

**Trigon Products, Inc.**  
**General Terms and Conditions**  
**For the Procurement of Materials or Services**

BUYER DOES NOT ACCEPT ANY TERMS AND CONDITIONS OTHER THAN THOSE EXPRESSLY SET FORTH HEREIN AND ATTACHED TO THIS PURCHASE ORDER, AND BUYER SHALL PURCHASE THE MATERIALS AND SERVICES ONLY UPON THE TERMS AND CONDITIONS ATTACHED HERETO. NO OTHER TERMS AND CONDITIONS THAT MAY OTHERWISE BE CONTAINED IN ANY DOCUMENTS OF SELLER SHALL MODIFY OR CONTRADICT THE TERMS SET FORTH HEREIN.

**1. AGREEMENT TO PURCHASE AND SELL MATERIALS AND SERVICES.** Supplier hereby agrees to provide to Trigon Products, Inc. (Buyer), and Buyer hereby agrees to purchase from Supplier, the Materials and/or Services identified in one or more purchase orders, releases or work orders issued by Buyer to Supplier ("Purchase Order"). These terms and conditions govern all purchases of Materials and/or supply of Services by Buyer from Supplier, and will expressly indicate if and to what extent any provision hereof is limited to either the purchase of Materials or supply of Services. Otherwise, each provision hereof shall be construed as broadly as possible to govern the supply of both Materials and Services.

**2. ESTIMATED QUANTITY.** Quantities listed in a Purchase Order are Buyer's estimate of the quantities Buyer might purchase from Supplier and shall not be construed as a minimum purchase obligation. Supplier shall make no claim for any loss arising from the difference between the actual quantities of Materials or Services purchased by Buyer and any estimates provided by Buyer.

**3. ORDERING / RELEASE PROCEDURE.** All purchases shall be made only upon the terms and conditions set forth herein. If Supplier accepts Buyer's Purchase Order or commences with the supply of any of the Materials or Services that are the subject of any Purchase Order, Supplier shall be deemed to have accepted these terms and conditions in their entirety without modification. The Purchase Order number must appear on all packing slips, invoices and other documentation referencing the order/release, as applicable.

**4. PRICE/PAYMENT TERMS.** Subject to the paragraph below and unless otherwise agreed by the parties, payment terms are net forty-five (45) days from the date of receipt of invoice. Prices for all Materials and Services purchased by Buyer hereunder shall be as set forth in Buyer's Purchase Order. No extra charges of any kind will be allowed unless prior written consent thereto is specifically provided by Buyer. It is the sole responsibility of Supplier to provide clear and timely notification to Buyer of any changes to payment instructions. In the absence of any such confirmation, Buyer will pay according to previously provided or last known banking or remit-to information. All claims for money due or to become due from Buyer will be subject to deduction or set off by Buyer for any counterclaim arising from this or any other transaction with Supplier.

If any lien shall attach to premises of Buyer as a result of Services or Material provided by Supplier, Supplier shall promptly procure its release and hold Buyer harmless from any and all claims, losses, costs, damages, or expenses (including reasonable attorneys' fees) relating thereto. To the extent permitted by law, Supplier waives and hereby releases Buyer and the premises of Buyer from any and all liens accrued or accruing to it whatsoever and authorizes Buyer to withhold payments due to Supplier for the applicable statutory period to pay any liens arising from the Services and Materials provided by Supplier.

## **5. INVOICING/RECONCILIATION.**

Supplier shall provide the invoices with supporting documents including any applicable bill of lading to Buyer's designated address no later than one working day after shipment is made to Buyer or by end of the month for work performed during such month. Supplier must reference Buyer's Purchase Order number, line item numbers, catalog numbers, and descriptions on all invoices. No invoices shall be issued nor payment made prior to delivery of the Materials or Services performed. All state and federal excise, sales and use taxes shall be stated separately on the invoices. Any delay in receiving invoices, or any errors and omissions on the invoices, shall be considered cause for withholding payment without losing any cash discount privileges or incurring any penalty. Notwithstanding anything stated herein, no payment shall be due with respect to work performed unless Supplier provides waivers and acknowledgments of payments from any and all of its subcontractors.

**6. SHIPMENTS OF MATERIALS.** All Materials purchased hereunder shall be delivered to Buyer facility unless otherwise agreed by the parties.

