

**1. OFFER AND ACCEPTANCE**

**1.1** This proposal constitutes an offer or counteroffer, as the case may be, by Nylacarb Corporation (“Seller”), to sell to the buyer (the “Buyer”) the goods and services (the “Goods”) named in the quote and or invoice attached hereto (the “Sales Document”) and shall be applicable to the Goods and all other goods and services ordered by Buyer from Seller from time to time. This offer is for immediate acceptance, or as stated in the Sales Document, and is subject to change without notice prior to receipt by Seller of Buyer’s written acceptance.

**1.2** No agreement or understanding, oral or written, purporting to modify these Terms and Conditions of Sale, whether contained in Buyer’s purchase order, shipping release form, or elsewhere, shall be binding on Seller unless agreed to in writing and signed by Seller’s duly authorized representative.

**2. CANCELLATION AND MODIFICATION**

**2.1** No order may be canceled or altered by Buyer except upon terms and conditions acceptable to Seller, as evidenced by Seller’s written consent. In the event of such approved cancellation by Buyer, Seller shall be entitled to payment of the full price, less the amount of any direct costs saved by Seller by reason of the cancellation.

**2.2** Seller may cancel these Terms and Conditions of Sale, the Sales Document and/or any purchase order if the Buyer has become insolvent, bankrupt, admits in writing its inability to pay its debts as they mature or if proceedings are commenced by or against the Buyer in any jurisdiction under a provision or chapter of any bankruptcy act, or if the Buyer suffers the appointment of a receiver or trustee or makes an assignment for the benefit of creditors.

**3. TERMS OF PAYMENT**

**3.1** All prices are in United States dollars, and payment shall be made in legal tender of the United States of America.

**3.2** Terms shall be designated in the Sales Document. If progress payments are designated in the Sales Document, Seller may suspend production, shipment, or delivery until all progress payments have been made in accordance therewith. Acceptance by Buyer of each delivery shall constitute a separate contract with respect to the amount thereof. Seller may recover for each shipment as a separate transaction without reference to any other shipment.

**3.3** If, by the terms of the Sales Document, credit is extended to Buyer, Seller reserves the right to revoke or amend the terms of such credit for any reason Seller deems appropriate, including but not limited to Buyer’s failure to pay for any Goods when due.

**3.4** Interest at the rate of one and one-half percent (1-1/2%) per month or the maximum rate allowed by applicable law, whichever is less, will be charged on accounts more than thirty (30) days past due. In addition to interest at said rate, the Buyer shall reimburse Seller for all reasonable direct costs incurred by Seller in collecting past due accounts and any interest thereon. Said direct costs shall include Seller’s attorneys’ fees paid in connection with such collection, whether or not Seller shall have brought suit or obtained a judgment against Buyer.

**3.5** If shipments are delayed for the convenience of or at the request of Buyer, payment becomes due on the date when Seller offers to make shipments. If the work to be performed hereunder is delayed by Buyer, progress payments shall be made on the purchase price in accordance with the percentage of completion as determined by Seller, in its sole and absolute discretion. Goods held for the Buyer shall be solely at the risk and expense of Buyer.

**4. TAXES AND DUTIES**

**4.1** Any manufacturer’s tax, occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other tax, fee or charge of any nature whatsoever imposed by governmental authority, on or measured by the transaction between Seller and Buyer shall be paid by Buyer in addition to the prices quoted or invoiced.

**5. DELIVERY DATE AND FORCE MAJEURE**

**5.1** All proposed shipping dates are estimates and are based upon prompt receipt by Seller of all information necessary for completion of the order. Seller’s shall use reasonable efforts to fill orders in accordance with the estimated shipping date.

**5.2** Seller shall not be liable for any damage as a result of any delay in delivery or any failure to deliver due to cause beyond Seller’s reasonable control, including but not limited to acts of God; war; terrorism; mobilization; riot; civil disturbance; embargo; domestic or foreign government regulations or orders (including but not limited to priorities, requisitions, allocations, and price adjustment restrictions); fires; strike, lockout, slowdown, or other labor difficulties; major equipment breakdown; or failure or delay beyond Seller’s reasonable control in securing

necessary materials, equipment, facilities, shipping space, or transportation. Buyer's exclusive remedy for other delays and for Seller's inability to deliver for any reason shall be rescission of these Terms and Conditions of Sale, the Sales Document and/or any purchase order.

## **6. EQUIPMENT**

**6.1** Any equipment (including jigs, dies and molds) which is held for the Buyer belong to the Buyer as long as all accounts are paid in full.

