

MRC POLYMERS, INC. ("MRC")
Standard Terms and Conditions

1. **COMPLETE TERMS - Revised Date – 6/26/2020**

Sales by MRC to BUYER are governed by the Quote as to; product description, payment terms, delivery, and price; and these Standard Terms and Conditions. The Quote and these Standard Terms and Conditions are the final and complete expression of all terms and conditions of the agreement. Any representations, promises, warranties or statements that are not contained in the Quote or these Standard Terms and Conditions are void. The Quote and these Standard Terms and Conditions may only be modified by a written signed agreement signed by both BUYER and MRC. By purchasing Products from MRC, Buyer confirms its agreement with these terms, and agrees that, even if Buyer sends MRC another form of agreement or terms, or modifications to these terms, and MRC does not expressly accept such agreement terms or modifications in writing, these terms shall govern.

2. **QUOTES AND SALES PRICE; MINIMUM ORDER**

BUYER acknowledges that there may be additional costs for testing, documentation or special requirements. All quotations are subject to MRC's receipt of full and adequate disclosure from BUYER regarding any testing, documentation or special requirements. The minimum order is 4,896 lbs. of goods. Buyer agrees that a variation of up to 10% in quantity delivered is acceptable to Buyer, and shall constitute fulfillment of an order.

3. **TERMS OF PAYMENT**

All payments are due per quoted terms from the date of the invoice. If BUYER fails to pay any sum due in a timely manner, interest shall accrue to MRC's credit on such sum at the rate of 1 ½ % per month or the highest rate allowed by law, whichever is lower. The BUYER shall be liable for any cost incurred by MRC to collect any past due sums, including without limitation, reasonable attorney's fees and court costs.

4. **DELIVERY**

Delivery terms shall be governed by the Quote. Risk of loss or damage to Products will pass to Buyer in accordance with the Incoterm specified by MRC's quote, and title will transfer at the same time as risk of loss. Every effort shall be made to effect delivery at the desired time, but delivery dates are estimates. MRC reserves the right to make partial shipments as MRC deems appropriate.

5. **DELAYS**

In the event MRC is unable to ship the ordered goods because of fire, flood, wind storm, accident, or other act of God, labor or civil disturbance, epidemics, pandemics, health restrictions, shortage of materials, failure of timely delivery by MRC's suppliers, energy or transportation shortages, or any other cause (whether or not similar to the causes listed above) beyond MRC's reasonable control, MRC reserves the right to cancel the affected order without any liability to BUYER whatsoever. In no event

shall MRC be obligated to purchase material from others to enable MRC to deliver goods to BUYER hereunder.

IN NO EVENT SHALL MRC BE LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF A DELAY IN OR FAILURE OF DELIVERY.

6. LIMITED WARRANTY

MRC warrants that all Products sold to BUYER and if BUYER is a distributor then any initial customer of BUYER will be free of any claim of ownership by third parties and will conform to the manufacturer's specifications in effect at the time of manufacture, or such other specifications as shall have been expressly agreed in a writing signed by BUYER and MRC. BUYER will inspect all Products for damage or defect within thirty (30) days of receipt by Buyer, and will give MRC notice of any damage or defect that BUYER finds within this thirty (30) day period. Any claim for any damage or defect existing at the time of delivery will be deemed waived by Buyer unless written notice of same is provided to MRC within thirty (30) days of receipt by BUYER. The conditions of any test for conformance with specifications shall be mutually agreed upon and MRC will be notified of, and may be represented at, all such tests. If any Product is determined not to conform to the warranty set forth above during the period ending at the earlier of (i) the date of use of the Product by BUYER or if BUYER is a distributor then BUYER's initial customer, or (ii) one (1) year from date of shipment by MRC to BUYER, then MRC shall, at its option, either replace the defective Product or refund the purchase price. Defective Products shall not be returned by BUYER until authorized by MRC. This remedy is BUYER's exclusive remedy for breach of warranty.

MRC shall not be liable for any conditions attributable to (i) improper molding or testing, (ii) inadequate or improper maintenance or storage, (iii) normal wear and tear, (iv) failure to provide a suitable operating environment, (v) use of the Product for purposes other than that for which it was designed, (vi) failure to mold in accordance with applicable MRC specifications and good industry practice, (vii) unauthorized attachment, removal or alteration of any part of the Product, (viii) unusual mechanical, physical electrical stress, extreme environmental conditions or chemical exposure, (ix) mishandling during shipment of the Product, (x) any defects or performance failures resulting from product components from a third party that are integrated into MRC Products (xi) any defects caused or resulting from components or materials provided to MRC by suppliers mandated or designated by BUYER; (xii) the incompatibility, improper design, manufacture or installation of accessories, equipment or materials not supplied by MRC or, (xiii) any other abuse, misuse, neglect or accident.