**7. DELIVERY OF MATERIALS AND SERVICES.** Supplier shall make delivery of Materials in accordance with Buyer's delivery schedule and shall perform the Services within the time frame Buyer specified, or as otherwise mutually agreed by the parties. Time is of the essence. Supplier shall promptly notify Buyer whenever it appears to Supplier that Supplier will not be able to deliver any part of the Materials specified or to perform any part of the Services on the date(s) specified. Buyer, in addition to any other remedies available to it, may terminate the Purchase Order without any further liability. In such case, Supplier shall, at Supplier's expense, take all reasonable steps, including working extra hours or using alternate shipping methods to expedite delivery of any and all such Materials or the performance of such Services. Supplier shall also be fully responsible for expediting sub-suppliers and/or subcontractors. Supplier shall provide Buyer periodic verified sub-supplier delivery information and/or subcontractor completion information, or authorize Buyer to contact any sub-supplier and/or subcontractor directly for same. If Buyer accepts short shipments or late deliveries of Materials, and/or if Buyer permits Supplier to provide Services hereunder after the specified date, such acceptance or permission shall not constitute a waiver of any of Buyer's rights.

**8. DELIVERY/PACKAGING PROCEDURE.** Supplier and Buyer shall agree upon required delivery procedures for Materials purchased hereunder. Supplier shall use its own trucks, contract carriers and/or common carriers as agreed to by Buyer. Supplier shall be responsible for proper packaging of all Materials to be delivered to Buyer. All Material packaging (boxes, bags, envelopes, etc.), loose pieces of material and packing lists shall be identified by Buyer's Purchase Order/ number, and Buyer's Purchase Order Line Item Number as well as Supplier's and/or Manufacturer's Part Number. Supplier agrees to include Buyer's item description on all packing slips.

**9. RETURNS/EXCESS QUANTITIES.** Buyer may, at its discretion, return any Materials for any reason whatsoever, if in same condition as received from Supplier, within thirty (30) days of receipt by Buyer. Seller shall refund Buyer for the purchase price of such returned Material. Buyer shall not be liable for payment for Materials delivered to Buyer that are in excess of quantities specified on any Purchase Orders. Supplier agrees to accept for return, at its expense including transportation charges, excess Materials delivered to Buyer, providing such merchandise is in same condition as received from Supplier. If Supplier refuses the return thereof, the excess Materials shall be deemed abandoned by Supplier and Buyer may dispose of the same without further liability to Supplier.

**10. CERTIFICATES OF ANALYSIS (COA) FOR RAW MATERIAL DELIVERIES.** Supplier will provide Buyer's delivery location with a COA prior to or, with each raw material shipment. A separate COA must be provided for each manufacturing lot.

**11. TITLE TO DRAWINGS AND SPECIFICATIONS.** Buyer shall at all times have title to all drawings, specifications and other documents supplied or prepared by Buyer and/or by Supplier in connection with the furnishing of Materials or Services hereunder. Supplier shall hold in confidence and use the same only to the extent necessary in connection with the supply of Materials or Services to Buyer and shall, upon Buyer's request, promptly turn over to Buyer all copies of same.

**12. WARRANTY, SPECIFICATIONS AND CHANGE.** Supplier hereby represents and warrants (a) that it is legally authorized to sell and deliver the Materials and to perform the Services; (b) the Materials are merchantable and fit for the purpose contemplated by Buyer; (c) the Materials are new and conform to all specifications, including performance specifications, required by Buyer or stated by Supplier; (d) the Materials will be free from defective materials and workmanship; (e) the use or sale of the Materials will not infringe any third-party patent or other intellectual property right provided, that Supplier does not warrant against infringement by reason of the use of the Materials in combination with other materials or in the operation of any process, except to the extent such use or operation is under the instruction of Supplier or provided furthermore that such infringement would not have occurred but for the use of the Materials in combination with other materials or in the operation of any process; (f) the Materials will be produced, sold and delivered in compliance with all applicable local, state and Federal laws, rules and regulations.

Supplier, its successors, assigns and legal representatives, shall indemnify, defend and hold harmless Buyer, its affiliates, contractors, agents, resellers, and customers against all claims, suits, judgments, court costs, reasonable attorneys' fees and other liabilities, demands or losses in any manner arising out of any alleged infringement of any patent, copyright or trademark rights due to the possession, use or sale of the Materials or Services provided hereunder, provided that Buyer shall notify Supplier as soon as reasonably possible after Buyer receives notice of any such claim. Supplier may be represented in the defense thereof by counsel of its own selection and at its own expense. Buyer, its affiliates, contractors, agents, resellers, and customers shall have a free and unrestricted right and license to use Materials in any and all arts and under all patents in or under which Supplier may now or hereafter have an interest.

**13. INSPECTION.** Materials purchased or Services provided hereunder are subject to inspection and approval at Buyer's facility. Buyer reserves the right to reject and refuse acceptance of Materials or Services not in conformance with any instructions, specifications, drawings and data or Supplier's warranties (express or implied). Payment for any Materials or Services shall not be deemed acceptance thereof and is without prejudice to any and all claims Buyer may have against Supplier.

