

## PURCHASE ORDER TERMS AND CONDITIONS – SPECIALTY CHEMICAL CO., LLC.

**1. Entire Agreement:** The terms and conditions (collectively “Terms”) set forth herein govern the purchase of the products and or services (the “Product/s”) described within the purchase order (Agreement). This Agreement, including any identified exhibits, constitutes the entire agreement between the parties relating to the subject matter of this Agreement, and supersedes any prior agreements, understandings or representations, either oral or written, with respect to the subject matter of this Agreement. Acceptance of this offer is expressly limited to the terms of this Agreement. Any attempt by the Supplier (“Seller”) to alter the terms of the Agreement or to propose additional terms will be considered invalid and rejected. In the event any terms given by the Seller are at variance with the terms herein then these terms shall prevail. No payment will be due to Seller until Seller submits an invoice subject to and in accordance with the terms herein. No modification, waiver or amended of this Agreement shall be valid unless in writing signed by both parties. Seller agrees to supply the Products to Specialty Chemical Co.,LLC (Buyer), in which Buyer means any Buyer that is a subsidiary of, an affiliate of, or related to Specialty Chemical Co., LLC, and Buyer agrees to purchase from Seller, the Products set forth in this Agreement during the term of this Agreement.

**2. Price:** Seller may not increase prices after acceptance of said purchase order. Seller shall provide Buyer with pricing and terms which are no less favorable than those extended to other purchasers. If Seller reduces its price, Seller shall reduce Buyer price accordingly. Pricing as agreed to in this Agreement is final and not subject to additional surcharges or taxes. Seller warrants that Product is not subject to United States countervailing duties.

**3. Payment:** Unless agreed in writing by the Seller and Buyer, payment terms shall be Net 30 days from Buyer’s receipt of Seller’s invoice and invoicing to occur at time of shipment. All prices in the Agreement will be in U.S. dollars. Payment does not constitute acceptance of Product or relieve Seller of any obligations. Buyer may withhold funds, without interest, to assure itself of the discharge of all Sellers’ obligations or Buyer claims. Buyer may set off any amount owing from Seller to Buyer (or any of Buyer’s affiliates) against any amount payable by Buyer (or any of Buyer’s affiliates) to Seller.

**4. Delivery, Title and Risk of Loss:** Time shall be considered of the essence in delivery of the Products ordered hereunder. If any Products are not delivered within the time specified in this Agreement, or within a reasonable time if no time is specified, Buyer may either (a) refuse to accept such Products and terminate the specific order therefor, in which case Buyer may seek to cover the purchase of the Products from other suppliers and Seller shall be responsible for any additional costs incurred by Buyer; or (b) cause Seller to ship the Products by the most expeditious means of transportation whereupon any additional transportation charges in excess of those which would apply for the usual means of transportation shall be for the account of the Seller. Furthermore, Buyer shall have the right to charge the Seller with any loss incurred as a result of the Seller’s failure to make delivery with the time specified. The Products shall be properly packaged for shipment. Title to Products and risk of loss shall pass to Buyer upon delivery to the Buyer’s facility specified in this Agreement unless otherwise mutually agreed in writing in advance.

**5. Hazardous and Dangerous Goods and Materials:** For any goods or materials furnished in accordance with this purchase order which are defined as hazardous or dangerous under applicable law, Seller will provide Buyer with hazardous warning and safe handling information in the form of a safety data sheet (SDS) and appropriate labeling for such goods or materials as required by the laws of the United States or any applicable State law.

**6. Warranty:** Seller warrants that all Products will conform to industry standards including any published specifications or mutually agreed upon specifications and will be free from defects in design, material and workmanship for a period of one year after the final acceptance of the Products, or such longer period as may be otherwise provided. If Seller or Products breaches this warranty, Seller, at Buyer's option, will either replace the defective Product, repair or replace the defective Products or refund the purchase price. If Buyer selects repair or replacement, any defects will be remedied without cost to Buyer, including but not limited to, the costs of removal, repair and replacement of the defective Products, and reinstallation of new Products. All such defective Product that is so remedied will be similarly warranted as stated above. If the Product involves the sale of goods, this transaction will be governed by the Uniform Commercial Code, latest revision, as enacted by the State of Kentucky, including all warranty protection (express or implied) and all buyer remedies.