MRC PROVIDES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO ANY OF THE GOODS HEREUNDER AND ANY SUCH IMPLIED WARRANTIES ARE SPECIFICALLY DISCLAIMED BY BUYER.

7. CLAIMS

Claims for shortages or incorrect goods must be made in writing to MRC within forty eight (48) hours after receipt of shipment. Failure to give such notice shall constitute an unqualified acceptance of all goods and waiver by BUYER of all claims for such shortages or incorrect goods.

8. **ADVICE AND OTHER SERVICES**

BUYER agrees that MRC will not have control over the design, testing or labeling of any product produced using the Products, and that BUYER is not relying on any representation or statement made by, or on behalf of, MRC with respect to the suitability of any Product for any purpose, or on any advice, recommendation or information obtained from MRC's product literature or web sites, including any design aid or other service made available by MRC. BUYER has tested and investigated the Products enough to form an independent judgment concerning their suitability for the use, conversion or processing intended by BUYER and will not make any claim against MRC based on MRC's advice, statements, information, services or recommendations.

9. **WAIVER**

BUYER WAIVES ALL CLAIMS AGAINST MRC FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND OR NATURE, INCLUDING BUT NOT LIMITED TO LOST REVENUE, INCOME, PROFIT AND USE OR DAMAGES, ARISING FROM OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR GOODS SOLD HEREUNDER, WHETHER ALLEGED TO ARISE FROM BREACH OF CONTRACT, EXPRESS OR IMPLIED WARRANTY, OR IN TORT, INCLUDING WITHOUT LIMITATION, NEGLIGENCE, FAILURE TO WARN OR STRICT LIABILITY.

10. **FINANCIAL RESPONSIBILITY**

Any credit terms offered by MRC are available only for so long as BUYER complies with all of its obligations under these terms and conditions, including, with limitation, the provisions requiring timely payment of invoices within stated terms. Notwithstanding the foregoing, MRC may terminate this Agreement or adjust BUYER's payment and/or credit terms effective immediately upon written notice to BUYER in the event (a) BUYER fails to pay any MRC invoice, within the time provided in this Agreement on two or more occasions, (b) BUYER generally fails to pay its debts as they become due, (c) MRC reasonably believes BUYER's creditworthiness has deteriorated or BUYER is insolvent (whether based on the reasonable belief by MRC that BUYER's liabilities exceed its assets; the existence of a bankruptcy, assignment for the benefit of creditors or other similar proceeding involving BUYER; a liquidation of a significant portion of the assets of BUYER; or otherwise) and (d) of a sale of a majority of the assets, or a change of control of the ownership, of BUYER. If BUYER is in default hereunder, including by failure to pay invoices, MRC may suspend shipments of Product, require cash in advance of deliveries and/or reduce payment terms until all invoices are current and MRC receives adequate assurance of future performance.

11. **NO DEDUCTION**

BUYER shall not be entitled to deduct from the price invoiced to it by MRC the amount of any claim asserted by BUYER against MRC, unless such claim shall have been allowed in writing by an authorized representative of MRC. The provisions of the preceding sentence are of the essence of this sale.

12. **NON-CANCELLATION**

BUYER may not cancel or terminate an order without MRC's written consent and only then upon payment of reasonable termination charges, including without limitation handling charges not to exceed twenty percent (20%) of the purchase price, plus any cancellation/return or other charges imposed by suppliers of MRC.

13. **RETURN FOR CREDIT OR EXCHANGE**

All returns of non-defective, unused material for credit or exchange, not due to MRC's error, must be authorized in writing, in advance, by MRC. No material will be accepted for return without valid return authorization number clearly noted on the outside of the shipment. Items to be returned must be in original, undamaged packaging and in sellable condition. Return of such items is subject to a return processing fee of no less than 20% of the extended sales price of the item(s) being returned; minimum fee is \$15.00. Credits are issued for returned material less restocking and other pertinent fees and can only be used against future purchases of material from MRC. Credits not used within 180 days of the issue date will automatically terminate. No cash refunds will be issued. Requests for return of non-defective material for credit or exchange resulting from MRC's error (i.e. mis-shipment of material or quantity) shall be handled at no charge to BUYER. All return authorizations expire thirty (30) days after authorization notification and shall not be renewed.