**14. TERMINATION FOR CONVENIENCE.** Buyer may, at any time, terminate any Purchase Order in whole or in part by written notice. In the event of such termination, Supplier shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subcontractors to cease such work. Supplier shall be paid a reasonable termination charge consisting of a percentage of the Purchase Order price reflecting the percentage of the work performed prior to the notice of termination, plus actual direct costs resulting from termination. Supplier shall not be paid for any work done after receipt of the notice of termination or for any costs incurred by Supplier's suppliers or subcontractors which Supplier could reasonably have avoided.

**15. DEFAULT/TERMINATION.** The following shall constitute a default hereunder: (a) the failure of either party to perform any of its obligations hereunder, which failure is not cured by the defaulting party within ten (10) days following a written notice to do so ("the Cure Period"); (b) the filing by either party of voluntary petition or answer seeking any arrangement, composition, liquidation, or similar relief under any law or regulation relating to bankruptcy, insolvency or other relief for debtors; (c) the adjudication of either party as a bankrupt or insolvent; (d) the making by either party of a general

assignment for the benefit of creditor; (e) the admission by either party of its inability to pay its debts generally as they become due; or (f) the filing of a petition against a party seeking any arrangement, composition liquidation or similar relief under any law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such petition is not dismissed or discharged within sixty (60) days of filing. Upon the occurrence of a default hereunder and failure to cure during the Cure Period, the non-defaulting party may immediately terminate any Purchase Order by providing written notice thereof to the defaulting party. Such remedy of termination shall be in addition and without prejudice to any other rights or remedies, at law or in equity, which the non-defaulting party may otherwise have.

#### **16. SAFETY AND ENVIRONMENTAL REQUIREMENTS/COMPLIANCE WITH LAWS.**

Supplier shall ensure compliance by its employees, subcontractors and agents with all applicable federal, state and local statutes, rules and regulations, including but not limited to those relating to health, safety, labor and environmental matters, in the performance of its obligations hereunder.

Supplier shall not supply any chemical substance, Materials or product not specifically included in the relevant safety data sheet or any similar material document provided to Buyer, unless otherwise agreed upon in writing by Buyer.

**17. REMEDIES; GENERAL INDEMNITY.** (a) If any Materials or Services supplied hereunder do not conform to the specifications and warranties provided hereunder, then Supplier shall, at Buyer's sole option, and in addition to any other remedies available to Buyer hereunder, at law or in equity (i) rectify such non-conformity at Supplier's expense (including any necessary shipping costs); or (ii) allow full credit for such non-conforming goods (including shipping costs paid by Buyer). (b) Supplier shall indemnify and hold Buyer, its employees, agents, affiliates and customers harmless from and against any loss, liability, expense (including reasonable attorneys' fees) or other detriment of any kind arising out of or relating to (i) Supplier's supplying Buyer with defective or non-conforming Materials or Services, (ii) the performance or nonperformance by Supplier, its subcontractors or their respective employees, of its or their respective obligations hereunder or under any Purchase Order; or (iii) any default of Supplier or its subcontractors hereunder to which Buyer may incur or be subjected by reason of any act or omission of Supplier or any of its subcontractors, employees, agents, invitees or licensees. The foregoing indemnity includes, but is not limited to, reasonable attorneys' fees including fees for enforcement or collection of this indemnity. For the purposes of this section, any activities of Supplier, its subcontractors, licensees or invitees, or their respective employees, on or about Buyer's premises shall be deemed to be in connection with the supply of Materials and Services hereunder, whether or not such activities are actually within the scope of their agency or employment.

**18. CONFIDENTIALITY/LICENSING.** The terms and condition hereof, including the Services provided, Materials covered, its specifications, the quantity of purchase, price and proprietary information of Buyer, including but not limited to drawings, documents, electronic files and information relating to the production process and equipment (hereinafter "Information") shall be confidential. Buyer, at its discretion, may disclose such Information to Supplier upon and subject to the following terms and conditions. Except as hereinafter provided, Supplier shall (i) treat as confidential all Information which has been or is hereafter made available to Supplier directly or indirectly by Buyer, (ii) not disclose any such Information to any third parties; and (iii) not use any Information other than for compliance with the terms of the Purchase Order. The obligations imposed on Supplier by the preceding paragraph shall continue in full force and effect for a period of five (5) years following the completion or termination of any Purchase Order whichever occurs first; provided however, with respect to Information relating to trade secrets, such obligation shall survive any such completion or termination. The obligations set forth in this section shall not, however, apply to any Information which (i) was known to Supplier prior to disclosure to Supplier by Buyer as demonstrated by contemporaneous written records; (ii) at the time of disclosure to Supplier is generally available or thereafter becomes available to the public by publication

or otherwise through no act or failure to act by Supplier; (iii) is hereafter made available to Supplier from a third party who is in lawful possession of the information and who at the time has no obligation not to disclose it to Supplier; or (iv) to extent obligated by law to be disclosed but only if Supplier gives Buyer written notice promptly after receipt of such notice and to afford Buyer reason time to see appropriate protective order. On completion of the supply of the Materials or Services hereunder, or at any time upon the request of Buyer, Supplier shall return to Buyer all tangible materials containing Buyer's Information that have been furnished to Supplier or its employees by Buyer or that derive from the Information so provided, together with all copies thereof made by Supplier or its employees.

