



STANDARD TERMS AND CONDITIONS OF SALE

1. **Acceptance.** Acceptance hereof by Purchaser shall be subject to the terms and conditions set forth in this Sales Agreement (including on the face hereof). Delivery of a signed copy hereof by Purchaser to Seller shall constitute such acceptance notwithstanding any purchase order, acknowledgment or other proposal containing terms and conditions additional to or different from those stated herein. Seller's failure to object to such proposals made by Purchaser shall neither be deemed a waiver of the provisions of the terms and conditions hereon nor acceptance of the terms and conditions of such proposals.

In addition, Purchaser's acceptance of delivery of any of the goods, materials, articles and services covered hereby (the "Goods"), in the absence of written approval by Seller to any proposed terms and conditions of Purchaser that are additional to or different from those offered herein, shall be deemed to be acceptance of this offer and acceptance of the Goods by Purchaser in accordance with the exact terms and conditions set forth herein. Unless provided otherwise on the face of this Sales Agreement, terms or conditions not contained herein shall not be binding on Seller unless expressly accepted by Seller in writing.

2. **Payment.** In addition to the purchase price for the Goods stated herein, Purchaser shall pay to Seller the amount of any and all excise, sales, privilege or other taxes (whether federal, state or local) which are payable by reason of the sale or delivery of the Goods covered hereby.

If payment is not made within thirty (30) days after date of invoice, interest on the outstanding balance will be charged at the rate of 1.5% per month. If the charging or payment of such amount of interest is in violation of any applicable law, interest will be charged and paid at the highest lawfully permissible rate then in effect.

3. **Delivery, Title and Risk of Loss** Title to the Goods covered hereby shall vest in Purchaser upon delivery or tender thereof by Seller at F.O.B. shipping point. Risk of loss shall shift with title to the Goods.

4. **Inspection and Rejection.** Purchaser agrees to inspect, at Purchaser's sole cost and expense, the Goods delivered pursuant hereto within a reasonable time after receipt of the Goods and to notify Seller in writing (by registered mail, return receipt requested) within such period of any defects. Failure to inspect as agreed or to so notify Seller of defects during such period shall constitute acceptance of the Goods. Purchaser agrees to comply with all reasonable instructions of Seller following any such notification.

5. **Warranty; Exclusion of Other Warranties.** EXCEPT AS MAY BE EXPRESSLY PROVIDED IN THIS SALES AGREEMENT, SELLER HEREBY DISCLAIMS ANY, AND MAKES NO, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED AS TO (A) THE MAINTENANCE, REPAIR, CONDITION, DESIGN, WORKMANSHIP, SUITABILITY, UTILITY OR MARKETABILITY OF ANY OF THE GOODS OR ANY PORTION THEREOF OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, (B) ANY MATERIALS OR INFORMATION THAT MAY HAVE BEEN MADE OR THAT WILL BE MADE AVAILABLE OR COMMUNICATED TO PURCHASER OR ITS AGENTS, CONSULTANTS OR REPRESENTATIVES IN CONNECTION WITH THIS SALES AGREEMENT, OR ANY DISCUSSION OR PRESENTATION RELATING THERETO, OR (C) ANY EXPRESSED OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, IT IS EXPRESSLY AGREED THAT ALL DIMENSIONS, SPECIFICATIONS, PARAMETERS OR OTHER CRITERIA IN THIS SALES AGREEMENT SHALL BE SUBJECT TO SELLER'S STANDARD TOLERANCES AND DEVIATIONS MIC TERMS AND CONDITION OF SALE – MAY 2017

UNLESS SPECIFIC TOLERANCES OR DEVIATIONS ARE EXPRESSLY STATED HEREIN. ORAL AND WRITTEN STATEMENTS MADE BY SELLER'S AGENTS OR ON BEHALF OF SELLER DO NOT CONSTITUTE WARRANTIES, SHALL NOT BE RELIED UPON AS SUCH BY PURCHASER, AND ARE NOT PART OF THIS SALES AGREEMENT. IF PURCHASER EXPERIENCES DIFFICULTIES BELIEVED TO BE COVERED BY WARRANTY, IT SHOULD NOTIFY THE SELLER IN WRITING IMMEDIATELY. SELLER WILL NOT BE RESPONSIBLE FOR PAYMENT OF ANY CHARGES OR OBLIGATIONS INCURRED BY PURCHASER FOR CORRECTION OF DEFICIENCIES COVERED BY WARRANTY UNLESS EXPRESS WRITTEN AUTHORIZATION HAS BEEN GRANTED BY SELLER FOR THE PERFORMANCE OF SUCH CORRECTION AT SELLER'S EXPENSE. SELLER'S SOLE LIABILITY FOR BREACH OF ANY APPLICABLE WARRANTY SHALL BE REPAIR OR REPLACEMENT OF THE GOODS OR A REFUND OF THE PURCHASE PRICE PAID TO SELLER, AT SELLER'S OPTION. PURCHASER SHALL BE RESPONSIBLE FOR ALL PACKING AND SHIPPING COSTS RELATED THERETO.

6. **Supplemental Orders and Modifications.** Orders subsequent to and which supplement or modify this Sales Agreement shall be subject, except for price and delivery, to the terms and conditions of this Sales unless expressly agreed otherwise in writing by Seller. Prices for supplemental orders or modifications will be governed by the price then in effect unless otherwise specified by Seller.

