



## TERMS AND CONDITIONS OF SALE

1. **AGREEMENT.** Unless RectorSeal, LLC ("Seller") has executed a separate formal written agreement with the entity ("Buyer") purchasing the goods and services (the "Products") identified in Buyer's purchase order ("PO"), these Terms and Conditions of Sale, together with Seller's price list and acknowledgement of each PO (the "Order Acknowledgement"), form the agreement under which Seller agrees to sell the Products to Buyer (this "Agreement"). Except for terms related to Product prices, quantity, specifications, delivery schedules, and locations that match or otherwise align with the Order Acknowledgement, any additional terms or conditions other than those stated herein, whether contained in Buyer's PO or otherwise, whether submitted contemporaneously or in the future, that purport to vary the terms and conditions of this Agreement are expressly rejected by Seller and will not be binding upon Seller unless signed by an officer of Seller. Seller's issuance of an Order Acknowledgement constitutes Seller's acceptance of Buyer's PO subject to the express conditions that Buyer assent to the terms of this Agreement, without variance, and Buyer will be deemed to have so assented unless Buyer notifies Seller to the contrary in writing within 10 days following receipt of the Order Acknowledgement.

2. **PRICE.** The price of the Products is the price stated in the Order Acknowledgement. Unless otherwise specified in the Order Acknowledgement, the price includes all packaging costs. Seller reserves the right to increase any price in the event of increased costs beyond Seller's reasonable control including, without limitation energy, labor, government tariffs, and raw material costs, or modifications to the Specifications (defined herein).

3. **PAYMENT TERMS.** Unless different terms of payment are stated in the Order Acknowledgement, Buyer will pay in USD, without offset, all invoiced amounts within 30 days following the date of Seller's invoice. Seller may charge and collect interest at the rate of 1.5% per month or the maximum rate permitted by law for overdue amounts, whichever is less. Seller may, among other remedies in equity and at law, including the right of setoff, either terminate this Agreement or to suspend further deliveries in the event Buyer fails to make any payment when it is due. Seller reserves the right to require full or partial payment in advance based on Seller's opinion of Buyer's credit or financial condition. Except where otherwise prohibited by law, all applicable sales, excise, use or similar taxes or charges for the sale of Products will be in addition to the stated price and paid by Buyer. Buyer will be obligated to Seller for all costs and expenses (including reasonable attorney's fees and expenses and fees for collection agencies) incurred by Seller in collecting any amounts not timely paid by Buyer or in exercising any of its other rights hereunder.

4. **INSPECTION; ACCEPTANCE.** Seller will inspect the Products prior to shipment to confirm that they comply with the terms of this Agreement and the Product materials, qualities and components which comprise the Product, including, but not limited to, size, technical standards, storage requirements, quality standards, shelf-life and any other pertinent features of the Product (the "Specifications"). Buyer will have a period of 15 days to inspect the Products following physical receipt by Buyer ("Inspection Period") and either (a) approve and accept the Products as delivered; or (b) notify Seller of any nonconforming Products on or before the expiration of the Inspection Period, stating with specificity all nonconformities, and furnishing such other written documentation as may be reasonably required by Seller. If Buyer notifies Seller of defective Products, and Seller is able to validate that the Products were indeed defective, Buyer's exclusive remedy will be for Seller to replace the defective Products free of charge.

5. **DELIVERY.** Seller will pack the Products in compliance with the Specifications and in a manner sufficient to ensure that the Products are delivered in undamaged condition. Products will be delivered EXW – Seller's facility (Incoterms 2020) unless a different shipping method is stated on the Order Acknowledgement. Buyer takes title and risk of loss to the Products upon delivery, and expenses will thereafter rest upon Buyer including without limitation all risks and expenses incurred in the storage and transportation of the Products and all insurance charges, fees, taxes, customs, duties and other governmental charges or levies and all other expenses whatsoever thereafter incurred with respect to the Products. Delivery dates are estimated and are subject to change. Seller may make delivery in installments, each of which may be separately invoiced and paid as billed without regard to subsequent deliveries. Delay in delivery of any installment will not relieve Buyer of its obligation to accept remaining installments. Seller will use reasonable efforts to deliver Products on time, but will not be liable for any expenses or damages incurred as a result of late delivery. Any special freight charges on shipments will be as specified on the Order Acknowledgement or on the price list for the Products. In the event of any general increase in freight costs or any ruling or regulation affecting freight rates which results in increased freight costs, Seller may, at its option, increase the price for the Products to reflect such additional freight costs without advance notice. All Products are shipped in nonrefundable containers.

6. **CHANGES; RETURNS; INVENTORY.** Seller will consider Buyer's requests for changes to a PO; however, Seller may charge fees for changes involving Products (a) not stocked as a standard item; (b) not packed in standard cartons or packages; or (c) subject to special manufacturing or fabrications. POs with indefinite delivery dates may be accepted upon the understanding that Seller will have the right to fill the PO as it sees fit in the course of its manufacturing schedules and to hold the Products for Buyer's account at Buyer's expense and risk of loss pending receipt of definite shipping instructions and, where required, of governmental authorization. Products may be returned to Seller for credit only if permission for such return is granted by Seller in accordance with its return policy. Returns may be subject to restocking fees. Special orders (i.e., private label, special packaging, etc.) cannot be returned for a credit once the PO has been placed. Furthermore, if Seller maintains any inventory of special order Products for Buyer, Buyer agrees to purchase such inventory within 30 days following Seller's written demand therefor.

