

## Paragon Chemical Technologies Terms and Conditions

Paragon Chemical Technologies, Inc. ("PCT") is engaged in the business of manufacturing and providing fine chemicals to its customers. By using PCT's products or services, you (the "Customer") agree to be bound by the following terms and conditions which together with any purchase order executed by PCT and the Customer, comprises the entire agreement ("Agreement") between PCT and the Customer.

1. **Acceptance:** ALL SALES ARE SUBJECT TO AND EXPRESSLY CONDITIONED UPON THE TERMS AND CONDITIONS CONTAINED HEREIN, AND UPON CUSTOMER'S ASSENT THERETO. NO VARIATION OF THESE TERMS AND CONDITIONS WILL BE BINDING UPON PCT UNLESS AGREED TO IN WRITING AND SIGNED BY AN OFFICER OR OTHER AUTHORIZED REPRESENTATIVE OF PCT.
2. **Specifications:** Product specifications are subject to change without prior notice.
3. **Delivery:** Delivery of all orders will be as described in PCT's Quotation. Shipping and handling fees, special packaging materials, carrier surcharges and hazardous material fees imposed by government regulation will be added to the invoice.
4. **Order Cancellation:** Orders may be cancelled only with prior approval from PCT. PCT reserves the right to charge up to the full amount of the original Purchase Order for any unapproved cancellations.
  - a. Chemicals that PCT has custom manufactured can not be cancelled after our partner plant has begun any production process. If actual production has not yet begun, Customer will be responsible for raw material costs (including disposal) and any plant fees / charges for cancellation.
  - b. Chemicals that PCT sources, whether domestically or internationally, will be subject to the manufacturer's cancellation conditions. If Products have been shipped but not received by the Customer, and the manufacturer will accept them back, Customer is responsible for all shipping costs plus any penalties assessed by the manufacturer and PCT.
5. **Damaged Shipments:** Inspect your shipment upon receipt. If any external damage is noticed, accept the shipment only after the driver has noted the damage on both his and your copies of the delivery receipt and you have requested an INSPECTION by the carrier. Keep all containers and packing material for inspection. If, upon opening a shipment, you find a shortage or damage, you must request inspection by the carrier within fifteen (15) days of delivery or you will relinquish your right to make a claim. PCT reserves the right to repair a damaged product, where applicable, before replacement or credit is determined.
6. **Payment Terms:** Individual invoices, net thirty (30) days from date of invoice or as specified on the PCT QUOTATION; other invoices, if any, will be due as agreed.
  - a. Invoices are dated from arrival at the Incoterms location specified in the PCT Quotation.
  - b. Invoices generally sent by email within 2 weeks of the Invoice Date. Regardless of when the Invoice is actually sent, the payment terms are based upon the Invoice Date.
7. **Sales Tax:** Sales taxes where applicable (local, state or federal) will be added to the invoice. Sales TAX exemption forms must be provided to PCT upon request.
8. **Product Return Policy:**
  - a. All returns must be authorized by PCT.
  - b. Products not authorized for return include: Products custom manufactured for the Customer; Products specifically imported for the Customer; Products sourced domestically specifically for the Customer (contingent upon USManufacturer's return policy); Products not in completely resalable condition (including all packaging); and opened containers of chemicals (unless products do not meet specification).
  - c. Each return shipment of hazardous materials must be packed and labeled in accordance with DOT regulations applying to transportation of hazardous materials. Shipping documents must also meet DOT regulations. The product should be shipped to the indicated service center and the transportation charges prepaid. To ensure prompt handling, the return authorization number must be placed on the outside of the package.
9. **Product and Service Warranties and Limitation of Liability:**
  - a. PCT warrants to the original Customer only that
    - i. All products provided to Customer pursuant to this agreement (each a "Product", and collectively, the "Products"), branded and private label, will meet the manufacturer's specifications for a term equal to the warranty period stated in the Product manufacturer's literature or sixty (60) days, whichever is longer; and
    - ii. Services provided, if any, will be of the kind and quality designated and will be performed by qualified personnel.
  - b. PCT HEREBY DISCLAIMS ALL OTHER WARRANTIES OR GUARANTEES WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.
  - c. The liability of PCT under this limited warranty does not extend to any Products which are abused, altered or misused by the Customer or any other persons or entities or which become defective or non-conforming through the actions or inaction of the Customer or any other persons or entities. A defective or non-conforming Product is defined only as a Product which is outside of the manufacturer's defined Product specifications, and shall not include Products that fail to meet any fitness of use by Customer or any unique Customer operating conditions or applications.
  - d. If any Product or service warranted hereunder proves defective or non-conforming, PCT's sole liability and Customer's sole remedy hereunder shall be for PCT, to repair or, at PCT's option,
    - i. replace (or re-perform the Service), at no cost to Customer, any such defective or non-conforming Product with a non-defective or conforming Product (as applicable) or
    - ii. credit Customer's account for all amounts paid with respect to the defective or non-conforming Product or Service upon PCT's receipt of the defective or non-conforming Product. In the event of replacement, the replacement Product will be warranted for the remainder of the original warranty period or ninety (90) days, whichever is longer.
  - e. If a Product should require service, contact the PCT for instructions. When the return of the Product is necessary, a return authorization number will be assigned and the Product shipped, transportation charges prepaid, to the indicated service center. To insure prompt handling, the return authorization number must be placed on the outside of the package and a detailed explanation of the defect enclosed with the Product.
  - f. IN NO EVENT SHALL PCT HAVE ANY OBLIGATION OR LIABILITY FOR ANY EXEMPLARY, PUNITIVE, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, USE OR GOODWILL), WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. THE TOTAL LIABILITY OF PCT (INCLUDING ITS SUBCONTRACTORS AND AGENTS), IF ANY, FOR DAMAGES RELATING TO ANY PRODUCTS SOLD UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PRICE PAID FOR SUCH PRODUCT® AND THE TOTAL LIABILITY OF PCT (INCLUDING ITS SUBCONTRACTORS AND AGENTS), IF ANY, FOR DAMAGES RELATING TO ANY SERVICES PROVIDED UNDER THIS AGREEMENT SHALL BE LIMITED TO THE FEES PAID FOR THE SERVICE GIVING RISE TO SUCH CLAIM.
10. **Indemnification:** Customer shall defend, indemnify and hold PCT and its officers, directors, employees, and agents harmless from and against any and all claims, actions, liability, expenses, costs, or losses arising from (i) Customer's improper use of the Product; (ii) Customer's combination or use of the Product with third party products; (iii) misuse of the Product by any end-user; (iv) the acts (or any failure to act) of Customer hereunder; and (v) any breach by Customer of its obligations hereunder. This Section 9 shall survive termination and cancellation of this Agreement,
11. **Proprietary Information:** Each party (a "Recipient") shall maintain in confidence, not disclose to any third party, and not use, except for the specific purpose of performing under this Agreement, all proprietary information furnished to it by the other party (a "Discloser") or any Discloser Affiliate in connection with this Agreement, or derived from the Discloser or any Discloser Affiliate in performance of this Agreement, and shall return to the Discloser or a Discloser Affiliate, upon request, all copies (then in