7. **Force Majeure.** Seller shall not be liable for any failure, omission, or delay in its performance, in whole or in part, of any of the terms or conditions of this Sales Agreement, due to any event, whether foreseeable or unforeseeable, the occurrence of which is beyond the reasonable control of Seller, including but not limited to the following: accidents to machinery, equipment breakdown, volume of business, inability to secure raw materials, delays in transportation or lack of transportation facilities, labor disputes, precedents, restrictions or priorities granted any federal, state, or local governments or any subdivision or agency thereof, or any other cause beyond Seller's reasonable control.

8. **Entire Agreement.** All proposals, negotiations, and representations, if any, regarding the transaction or series of transactions evidenced hereby and made prior to or on the date hereof are deemed to be superseded and replaced by this Sales Agreement. This Sales Agreement forms the entire agreement between Seller and Purchaser and there are no other promises, representations or warranties affecting it. No evidence of any prior or contemporaneous course of dealings or course of performance between Seller and Purchaser shall be admissible to supplement, explain or contradict any term herein.

9. **Assignment.** Purchaser shall neither assign any of its rights nor delegate any of its duties hereunder without Seller's prior written consent, and any such attempt at assignment or delegation shall be void.

10. **Indemnification.** PURCHASER SHALL HOLD HARMLESS, INDEMNIFY AND DEFEND SELLER FOR OR ON ACCOUNT OF ANY CLAIMS OR SUITS, LIABILITIES, LOSSES, COSTS, CLAIMS OR DAMAGES FOR PATENT INFRINGEMENT TO THE EXTENT RESULTING FROM SELLER'S COMPLIANCE WITH THE PURCHASER'S DIRECTIONS, DESIGN, OR OTHER SPECIFICATIONS, PERSONAL INJURY OR PROPERTY DAMAGE (INCLUDING LOSS OF USE, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, AND PRE AND POST-JUDGMENT INTEREST), PENALTIES AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES AND REASONABLE COSTS OF INVESTIGATION AND LITIGATION) (COLLECTIVELY, "LOSSES") RELATING TO, ARISING FROM OR IN CONNECTION WITH THIS SALES AGREEMENT OR THE GOODS, INCLUDING THOSE LOSSES CAUSED BY SELLER'S CONCURRENT OR SOLE NEGLIGENCE OR FAULT.

ON WRITTEN DEMAND BY SELLER, PURCHASER WILL DEFEND SELLER FROM ANY ACTION, ARBITRATION, AUDIT, HEARING, INVESTIGATION, OR SUIT (WHETHER CIVIL, CRIMINAL, ADMINISTRATIVE,

INVESTIGATIVE OR INFORMAL) BROUGHT IN CONNECTION WITH SUCH LOSSES AT PURCHASER'S SOLE COST AND EXPENSE.

11. **Purchaser's exclusive remedy against Seller and limitation of liability.** **PURCHASER'S EXCLUSIVE REMEDY AGAINST SELLER FOR ANY SUIT OR CLAIM ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS SALES AGREEMENT, WHETHER FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNIFICATION, CONTRIBUTION OR OTHERWISE, IS LIMITED TO AND WILL NOT, IN THE AGGREGATE, EXCEED THE PRICE PAID FOR THE GOODS BY PURCHASER TO SELLER FOR THE GOODS. IN ADDITION, IN NO EVENT SHALL SELLER BE RESPONSIBLE OR LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST REVENUE OR PROFIT, BUSINESS INTERRUPTION, DOWNTIME, LOSS OF CAPITAL, ETC.) WHETHER BY ACTION FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNIFICATION, CONTRIBUTION OR OTHERWISE.**

12. **Waiver.** Seller's forbearance or failure to exercise, at any time, any of its rights, privileges, or remedies herein shall not be deemed a subsequent waiver thereof nor a waiver of any other right, privilege or remedy contained herein or conferred by law.

13. **Costs.** Purchaser hereby agrees to reimburse Seller for all costs and expenses (including reasonable attorney's fees) incurred by Seller in connection with any legal proceeding commenced hereunder or otherwise arising out of this Sales Agreement or its enforcement.

14. **Choice of Law.** The construction, validity and effect of the contract evidenced hereby shall be governed by the internal law of the State of Texas (without regard to conflicts of law principles). Any litigation based hereon, or arising out of, under, or in connection with, this Sales Agreement, or any course of conduct, course of dealing, or statements related thereto (whether verbal or written), shall be brought and maintained exclusively in the state courts of the Washington County, Texas, or in the United States District Court for the Southern District of Texas.

15. **Severability.** Any provision of this Sales Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Sales Agreement.

16. **Headings.** The headings herein are for convenience only and do not define or limit the provisions hereof.

17. **Amendment, Modification, Rescission or Waiver.** Neither this writing nor any provision hereof may be amended, modified, waived, discharged, terminated, or rescinded orally or by course of performance, course of dealing or usage of trade, but only by an instrument in writing executed by the party against which enforcement of the amendment, modification, waiver, discharge, termination or rescission is sought. No waiver of any provision hereof or of any right otherwise conferred by law shall affect the Seller's right to respond to any other contemporaneous or future breach.