7. **LIMITED WARRANTY; LIMITATIONS.** Product warranties are posted on Seller's website at the following link: <https://rectorseal.com/warranty-lp> (the "Limited Warranty"). If requested by Seller, Buyer will promptly return to Seller all unconsumed Products alleged by Buyer to be nonconforming, and Seller will pay freight thereon. EXCEPT FOR BUYER'S LIABILITY FOR FRAUD, PERSONAL INJURY OR DEATH, IN NO EVENT WILL EITHER PARTY OR ITS REPRESENTATIVES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT. With the exception of payment and confidentiality obligations, neither party will be liable if its performance is delayed or made commercially

impracticable due to acts of God, unusually severe weather, civil commotion, terrorism, military authority, war, riot, fire, labor trouble or strikes, zombie apocalypse, unavailability of materials or components, explosion, breakdown or accident, delay in transportation, plant shutdown, compliance with governmental requests, applicable laws, unforeseen circumstances, or any unforeseen circumstances or causes beyond such party's reasonable control (aka force majeure).

8. **CONFIDENTIAL INFORMATION.** All non-public, confidential or proprietary information of Seller, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer/vendor/business partner lists or identities, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with this Agreement is confidential, solely for the purpose of performing this Agreement, and may not be disclosed or copied unless authorized in advance by Seller in writing. Buyer agrees that all formula and technical information relating to the Products are confidential and proprietary to Seller and that Buyer is purchasing the Products solely for use and consumption and not for analysis, reverse engineering resale or other distribution to third parties, all of which are strictly prohibited. Upon Seller's request, Buyer will promptly return all documents and other materials received from Seller. Seller will be entitled to injunctive relief for any violation of this Section.

9. **COMPLIANCE WITH LAWS.** Buyer will comply with all applicable laws, regulations and ordinances governing the export/import and sale of the Products, including all applicable laws related to commerce, environmental, health and occupational safety, employment and labor, US, UK and other foreign bribery and corruption laws, anti-boycott measures, export/import control and economic sanctions and embargoes, international customs requirements and the local laws in countries of import. Buyer will maintain in effect all licenses, permissions, authorizations, consents and permits necessary to carry out its obligations under this Agreement, and Buyer will, upon request, furnish to the Seller certificates or other documents verifying the same. Unless otherwise agreed in writing, Buyer will be responsible for compliance with applicable statutory and regulatory requirements relating to chemicals during Buyer's import, shipping, storage, export, distribution, application and use of Products. If Buyer exports, re-exports, diverts, stores, transfers, distributes, applies, uses or imports the Products, Buyer assumes responsibility for obtaining any export/import authorizations and for complying with any required registration and/or disclosures relating to chemicals. Unless otherwise agreed, Seller is not responsible for regulatory and other legal compliance (a) outside the US, including, without limitation, the European regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"); (b) as to goods made by Buyer which incorporate the Products; or (c) as to any use of the Products by Buyer other than as covered by the Limited Warranty.

10. **END USE.** Buyer is solely responsible for determining the suitability of the use for the Products. Buyer agrees that Seller is not responsible for any loss, damage or injury to person or property arising out of Buyer's purchase, possession, or use of any Products supplied by Seller. Buyer will comply with the Specifications and all applicable laws relating to the use, storage and/or handling of the Products. Buyer will indemnify Seller against any and all losses, damages, liabilities, claims, suits, costs and expenses, including reasonable attorney's fees and court costs ("Claims") which may be brought against, suffered or incurred by Seller as a result of any personal injury (including death) and/or any property damage arising out of or connected with the utilizing, handling, storing, transporting, or other use or resale of the Products.

11. **INDEMNIFICATION.** Buyer will defend, indemnify and hold harmless Seller and Seller's parent company, their subsidiaries, affiliates, successors or assigns and their respective directors, officers, shareholders and employees (collectively, "Indemnitees") against any and all third-party Claims including the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers arising out of or occurring in connection with (a) the Products purchased from Buyer; (b) Buyer's negligence or willful misconduct. Buyer will not enter into any settlement relating to the matters in this paragraph without Seller's prior written consent.

12. **TERMINATION.** In addition to any remedies that may be provided under this Agreement, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, either before or after the acceptance of the Products, if Buyer has not performed or complied with any of this Agreement, in whole or in part or if the Buyer becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors. Seller's termination of this Agreement for any reason will not relieve or otherwise release Buyer from its obligation to pay Seller for any Products received by Buyer prior to termination.

13. **MISCELLANEOUS.** This Agreement constitutes the entire agreement between Seller and Buyer and cannot be modified except by a new written contract signed by both parties. This Agreement will be governed and interpreted in accordance with the laws of the jurisdiction of the location of Seller's principal place of business or corporate headquarters without giving effect to any choice or conflict of law provision or rule. THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO THE PRODUCT WARRANTY OR THIS AGREEMENT. Any action against Seller for breach of contract or otherwise must be commenced within 1 year after the cause of action has accrued. Buyer will not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section will be null and void. No assignment or delegation will relieve the Buyer of any of its obligations hereunder. Waiver by a party of any provision hereof in one instance will not constitute a waiver as to any other instance. If any provision of this Agreement is unenforceable, the remaining provisions will remain in full effect. Buyer agrees that the purchase of Products from Seller serves as Buyer's agreement to comply with Seller's Business Partner Code of Conduct which is available at <https://cswindustrials.qcs-web.com/static-files/22a735f1-ab5a-42c0-bf98-43a0b49e08c5>. Provisions of this Agreement which by their nature should survive termination of this Agreement, will remain in force after any such termination, including, but not limited to, Sections 3 and 6 through 13.