY BENEFICIARIES:** This Agreement is intended solely for the benefit of the parties hereto and their permitted assigns and will not impart rights enforceable by any other person or entity.

**19. ASSIGNMENT:** This Agreement is not assignable or transferable by Buyer, directly or indirectly without the written consent of Seller.

**20. GOVERNING LAW/VENUE:** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts-of-law principles. Buyer hereby agrees and consents to the exclusive jurisdiction and venue of the state or federal courts situated in Gregg County, Texas, for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement. The parties hereto hereby waive any objection to such jurisdiction and venue, and further waive any claim or assertion that such jurisdiction and venue could be considered improper or *forum non conveniens*. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS SUCH PARTY HAS OR MAY ACQUIRE IN THE FUTURE TO A TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

**21. ENTIRE AGREEMENT:** This Agreement is intended as the final expression of the parties Agreement and is the complete and exclusive statement of the terms thereof. No statements or agreements, oral or written, made prior to or at the signing hereof shall vary or modify the written terms hereof; and neither party shall claim any amendment, modification, or release from any provision hereof by reason of a course of action or mutual agreement unless such agreement is in writing signed by the other party and specifically stating it as an amendment of this contract. No modification or addition to this contract shall be effected by the acknowledgement or acceptance by Seller of any purchase order, acknowledgement, release, or other forms submitted by Buyer containing other or different terms or conditions.