**7. Patents:** Seller agrees to indemnify and save harmless Buyer from all claims arising out of any infringement of patents or copyrights arising out of Buyer's purchase, use or sale of the Products supplied under this purchase order, and to defend at Seller's expense, including reasonable attorney's fees, any and all suits or actions, based on such claims.

**8. Seller's Liability and Indemnification:** Seller will save and hold Buyer harmless from and against all liabilities, claims and demands, and damages on account of personal injuries, including death, or property loss or damage to Buyer or to others (including Seller and employees and invitees of Seller and of Buyer) arising out of or in any manner connected with the performance of such Products or any defect in the Products, and caused by the negligent or willful act or omission to act of Seller, or a supplier of Seller, or employees or invitees of either of them, and Seller will, at its own expense, defend any and all actions based on such negligent or willful acts or omissions to act, and will pay all charges of attorneys and all costs and other expenses arising out of these obligations of indemnification.

**9. Insurance:** If Seller, either as principal or by agent or employee, enters upon the property of Buyer in order to do any work, Seller agrees to maintain the following types of insurance coverage: (a) Worker's Compensation Insurance or qualification as a self-insurer to satisfy the laws of the state in which the Products will be performed; (b) Employers' Liability Insurance for Bodily Injury per accident with limits of not less than \$100,000 and Bodily Injury by Disease with limits of not less than \$100,000 per policy; (c) Commercial General Liability Insurance for personal injury and property damage, including contractual liability insurance, with combined limits of not less than \$1,000,000 per occurrence; and (d) Automobile Liability Insurance for personal injury and property damage with combined limits of not less than \$1,000,000 per occurrence. Seller's Worker's

Compensation insurer or Seller, if self-insured, agrees to waive all rights of subrogation against Buyer except for claims caused by Buyer's sole negligence. Also, Seller will name Buyer as an additional insured on its Commercial General Liability and Automobile Liability policies. Seller's insurance will be primary without right of contribution of any other insurance carried by or on behalf of Buyer. Upon Buyer's request, Seller will provide Buyer with written certification, reasonably acceptable to Buyer, of Seller's compliance with the requirements listed in this Section. The Requirements in this Section 9 are separate and distinct from any other obligations of Seller under this Agreement.

**10. Force Majeure:** Neither party shall be liable for delay or failure in the performance of the obligations contained in this Agreement arising solely from any extraordinary causes beyond the control of the party concerned. In the event either party experiences a force majeure event that will delay its performance, that party must provide written notice to the other party within three (3) days of the event. In the event Seller is forced to allocate Products, it shall nonetheless supply to Buyer all the Products called for under this Agreement as a priority.

**11. Changes:** Buyer may, at any time, in writing, make changes to the general scope of this Agreement. If any such change causes an increase or decrease in the cost of or time required for the performance of any Products under this purchase order, an equitable adjustment will be made to the price or delivery schedule, or both, and this purchase order will be modified in writing accordingly.

**12. Termination:** Either party may terminate this Agreement upon giving written notice in the event the other party (a) is subject to any proceeding for bankruptcy, insolvency, trusteeship, dissolution, liquidation or winding up of affairs, (b) ceases or threatens to cease to carry on its business, or (c) makes any assignment for the benefit of creditors.

Either party may terminate this Agreement by giving written notice of a breach of any material obligation hereunder, which breach is not cured within thirty days.

Buyer may terminate this Agreement without cause at any time by giving written notice to Seller. After receiving written notice of termination, Seller will immediately cease the Products indicated in the notice of termination. In the event of such a termination, payment for costs incurred by Seller will be negotiated by Buyer and Seller on the basis of Seller's actual costs plus a reasonable profit for the Products completed as of the termination date.