**6.2** All such equipment will be used for the manufacture of goods for Buyer. When for three (3) consecutive years no Orders acceptable to the Seller are received from Buyer for goods to be made with any such equipment, Seller may make such use or disposition thereof as Seller desires without liability or obligation to Buyer. Seller may by written notice to Buyer, request Buyer to make disposition thereof at Buyer's expense under Florida Statute. Storage fees may also apply to equipment left at Nylacarb.

## **7. DELIVERY AND ACCEPTANCE**

**7.1** Unless otherwise designated in the Proposal, all sales are FOB Seller's plant of manufacture. Delivery of Goods by Seller to a carrier at said FOB point shall constitute delivery to Buyer, and regardless of shipping terms or freight payment, all risk of loss or damage in transit shall pass to Buyer upon delivery to such carrier.

**7.4** Claims for shortages or other errors in delivery must be made in writing to Seller within ten (10) days after receipt of shipment and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer. Claims for loss or damage to goods in transit should be made to the carrier and not to Seller.

**7.5** Quantities ordered may be adjusted to full package amounts at the discretion of Nylacarb.

**7.6** Quantities ordered may be adjusted when Nylacarb is required to buy material dictated by minimums specified by the supplier. Quantity minimums may also be determined by 3<sup>rd</sup> party secondary operations.

## **8. INDEMNIFICATION**

Buyer shall indemnify Seller against any and all losses, liabilities, damages, and expenses (including, without limitation, attorneys' fees and other costs of defending any action) which Seller may incur as a result of any claim by Buyer or others arising out of or in connection with the Goods and based on product or service defects not proven to have been caused solely by Seller's negligence, whether such claim is based on contract, tort (including strict liability) or otherwise. Buyer is to supply all testing criteria and pay associated costs for any required testing. Buyer is solely responsible for product application and material specification. Buyer is responsible for all patent infringements.

## **9. LIMITATION OF LIABILITY**

**9.1** Except as otherwise agreed in writing, Seller's liability with respect to the Goods sold hereunder (including, without limitation, services provided under shall be limited to, and, with respect to other performances of this contract, shall be limited to the contract price of the defective portion of the Goods. SELLER'S TOTAL CUMULATIVE LIABILITY to Buyer for all claims of any kind, whether based upon contract obligations, tort liability (including negligence) or otherwise, for any loss or damage arising out of, connected with, or resulting from the order, or from the performance or breach thereof, SHALL IN NO CASE EXCEED THE AMOUNT PAID SELLER BY BUYER FOR THE GOODS.

**9.2** SELLER SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES, WHETHER ARISING OUT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHER THEORIES OF LAW, WITH RESPECT TO GOODS RENDERED BY SELLER, OR ANY UNDERTAKINGS, ACTS, OR OMISSIONS RELATING THERETO. Without limiting the generality of the foregoing, Seller specifically disclaims any liability for property or personal injury damages, penalties, special or punitive damages, damages for lost profits or revenues, loss of use of Goods or any associated equipment, cost of down-time, shut-down or slow-down costs, or for any other types of economic loss, and for claims of Buyer's customers or any third party for any such damages. SELLER SHALL NOT IN ANY EVENT BE LIABLE TO BUYER FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER INDIRECT DAMAGES OF ANY KIND WHATSOEVER.

## **10 WARRANTIES.**

Seller assumes no responsibility for the design of the goods that are the subject of this transaction. To the extent that Seller's personnel recommend design modifications or provide design analysis, simulation or advice, they do so to help meet the requirements of Seller's own manufacturing process. The buyer retains sole legal responsibility for the design specifications and performance of the goods that are the subject of this transaction.

SELLER MAKES NO REPRESENTATION OR WARRANTY, WHETHER EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER WITH RESPECT TO ANY GOODS OR SERVICES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

Without limiting the generality of the foregoing, Seller assumes no responsibility or liability for the selection of any materials for the goods that are the subject of this transaction. The buyer is solely responsible for ensuring that materials selected for goods to be manufactured by Seller meet any regulatory requirements or specifications including but not limited to Directive -2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive) together with any national legislation implementing such Directive, ISO, FDA, UL, CSA, CE, TUV, FCC, NSF, and USP. Any statements made by Seller personnel or specifications provided by Seller regarding materials should be verified by the buyer with the manufacturer of that material.