14. **CONFIDENTIALITY**

BUYER understands and agrees that all pricing information contained in the quotation is confidential and is MRC's proprietary information. Therefore, as a condition to MRC providing a quotation to BUYER, BUYER agrees that it will not use any of MRC's pricing information (the "Information") except to evaluate the purchase contemplated by the quotation. BUYER also agrees that it will not disclose any of the Information to anyone other than its employees and officers who are involved in evaluating such purchase. BUYER will cause all persons to whom it discloses any of the Information to abide by the terms of this Agreement. The limitations on use and disclosure contained in the foregoing paragraph will not apply to any Information (i) which at the time of disclosure to BUYER is generally available to the public, or (ii) which thereafter becomes generally available to the public other than through a breach of an obligation of confidentiality, or (iii) which was available to BUYER on a non-confidential basis prior to its disclosure to BUYER in connection with the transaction contemplated by the quotation, provided that in any such case BUYER first advises MRC of the Information which is not subject to the limitations of the foregoing paragraph and the reason why those limitations do not apply. BUYER's obligations under this Section shall survive without limitation. MRC shall be entitled to reference Buyer as a customer of MRC and utilize photographs of Buyer's applications utilizing MRC's products in MRC's marketing materials.

15. **DEFAULT**

BUYER will be in default if (a) BUYER fails to pay to MRC any amount when due this agreement, (b) BUYER fails for a period of five (5) days after receiving written notice from MRC to fulfill or perform any provisions of this agreement (other than the prior provision relating to payments), (c) BUYER becomes insolvent or bankrupt, or a petition therefore is filed voluntarily or involuntarily and not dismissed within thirty (30) days from filing, or (d) BUYER makes a general assignment for the benefit of its creditors or a receiver is appointed, or a substantial part of BUYER's assets are attached or seized under legal process and not released within thirty (30) days thereafter. Upon BUYER's default, MRC may, at its option, without prejudice to any of its other rights and remedies, and without demand for payments past due, (a) make shipment subject to receipt of cash in advance, (b) terminate this agreement and declare immediately due and payable the obligations of BUYER for products previously shipped,

notwithstanding any other provision in these terms and conditions, (c) demand reclamation, or (d) suspend any further deliveries until the default is corrected, without releasing BUYER from its obligations under this agreement. In any event, BUYER shall remain liable for all loss and damage sustained by MRC because of BUYER's default.

16. **HEALTH AND SAFETY COMPLIANCE**

MRC will give BUYER Safety Data Sheets ("SDSs," formerly known as Material Safety Data Sheets or MSDSs) for Products sold hereunder. Buyer understands that some Products may be hazardous materials or hazardous substances under various laws and regulations when handled or processed. Buyer agrees to familiarize itself (without further reliance on MRC) with any hazards of the Products, their processing and applications and the containers in which the Products are shipped. Buyer agrees to provide the SDSs to all those required by law to receive same and to inform and train its employees, and properly warn and instruct its customers, as to hazards identified in the SDSs or discovered by Buyer in its investigations. Buyer agrees to properly manage and dispose of all wastes and residues resulting from its use of all Products, including any disposable packaging, in accordance with applicable disposal or recycling laws.

17. **EXPORT LAWS**

BUYER represents and warrants that (a) at all times, it will comply with all applicable export, re-export and foreign policy controls and restrictions imposed by the U.S. and the country in which they are located and (b) it will not in any form export, re-export, resell, ship or divert or cause to be exported, re-exported, resold, shipped or diverted, directly, or indirectly, any equipment, parts and technical data furnished hereunder to any other party or to any country for which the United States Government or any agency thereof, at the time of export or re-export, requires an export license or any other government approval without first obtaining such license or government approval and the written approval of MRC.

18. **TAXES**

All sales, excise, or other forms of taxes levied against this transaction shall be paid by BUYER over and above all other sums BUYER may be or may become obligated to pay hereunder.

19. **JURISDICTION AND VENUE**

Any transaction subject to these terms and conditions shall be governed by the laws of the State of Illinois without respect to its conflicts of law's provisions. Jurisdiction and venue with respect to any dispute arising out of or in any way related to a transaction subject to these terms and conditions will rest exclusively in any state court located in DuPage County or federal court located in Cook County, Illinois.

20. **ERRORS**

MRC reserves the right to make corrections to typographical, mathematical or other errors upon discovery.