

CTG ADVANCED MATERIALS

dba HC MATERIALS

479 Quadrangle Dr., Suite-E, Bolingbrook, IL 60440
Tel. (630) 226-9080, Fax: (630) 226-9010, Toll Free (866) 909-8021

STANDARD TERMS AND CONDITIONS (Rev. 10-24-2013)

General

The terms and conditions of sale set forth herein constitute the entire contract between Buyer and HC Materials (HCM) and supersede all prior oral or written agreements. Any additional or different terms contained on Buyer's order or any other communications from Buyer are deemed material alterations and hereby rejected unless specifically accepted in writing and signed by an officer of HCM. Signing of Buyer's purchase order is only an acknowledgment of Buyer's terms. In the case of government contracts, additional FAR clauses may apply.

Prices and Specifications

HCM prices and specifications are subject to change without notice.

Taxes and Duties

All taxes, import, export or any other duties are the responsibility of the Buyer. Buyer shall provide HCM any applicable tax exemption certificates acceptable to the taxing authorities.

Change of Scope

HCM price quotes are valid for sixty (60) days unless otherwise noted. Any change in terms invalidates HCM quoted price and requires a new quotation. Once a purchase order is accepted, Buyer shall be responsible for costs of any changes in performance or specification requested by Buyer and agreed to by HCM. No change or waiver of the terms hereof shall be binding upon HCM unless in writing and signed by an authorized representative of HCM. Buyer may not assign this agreement or any of its rights or obligations hereunder, without the prior written consent of HCM.

Delivery

Delivery dates are approximate and are not guaranteed. Unless agreed to otherwise HCM shall not be liable for delay in performance or non-performance of the contract caused by events beyond reasonable control of HCM.

Export License

For any item that requires an individual, validated U.S. Government Export License, order fulfillment is contingent upon receipt of an Export License. It is Buyer's obligation to inform HCM of Buyer's intent to export items and to provide HCM all information and documentation required in support of the Export License application including end user and end use. All costs associated with obtaining an Export License are to Buyer's account. Failure to obtain an Export License, through

CTG ADVANCED MATERIALS

dba HC MATERIALS

479 Quadrangle Dr., Suite-E, Bolingbrook, IL 60440
Tel. (630) 226-9080, Fax: (630) 226-9010, Toll Free (866) 909-8021

no fault of HCM, shall not nullify Buyer's obligations to HCM.

Cancellation

All cancellations, in whole or part, must be written. Cancellations are subject to cancellation fees. HCM will evaluate and quote cancellation fees within 60 days of receipt of the written notice to cancel. HCM may determine that the purchase of any item specifically purchased or manufactured for Buyer may not be cancelled.

Acceptance

All items are deemed accepted in full on delivery unless Buyer notifies HCM in writing within ten days of receipt.

F.O.B. Point and Title

Unless HCM has specified otherwise, all items are sold F.O.B. factory, with transportation expenses paid by the Buyer, and risk of loss or damage to products in transit shall fall upon the Buyer, whose responsibility it shall be to file claims with the carrier.

Packing and Shipment

All articles shall be packed in accordance with sound commercial practices to obtain the lowest transportation rates unless otherwise specified in this order. A complete packing list, referencing this order number shall be enclosed with all shipments.

Security Title

Security title and right of possession to the products sold hereunder shall remain with HCM until all payments hereunder (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash, and the Buyer agrees to do all acts necessary to perfect and maintain such security right and title in HCM.

Compliance with Laws:

- (a) Vendor shall comply with all applicable local, state and federal laws, orders and regulations in the performance of this Order. Vendor shall obtain all applicable permits, approvals and licenses of any governmental agency whose authorization or approval is required for the development and delivery of the products or the performance of services hereunder.
- (b) All Products delivered under this PO by Vendor shall be in conformance with the latest Occupational Safety and Health Act (OSHA) requirements and Vendor shall provide all required Buyer Material Safety Datasheets with delivery of Products.

CTG ADVANCED MATERIALS

dba HC MATERIALS

479 Quadrangle Dr., Suite-E, Bolingbrook, IL 60440
Tel. (630) 226-9080, Fax: (630) 226-9010, Toll Free (866) 909-8021

- (c) Vendor shall comply with all applicable U.S. Dept. of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules or regulations, if applicable.
- (d) With respect to this Order, Vendor warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give any employee, agent, or representative of Buyer or any other person any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986 and has not violated any other anti-corruption or bribery laws in connection with this Order.

Payment

Net 30 days to U.S. companies with established credit rating acceptable to HCM. For all others, wire transfer, credit card or irrevocable Letter of Credit payable at the counters of OneWest Bank, with drafts to be drawn at sight. All costs associated with Letters of Credit are to Buyer's account. Orders of more than \$200,000 require incremental payments. If an order is shipped in installments, pro rata payments shall become due as shipments are made. If shipments are delayed by the Buyer, payments shall become due on the date when HCM is prepared to make shipment. If the financial condition of the Buyer at the time is such as to give HCM, in its judgment, reasonable grounds for insecurity concerning the Buyer's ability to perform its obligations, HCM may require a wire transfer, Letter of Credit or full or partial payment in advance, and HCM may suspend any further deliveries or continuance of the work to be performed by HCM until such payment has been received.

Late Payments

If any payment is not received in full by HCM within 30 days after the date of shipment, Buyer shall pay HCM, without demand, 1% per month interest on the unpaid balance (but not to exceed the highest rate allowed by law). Buyer further agrees to pay all costs incurred by HCM (including attorneys' fees) as a result of, or in connection with any attempt to collect, any late payment. The provisions contained in this paragraph are in addition to and do not diminish or represent a substitute for any or all of HCM's rights at law or otherwise under these terms and conditions.

Limited Warranty

Solely for the benefit of the original purchaser, HCM warrants all new products of its manufacture to be free of defects in material and workmanship; and will replace or repair, F.O.B. at its factory in Bolingbrook, IL or other location designated by it, any part or parts returned to it within one (1) year of original delivery, which HCM's examination shall show to have failed under normal use and service in accordance

CTG ADVANCED MATERIALS

dba HC MATERIALS

479 Quadrangle Dr., Suite-E, Bolingbrook, IL 60440
Tel. (630) 226-9080, Fax: (630) 226-9010, Toll Free (866) 909-8021

with its specification requirements. Defects arising from installation into an inappropriate application, misuse, or negligence of the Buyer are not covered by this warranty.

Such repair or replacement shall be free of charges for all items except that repair or replacement shall be subject to HCM's option and examination, which shall show failure under normal use and service by purchaser and in accordance with its specification requirements.

ANY WARRANTIES IMPLIED IN LAW, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL HCM BE LIABLE FOR CONSEQUENTIAL DAMAGES RESULTING FROM THE PURCHASE OR USE OF HCM'S PRODUCTS.

EQUAL EMPLOYMENT OPPORTUNITY:

Non-discrimination and Affirmative Action: Unless exempted, the Equal Opportunity clauses as set forth in 41 CFR 60-1.4(a), 41 CFR 60-250.5(1), 41 CFR 60-300.5(1) and 41 CFR 60-741.5(a), as well as the provisions of 421 CFR 61-250.10, 41 CFR 61-300.10, and 29 CFR Part 471, Appendix A to Subpart A, are incorporated by reference as terms and conditions of this agreement and are binding on Vendor.

Buyer's Remedies

Buyer's exclusive and sole remedy on account of or in respect to the furnishing of non-conforming or defective material shall be to secure replacement or repair thereof under the terms of HCM's standard published warranty.