**19. FORCE MAJEURE.**

Any delay or failure of either party to perform its obligations hereunder shall be excused to the extent that it is caused by any event or occurrence beyond the reasonable control of the party and without its fault or negligence, as by way of example but not of limitation, acts of God, actions by any governmental authority, fires, floods, windstorms, explosions, riots, natural disasters, wars or court injunction or order. During the period of such delay or failure to perform by Supplier, Supplier shall provide Buyer with prompt written notice of such delay (including a description of the cause of the event or circumstance, an estimate of the duration of the delay and a statement regarding the remedial steps that are being undertaken to resume performance, Supplier's interim allocation plans, if any). During such period, Buyer, at its option, may purchase Materials and/or Services from other sources. If the delay lasts more than thirty (30) days or Supplier does not provide adequate assurance that the delay will cease within thirty (30) days, Buyer may immediately cancel any Purchase Order without further liability.

**20. NOTICES.** Any notice to be given hereunder shall be deemed sufficiently served when reduced to writing and either hand delivered or sent by registered or certified United States mail, addressed to the recipient party at the address provided by such party.

**21. ASSIGNMENT.** Supplier shall not delegate, assign or otherwise dispose of an interest in or under any Purchase Order without the prior written consent of Buyer. For purposes of this provision, a change in control of Supplier, including but not limited to the disposition by Supplier of all or substantially all of its assets, shall constitute an assignment requiring the consent of Buyer hereunder. Any attempted assignment or delegation in violation of this provision shall be null and void and at Buyer's option, without prior written notice shall effect a cancellation of any Purchase Order and Buyer's obligations hereunder.

**22. ADVERTISING.** Supplier shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish the fact the Supplier has contracted to furnish Buyer the Materials and/or Services.

**23. AMENDMENTS AND MODIFICATIONS.** No change, modification, limitation, waiver, termination, rescission or discharge of any terms hereof shall be effective, and no conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement the terms hereof shall be binding, unless agreed to in writing, and signed by an authorized agent of each party. Such amendments or modifications shall be in the form of a written supplement hereto and shall not be made or deemed made by email exchanges. The terms hereof constitute the entire agreement between the parties with respect to the Materials and Services and no other terms or conditions, whether verbal or written, shall apply thereto except by the written agreement of the parties. Not in limitation of the foregoing, in no event will the terms and conditions of Supplier's order acknowledgements, Supplier's standard terms and conditions, Supplier's proposal, or any other document or instrument sent by Supplier to Buyer in connection with the purchase of Materials or Services hereunder act to amend or supplement the terms and conditions herein unless agreed to in writing by both parties as described above.

**24. MISCELLANEOUS.** No right, remedy or election hereunder or at law or in equity shall be deemed exclusive but shall be cumulative with all other rights, remedies or elections. The validity, interpretation, and performance hereof shall be governed by the laws of the State of Texas without regard to its conflict of law rules and principles. The captions herein are for convenience only and are not intended to be used to interpret or define any part hereof. Except as otherwise provided herein, obligations set forth in Sections 12, 17 and 18 shall survive the termination of any applicable Purchase Order, release or work order.

**25. SEVERABILITY.** If any provision hereof is held invalid, such invalidity shall not affect the other provisions hereof that can be given effect without the invalid provision, and, to this end, the provisions hereof are declared to be severable, and the terms hereof shall be enforced to achieve, as closely as possible consistent with all applicable law, the spirit and intent of the invalid provision.

**26. CONFLICT OF INTEREST.** Supplier warrants that it has not given nor received any commissions, payments, gifts, kickbacks, lavish or extensive entertainment or other things of value to or from any employee or agent of Buyer or any third party in connection with the supply of Materials or Services to Buyer and acknowledges that the giving or receiving of any such payments, gifts, entertainment, or other things of value is strictly in violation of Buyer's corporate policy and may result in the cancellation of this and all future orders. Supplier shall notify Buyer of any such solicitation by any of Buyer's employees, agents or any third party.

**27. AUDIT.** Buyer may, upon its request, audit any and all records of Supplier relating to Material and/or Services provided hereunder; provided, however, Supplier may exclude any trade secrets, formulas, or processes from such inspection. Supplier further agrees to maintain its books and records relating to Material and/or Services provided hereunder for a period of two (2) years from the date such Material and/or Services were provided and to make such books and records available to Buyer at any time or times within the two year period.