

**MRC POLYMERS, INC. ("MRC")  
PURCHASE ORDER TERMS & CONDITIONS**

All MRC Purchase Orders are subject to the instructions appearing on the Purchase Order and to the following terms and conditions and no others.

**1. Acceptance, Terms and Conditions of Contract**- Whether construed as an offer, acceptance or confirmation, these Purchase Order Terms and Conditions include all documents and exhibits attached hereto and all other terms incorporated by reference herein. This Purchase Order shall constitute the final, complete and exclusive statement of this contract and may not be modified or rescinded except by a written change order issued by MRC. If this Purchase Order constitutes an offer by MRC to purchase the goods and/or services specified upon the terms and conditions and at the price(s) and with the delivery date(s) specified herein, Seller shall indicate its acceptance of this Order by verbal acceptance communicated to MRC, by written acceptance on the face of this Purchase Order received by MRC, by other written confirmation received by MRC, by commencing work on this Purchase Order in any manner, expressly conditioned on notice of such commencement of work received by MRC, or by the delivery of the goods or services within the time for such delivery as stated in this Purchase Order. Regardless of the manner or medium of acceptance time is of the essence. ***As an offer, this Purchase Order expressly limits acceptance to its terms and conditions, and notification of objection to any different or additional terms in any response to this offer from the Seller is hereby given.*** If this Purchase Order is construed as an acceptance of the Seller's offer, this acceptance is expressly conditioned on the offeror's assent to any additional or different terms contained in this Purchase Order. If this Purchase Order is construed as a confirmation of an existing contract, the parties agree that this Purchase Order constitutes the final, complete and exclusive terms and conditions of the contract between the parties. If the parties have otherwise completed a signed, written contract, the parties agree that the use of this Purchase Order to place orders for goods or services pursuant to such a contract shall be construed to supplement the terms of such written contract only to the extent that the terms and conditions of this Purchase Order are not inconsistent with such written contract. ***Regardless of its construction as an offer, acceptance, confirmation or use to place orders for goods or services pursuant to an earlier contract, this purchase order incorporates by reference all terms of the Uniform Commercial Code providing any protection for MRC including, without limitation, all express and implied warranty protection and all MRC's remedies under the Uniform Commercial Code.***

**2. Changes/Amendments** - MRC shall have the right at any time, by telephone, facsimile, email or written notice, to the Seller, to make any changes or cancellation it deems necessary, including, but not limited to, changes in specifications, design, delivery, testing methods, packing or destination. If any such required changes cause an increase or decrease in the cost of or the time required for performance, an equitable adjustment shall be made in the contract price or delivery schedule, or both. Any claim by the Seller for adjustment under this clause shall be deemed waived unless asserted by telephone, facsimile, e-mail or in writing within five (5) days from receipt by the Seller of notice of change prior to delivery.

**3. Delivery** - If any material is not delivered by the date specified in the Purchase Order, MRC reserves the right, without liability, to cancel the Order and to purchase substitute material and to charge the Seller for any loss incurred. Oral cancellation notices, made by MRC or the Seller, are effective when made, but must be confirmed in writing. MRC shall have the right to refuse deliveries made more than one (1) week in advance of any delivery schedule appearing in the order unless arrangements for such early delivery have been confirmed with the receiving party.

**4. Shipping, Packaging and Labeling** - All material purchased must be packed and packaged to insure its safe delivery in accordance with good commercial practice and where incorporated, MRC's packaging specification. The Seller shall mark on all containers, handling and loading instructions, shipping information, part number, purchase order number and MRC's item number, quantity in box, shipment date, and names and addresses of the Seller. An itemized packing list must accompany each shipment. Each packing slip shall include the Purchase Order number, quantity, item description, MRC part number, order date, shipping date and delivery address, but shall not include pricing information. MRC plastic and additive packaging requires all material must be packaged suitable for long haul transport, in a commercially responsible manner, able to be unloaded mechanically by fork truck, and gaylords stacked 3 layers high without risk of collapse or fall. Any hand unloading required is subject to rejection or prevailing shop rate, not less than \$50 minimum, to unload at MRC's sole discretion. (1) Regrind, powder, and pellet resin deliveries require gaylord packaging with liner and cover on commercially suitable skid able to be stacked. (2) Exception for bulk, supersack and 50lb bag deliveries must be noted on the Purchase Order. (3) Sheet goods must be banded securely to skids to assure package integrity at receiving to insure mechanical unloading. (4) Baled goods must be securely banded with wire strapping suitable to maintain product in uniform containment and able to be stacked 3 layers high minimum.

**5. Warranties** - In addition to all warranties which may be prescribed by law, Seller warrants that the products will be delivered free of any claim of any third person by way of infringement or otherwise, that the products will be of merchandise

quality, will conform to applicable designs, specifications, drawings, descriptions or samples furnished by MRC to Seller, will be free from defects in design, material, and workmanship, and will be fit for the particular purpose or purposes intended by MRC. MRC 's approval of any designs, specifications, drawings, descriptions or samples furnished by Seller shall not relieve Seller of its obligations hereunder. MRC shall be entitled to rely on the weight of the Products as determined by MRC upon receipt from Seller. The aforesaid warranties shall extend and inure to the benefit of MRC, its successors, assigns, customers and to the users of the products. In the event of any non-conformance with the warranties provided in this Section 5 on Warranties, as determined by MRC, Seller must pick-up at Sellers' sole expense any non-conforming Products within five (5) business days of MRC's written notification of non-conformance and request for pick-up. MRC will charge \$.01 per lb. for unloading and loading expenses associated with returned non-conforming material.