**11. BUYER SUPPLIED MATERIALS.** If Seller agrees to use materials supplied by the buyer, then the buyer shall be solely responsible for supplying and delivering such materials in a timely manner at no cost or expense to Seller, of sufficient quality and in sufficient quantity (including allowances for loss, waste, or scrap that may occur for any reason) as Seller deems necessary to complete its obligations. Seller shall not be liable for, and the buyer shall be obligated to pay any previously negotiated delivery premiums notwithstanding, any failure or delay in delivering any goods to be provided hereunder if such failure or delay is caused by the buyer's failure to supply and deliver such materials in a timely manner or of such quality or in such quantity as Seller deems necessary.

**12. COMPLIANCE WITH LAWS AND REGULATIONS** Buyer certifies that its designs (e.g., 3D CAD models) submitted to Seller and the manufacture and delivery of goods according to the design will not yield goods that are in violation of any state, federal, or local law. Buyer will not hold Seller liable for any violation of state, federal, or local law that occurs as a result of manufacturing or delivering any goods according to the design provided by Buyer. Buyer agrees to indemnify, defend, and hold Seller harmless from and against all liabilities, damages, losses, expenses, claims, demands, suits, fines, or judgments, including attorneys' fees, costs, and expenses, which may be suffered by reason of any claim arising out of or relating to this transaction.

**13. ENGLISH LANGUAGE** All documents, notices and legal proceedings executed, given or instituted pursuant to or relating directly hereto shall be in the English language, and the meaning of all words and phrases of this offer shall be defined, construed and interpreted in the English language.

**10. ASSIGNMENT** This contract is not assignable by either party in whole or in part without the prior written consent of the other party.

**11. BUYER'S DRAWINGS AND MATERIALS**

Any work performed by Seller according to drawings or specifications provided by Buyer or others shall be undertaken only on the understanding that the Seller shall not be liable for defects in the equipment or parts thereof arising from said drawings and/or specifications. Any work performed by the Seller on Goods furnished by the Buyer shall be undertaken only on the understanding that the Seller's liability shall be limited to the value of the work performed by the Seller on such material.

**12. SEVERABILITY/WAIVER OF TERMS AND CONDITIONS**

**12.1** All the terms and conditions contained herein are severable, and a determination by any court or other governmental authority that any term or condition contained herein is invalid or unenforceable shall not affect the validity and enforceability of the remaining terms and conditions.

**12.2** No waiver by Seller of any of the terms and conditions contained herein shall operate to relieve Buyer from responsibility for any prior or subsequent breach hereunder.

**13. GOVERNING PROVISIONS**

Any contract for sale and these Terms and Conditions of Sale shall be governed by and construed according to the internal laws of the State of Florida (without reference to principles of conflicts of laws). With respect to any

dispute, controversy or claim arising out of or relating to these Terms and Conditions of Sale or the relationship between Buyer and Seller, Buyer and Seller agree and consent to jurisdiction of and exclusive to Indian River County, Florida.

**14. ENTIRE AGREEMENT**

These Terms and Conditions of Sale, including any exhibits attached hereto or documents expressly referred to herein, contains the entire agreement between Buyer and Seller and supersedes and cancels any and all other agreements, whether oral or in writing, between Buyer and Seller with respect to the matters referred to herein.

**15. DESIGN PRINTS, CAD DATA, AND SAMPLES FOR TOOLING**

This Sales Document assumes that the Customer will provide CAD data, part prints, and all required information. Nylacarb Corporation requires CAD data in acceptable solid model formats. Acceptable formats include .STP and .IGS (.STP preferred) All costs associated with custom CAD data translations are the responsibility of the customer.

**16. STANDARD QUANTITY TOLERANCES**

Unless another tolerance is agreed upon by the Seller the quantity tolerance is +/- 5%.

**17. DIMENSIONAL TOLERANCES**

Unless agreed upon by the Seller all tolerances are detailed in the chart below:

Drawing code	Dimension (in)	ABS		Acetal		Acrylic		Nylon		Polycarbonate	
		Commercial	Fine	Commercial	Fine	Commercial	Fine	Commercial	Fine	Commercial	Fine
A= Diameter *	To 1.000	0.005	0.003	0.006	0.004	0.005	0.003	0.004	0.002	0.004	0.003
B= Depth ** C= Height **	1.000 - 2.000	0.006	0.004	0.008	0.005	0.006	0.004	0.006	0.003	0.005	0.003
	2.000 - 3.000	0.008	0.005	0.009	0.006	0.007	0.005	0.007	0.005	0.006	0.004
	3.000 - 4.000	0.009	0.006	0.011	0.007	0.008	0.006	0.009	0.006	0.007	0.005
	4.000 - 5.000	0.011	0.007	0.013	0.008	0.009	0.007	0.010	0.007	0.008	0.005
	5.000 - 6.000	0.012	0.008	0.014	0.009	0.011	0.008	0.012	0.008	0.009	0.006
	6.000 - 12.000 For each additional inch	0.003	0.002	0.004	0.002	0.003	0.002	0.003	0.002	0.003	0.015
D= Bottom wall		0.004	0.002	0.004	0.002	0.003	0.003	0.004	0.003	0.003	0.002
E= Side wall		0.003	0.002	0.004	0.002	0.005	0.003	0.005	0.003	0.003	0.002
F= Hole diameter *	0.000 - 0.125	0.002	0.001	0.002	0.001	0.003	0.001	0.002	0.001	0.002	0.001
	0.125 - 0.250	0.002	0.001	0.003	0.002	0.003	0.002	0.003	0.002	0.002	0.015
	0.250 - 0.500	0.003	0.002	0.004	0.002	0.004	0.002	0.003	0.002	0.003	0.002
	0.500 and over	0.004	0.002	0.006	0.003	0.005	0.003	0.005	0.003	0.003	0.002
G= Hole depth	0.000 - 0.250	0.003	0.002	0.004	0.002	0.004	0.002	0.004	0.002	0.002	0.002
	0.250 - 0.500	0.004	0.002	0.005	0.003	0.004	0.002	0.004	0.003	0.003	0.002
	0.500 - 1.000	0.005	0.003	0.006	0.004	0.006	0.003	0.005	0.004	0.004	0.003
Flatness	0.000 - 3.000	0.015	0.010	0.011	0.006	0.010	0.007	0.010	0.004	0.005	0.003
	3.000 - 6.000	0.030	0.020	0.020	0.010	0.015	0.010	0.015	0.007	0.007	0.004
Concentricity	TIR	0.009	0.005	0.010	0.006	0.010	0.006	0.010	0.006	0.005	0.003

  

Drawing code	Dimension (in)	Polyethylene,HD		Polyethylene,LD		Polypropylene		Polystyrene		Vinyl,Flexible	
		Commercial	Fine	Commercial	Fine	Commercial	Fine	Commercial	Fine	Commercial	Fine
A= Diameter *	To 1.000	0.008	0.006	0.007	0.004	0.007	0.004	0.004	0.0025	0.011	0.0070
B= Depth ** C= Height **	1.000 - 2.000	0.010	0.008	0.010	0.006	0.009	0.005	0.005	0.003	0.012	0.008
	2.000 - 3.000	0.013	0.011	0.012	0.008	0.011	0.007	0.007	0.004	0.014	0.009
	3.000 - 4.000	0.015	0.013	0.015	0.010	0.013	0.008	0.008	0.005	0.015	0.011
	4.000 - 5.000	0.018	0.016	0.017	0.011	0.015	0.009	0.010	0.006	0.017	0.012
	5.000 - 6.000	0.020	0.018	0.020	0.013	0.018	0.011	0.011	0.007	0.018	0.013
	6.000 - 12.000 For each additional inch	0.006	0.003	0.005	0.004	0.005	0.003	0.004	0.002	0.005	0.003
D= Bottom wall		0.006	0.004	0.005	0.004	0.006	0.003	0.0055	0.003	0.007	0.003
E= Side wall		0.006	0.004	0.005	0.004	0.006	0.003	0.007	0.0035	0.007	0.003
F= Hole diameter *	0.000 - 0.125	0.003	0.002	0.003	0.002	0.003	0.002	0.002	0.001	0.004	0.003
	0.125 - 0.250	0.005	0.003	0.004	0.003	0.004	0.003	0.002	0.001	0.005	0.004
	0.250 - 0.500	0.006	0.004	0.005	0.004	0.005	0.004	0.002	0.0015	0.006	0.005
	0.500 and over	0.008	0.005	0.006	0.005	0.008	0.006	0.0035	0.002	0.008	0.006
G= Hole depth	0.000 - 0.250	0.005	0.003	0.003	0.003	0.005	0.003	0.0035	0.002	0.004	0.003
	0.250 - 0.500	0.007	0.004	0.004	0.004	0.006	0.004	0.004	0.002	0.005	0.004
	0.500 - 1.000	0.009	0.006	0.006	0.005	0.009	0.006	0.005	0.003	0.006	0.005
Flatness	0.000 - 3.000	0.023	0.015	0.020	0.015	0.021	0.014	0.007	0.004	0.010	0.007
	3.000 - 6.000	0.037	0.022	0.030	0.020	0.035	0.021	0.013	0.005	0.020	0.015
Concentricity	TIR	0.027	0.010	0.010	0.008	0.016	0.013	0.010	0.008	0.015	0.010