Recipient's possession) of documents and other tangible media furnished by or derived from Discloser or such Discloser Affiliate, respectively, in connection with the performance of this Agreement. The Recipient shall inform its employees, agents, and representatives of these obligations and shall require them to assume equivalent obligations.

## 12. Miscellaneous

- a. Termination: This Agreement may be terminated by either party for convenience at any time upon reasonable written notice delivered to the other party. In the event of any termination or expiration of this Agreement, Customer shall be billed immediately for Products shipped through the effective date of such termination or expiration and all custom Products purchased for Customer in PCT's inventories at such date, and Customer shall pay the invoiced amount immediately upon receipt of such invoice.
- b. Delivery: Delivery dates are estimated delivery times only. In the event that PCT makes a good faith effort to deliver goods or services by the estimated delivery date, but cannot deliver such goods or services to Customer by the estimated delivery date, then PCT shall have such additional time to perform its obligations under this Agreement as may reasonably be necessary under the circumstances.
- c. Force Majeure: In the event either party is prevented in whole or in material part from performing its obligations under this Agreement solely as a result of force majeure, upon the prompt giving of notice to the other party detailing such force majeure event and its anticipated duration, the obligations of the party so prevented shall be excused during such period of delay, and such party shall take whatever reasonable steps are necessary to relieve the effect of such cause as rapidly as possible.
- d. Entire Agreement: This Agreement contains the entire understanding of the parties concerning the subject matter hereof and supersedes previous verbal and written communications, proposals and agreements between the parties concerning the subject matter hereof. In the event of a conflict between a purchase order and this document, the terms and conditions of this document shall prevail.
- e. Merger, Modification, Waiver: No amendment, modification or waiver of these terms shall be binding on either party unless reduced to writing and signed by an authorized officer of the party to be bound, and in the case of a waiver, shall be effective only in the specific instance and for the specific purpose for which given, and shall not be construed as a waiver of any subsequent breach. The failure of either party to enforce at any time or for any period of time any of the provisions of this Agreement shall not be construed as a waiver of such provisions or of the right of such party thereafter to enforce each and every such provision. No course of dealing, usage of trade or course of performance shall supplement, explain or amend any term, condition or instruction of this Agreement, or any shipment of Products hereunder.
- f. Severability - If any term or provision of this Agreement or any application thereof shall be held invalid or unenforceable, the remainder of this Agreement and any application of the terms and provisions shall not be affected thereby, but shall remain valid and enforceable.
- g. Applicable Law, Venue: This Agreement is made pursuant to, and shall be construed and enforced exclusively in accordance with, the laws of the Commonwealth of Pennsylvania (and United States federal law, to the extent applicable), without giving effect to otherwise applicable principles of conflicts of law. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement against any of the parties shall be brought in the courts of the Commonwealth of Pennsylvania, or, if applicable, in the United States District Court for the Eastern District of Pennsylvania, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.
- h. Claims Cutoff: Regardless of any contrary statute or law, any suit seeking to enforce any provision of, or based on any right arising out of, this Agreement must be filed within one (1) year after (a) delivery of the subject goods or services, or (b) in the case of a warranty claim, the time at which a such claim is brought within the warranty period; otherwise such suit will be barred forever. Upon discovery of any claim against PCT, Customer shall promptly notify PCT in writing of such claim, shall cooperate in any investigation made with respect thereto, and shall preserve and provide access to witnesses, physical evidence, and reports related thereto.
- i. Authority to Enter Into Agreement: Each party represents and warrants

that it is authorized to enter into this Agreement and that in so doing it is not in violation of the terms or conditions of any contract or other agreement to which it may be a party.

- j. Assignment: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns and designees; provided, however, neither party shall have the right to transfer, assign or delegate its rights or obligations under this Agreement or any portion thereof without the prior written consent of the other party (except that either party may assign this Agreement to a parent, subsidiary or successor corporation without such consent).
- k. Nature of Relationship: Neither party, its employees or permitted subcontractors or agents shall, under any circumstances, be considered to be an agent, partner, joint venturer or representative of the other party.