In the event Seller does not pick-up the non-conforming Products within five (5) business days of MRC's notification, MRC shall have the right to; (1) dispose of the non-conforming Products and charge Seller \$0.10/lb. for same, (2) charge Seller with storage costs of \$0.01/lb. per week per pallet space, until Seller pick-ups the non-conforming Products or (3) take ownership of the non-conforming Products at no cost to MRC.

**6. Compliance with Laws** - The Seller warrants that it and the products furnished hereunder shall comply with all applicable state, federal and local laws, rules and regulations, and Seller agrees to forever indemnify and save MRC harmless against liability on account of any noncompliance.

**7. Acceptance of Products** - MRC's acceptance of the products shall not relieve Seller of any obligations and warranties hereunder. Acceptance of the products shall occur after MRC (1) has had a reasonable opportunity to inspect and test the products and (2) signifies to Seller that the products are conforming or that it will take or retain them in spite of their nonconformity.

**8. Infringement and Liability Indemnity** - Seller, its successors, heirs or assigns shall forever indemnify and save harmless MRC, its subsidiaries, affiliated companies, successors, assigns, directors, officers, employees, agents, distributors, customers, and users of the products of and from any claim, demand, cause of action, suit, judgment, loss, damage or other liability (including costs, expenses and attorney fees incurred in the investigation, defense or settlement of any court or other proceeding or suit or any threatened court or other proceeding or suit) for (a) actual or alleged patent, trade-mark, copyright infringement, domestic or foreign, or infringement or violation of any similar rights and/or (b) actual or alleged damage, loss or liability, including incidental or consequential damages, to persons or property by reason of any defects in said products whether arising by breach of warranty or otherwise upon the request of MRC. Seller shall at its expense defend all claims, proceedings or suits against MRC, its subsidiaries, affiliated companies, successors, assigns, directors, officers, employees, agents, distributors, customers or users of said products in which any of the aforesaid claim are alleged. MRC agrees to notify Seller promptly upon its receipt of notice of the aforesaid claim or claims.

**9. MRC-Furnished Property** - Seller shall not use, reproduce, or appropriate for, or disclose to anyone other than as required for the manufacture or production of the products, any material, tooling, dies, drawings, designs or other property or data furnished by MRC, nor shall Seller use the same to produce or manufacture more products that are required hereunder. Title thereto shall remain in MRC at all times. Seller shall bear the risk of loss or damage to such property unless MRC shall otherwise direct, all such property, together with spoiled and surplus materials, shall be returned to MRC at the termination of completion of the order. Seller agrees that in the event of a breach hereof, MRC shall be entitled to an injunction to prevent further breach hereof and a decree for specific performance.

**10. Quality System** – Seller shall maintain quality systems sufficient to assure consistent product quality and adherence to all specifications and product attributes outlined in ongoing MRC Purchase Orders and/or contractual documentation. Such systems may be subject to verification by MRC, as necessary, to assure ongoing compliance and traceability to all specification and process requirements.

**11. Taxes** - Unless itemized separately by Seller upon its invoice, all federal, state and local sales, excise or similar taxes shall be paid by Seller. MRC shall, upon Sellers request, furnish any exemption certificate available to MRC.

**12. Risk of Loss** - Unless otherwise noted, the risk of loss shall not pass to MRC until the products are accepted in accordance with paragraph seven (7) hereof.

**13. Delegation of Duties, Assignments of Rights** - Without MRC 's prior written consent, Seller shall neither delegate in any manner to any other person, firm or corporation, the performance of any work or the manufacture of any products nor assign any amount which may be or may become due hereunder.

**14. Time of Essence** - Time is of the essence of the contract.

**15. Choice of Law and Forum** – These Purchase Order Terms and Conditions and the sale of goods and services hereunder shall be governed by and construed in accordance with the laws of the State of Illinois, excluding laws directing the application of the laws of another jurisdiction, and Seller hereby attorns to such exclusive jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods will not, for any purpose, govern or apply to the sale of goods and services or any transactions, performance or disputes hereunder. All legal proceedings arising under this Agreement or in respect of the sale of the Products will be initiated and maintained solely and exclusively in any state court located in DuPage County or federal court located in Cook County, Illinois. The parties hereby irrevocably consent to such jurisdiction and venue.

**16. Remedies** - The rights and remedies of MRC hereunder shall not be exclusive, but shall be cumulative and in addition to any other rights and remedies provided by any and all other clauses and paragraphs of the purchase order and to all other rights and remedies in law or equity including, but not limited to, the right of MRC to set-off amounts payable to Seller hereunder against any amounts otherwise owed to MRC by Seller.

**17. Entire Agreement** - The provisions contained herein constitute the entire agreement between the parties hereto and supersede all previous communications, representations, and agreements, either verbal or written, between the parties hereto with respect to the subject matter hereof.