**13. Liens:** Seller guarantees that no lien, encumbrance or security interest will be filed by anyone against Buyer, Buyer's property or the Products for materials or labor or both furnished under this purchase order and will defend and hold Buyer harmless from any such liens, encumbrances or security interests and will pay all attorney's fees and all other costs and expenses arising from such liens, encumbrances or security interests.

**14. Independent Contractor:** Seller is an independent contractor and not an employee or agent of Buyer. Buyer disclaims any right to control the manner of performance by Seller and Buyer will not control the manner of performance by Seller. Seller has no authority to direct or control the

performance of any employee of Buyer. Seller's role will be that of an adviser and not of master to any Buyer employee. Seller does not have any Buyer title and Seller is not eligible for Buyer benefits or employee plans.

**15. Assignment:** The Products, as a whole, covered by this Agreement and amounts payable by Buyer to Seller under this Agreement are not assignable by Seller without the prior written consent of Buyer.

**16. Compliance with Laws:** Seller represents that the Products to be delivered to Buyer pursuant to this Agreement comply with all applicable laws, rules, regulations and ordinances, including, without Limitation, the California Transparency in Supply Chain Act, the Victims of Trafficking and Violence Protection Act of 2000, the Foreign Corrupt Practices Act of 1977, and all applicable anti-bribery laws of countries in which they do business. Seller will also comply with the conflict minerals provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Hazardous, dangerous, explosive, inflammable or toxic goods must be properly marked and Seller assumes all liability, direct or indirect, because of failure to do so. Seller shall, in addition, properly label all goods in accordance with applicable governmental and right-to-know law and regulations.

**17. Environment, Health, Safety and Security:** If Seller, either as principal or by agent or employee, enters upon the property of Buyer, Seller agrees to comply with Buyer's rules and regulations including its environmental, health, safety and security rules and regulations.

**18. Notices:** All notices required or permitted herewith shall be in writing and shall be deemed duly given when personally delivered or sent by registered, certified mail, return by letter as aforesaid, or by confirmed electronic conveyance to the address set forth on this Agreement or the accompanying Purchase Order, or to such other address as either party may hereafter designate in writing by like notice.

**19. Confidentiality:** This Agreement, its subject matter and any and all information disclosed by one party to the other hereunder shall be considered confidential and shall not be disclosed or used for any unauthorized purpose by the receiving party; provided, however, that the foregoing prohibition shall not pertain to information which (a) is or hereafter enters the public domain through no fault of the receiving party, (b) was previously known or independently developed by the receiving party without resort to the confidential information (as shown by written documentation), (c) is disclosed to the receiving party by a third party having the right to do so, or (d) is required to be disclosed pursuant to governmental or judicial order (in which case the receiving party shall give disclosing party sufficient notice to challenge such disclosure).

**20. Severability.** If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction that shall not affect the validity or enforceability of any other provision of this Agreement.

**21. Disputes:** The validity, interpretation, construction and performance of this Agreement, and any claim or dispute between the parties relating to the subject matter of this Agreement, shall be governed by the laws of the State of Kentucky Any claims or dispute between the parties relating in any way to this Agreement, shall be brought and maintained in a court of competent jurisdiction in the State of Kentucky, Jefferson County, except that, at the sole option of the Buyer, any claim or dispute relating to this Agreement shall be submitted to arbitration in the State of Kentucky, Jefferson County, before one arbitrator under the American Arbitration Association's Commercial Arbitration Rules. In any arbitration or court action there shall not be any award punitive damages or other damages not measured by actual damages; nor may the court or arbitrator limit, expand or otherwise modify the terms of this Agreement. A party may enter an arbitration judgement on an award in any court having jurisdiction. The prevailing party in any claim or dispute shall be entitled to an award of reasonable attorney fees.

*(rev. 1/18)*