

**KCC CORROSION CONTROL CO., LTD.** ("KCC") provides the following terms and conditions which apply to all quotations and sales made by KCC. All purchases by customer, owner or its agent ("Buyer") are expressly limited and conditioned upon acceptance of the following terms and conditions and any provision, printed or otherwise, contained in any purchase order, confirmation or acknowledgment inconsistent with, different from or in addition to the following Standard Terms and Conditions are not accepted by KCC unless specifically agreed to in writing. All materials and services supplied ("Product") by KCC are supplied and provided subject to these Terms and Conditions.

1. **QUOTATIONS.** KCC's quotation is valid for 30 days from the date for the quotation unless otherwise stated. This quotation supersedes all previous quotations or correspondence concerning the same transaction or inquiry. Quotations contain proprietary information of KCC and are provided to Buyer with the understanding that Buyer will use the information solely for internal purposes. Quotations, and the proprietary information contained therein, may not be disclosed to any third party or be used in the preparation of any request for quotation for product similar to, or as a substitution for, Products quoted by KCC.

2. **PRICE MODIFICATION AND OTHER CHARGES.** KCC's price does not include any transportation, crating or packaging charges, or any taxes, excises, duties, tariffs or other governmental charges which KCC may be required to pay or collect under any existing or future law with respect to the sale, transportation, delivery, storage, installation or use of any of the Products sold by KCC.

3. **PAYMENT AND CREDIT TERMS.** Each shipment is a separate transaction and payment must be made accordingly. Unless otherwise specified in writing by KCC, payment for freight will be made upon receipt of invoice and payment for Products furnished will be made net 30 days from the date of shipment. If shipments are delayed by Buyer, payment will become due from the date KCC is prepared to make shipment. Products held for Buyer because of any delay due to Buyer's request to hold or inability to receive the Products will be at the risk and expense of Buyer. Failure to pay KCC or failure to pay KCC in a timely manner within terms may result in no warranty on products supplied by KCC.

4. **LIMITED WARRANTY.** If, within 12 months after the date of shipment, any Products furnished by KCC prove to be defective in material or workmanship or fail to produce results consistent with KCC's specifications for the application in question, upon examination by KCC, KCC will repair the Products or supply identical or substantially similar replacement Products, F.O.B. KCC's manufacturing facility, at KCC's sole discretion. KCC's Limited Warranty runs exclusively to the buyer of the products and KCC shall have no obligation or warranty of any kind to any third party, buyer or end user, unless buyer is an installing contractor for end user, then warranty runs to the end user, subject to 5. below. In the event that Buyer is an OEM, and resells KCC Materials in any manner whatsoever, the Buyer does so at its own risk and under its own warranty conditions, unless KCC agrees in writing, to a pass through warranty, prior to sale and subject to 5. below, to a third party purchaser and or end user. Any replacement Products will be warranted for the unexpired portion of the warranty applicable to the particular Products.

KCC will not be responsible for costs of removal, installation or re-installation of any Products or items supplied by third parties, where such removal, installation or re-installation is required to repair or replace any defective Products. Furthermore, KCC will not be responsible for and assumes no liability for materials or workmanship or any transportation charges, labor costs or other related expenses for any work performed by third parties in the repair or replacement of defective Products, without KCC's prior written consent.

This warranty will be voided if (a) the Products have not been stored, installed, maintained or applied in accordance with accepted industrial practice or specific preparation and application procedures provided by KCC; (b) the Products have been subjected to any accident, misapplication, abuse or misuse; (c) Buyer has used, repaired, or modified the Products after discovery of the defect without KCC's prior written consent to continue use; (d) Buyer refuses to permit KCC to examine the Products to determine the nature of the defect claimed; (e) Buyer uses the Product in an application inconsistent with KCC's recommendations.

EXCEPT AS PROVIDED IN THESE STANDARD TERMS AND CONDITIONS OR REPRESENTATIONS, ALL WARRANTIES, UNDERTAKINGS, CONDITIONS OR REPRESENTATIONS (WHETHER INNOCENT OR NEGLIGENT), INCLUDING WITHOUT LIMITATION THOSE WITH RESPECT TO MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, QUALITY OR DURABILITY, WHETHER EXPRESSED, IMPLIED, STATUTORY OR ARISING FROM A COURSE OF DEALING, USAGE OF THE TRADE OR OTHERWISE WITH RESPECT TO ANY MATERIAL, EQUIPMENT OR ORDER, ARE EXPRESSLY EXCLUDED AND DISCLAIMED. NO EXPRESS OR IMPLIED WARRANTY IS GIVEN AS TO THE CAPACITY, EFFICIENCY OR PERFORMANCE OF ANY MATERIAL OR EQUIPMENT, EXCEPT AS MAY BE PROVIDED IN A WRITTEN AGREEMENT SIGNED BY KCC.

5. **OBLIGATIONS OF BUYER and / or USER.** Buyer and or User are solely responsible for identifying and defining all chemical processes, temperatures, and mechanical considerations, which may affect the performance, reliability or operation of the Products furnished by KCC.

6. **LIMITATIONS OF LIABILITY.** KCC's LIABILITY IS EXPRESSLY LIMITED TO THE PRICE ALLOCABLE TO THE PRODUCTS DETERMINED DEFECTIVE, AND IN NO EVENT WILL KCC'S CUMULATIVE LIABILITY BE IN EXCESS OF THE TOTAL SALES ORDER PRICE, WHETHER ARISING UNDER WARRANTY, CONTRACT, NEGLIGENCE, STRICT LIABILITY, INDEMNIFICATION, OR ANY OTHER CAUSE OR COMBINATION OF CAUSES WHATSOEVER. EXCEPT AS OTHERWISE PROVIDED IN THESE STANDARD TERMS AND CONDITIONS, KCC WILL NOT BE LIABLE FOR GENERAL, SPECIAL, DIRECT, INDIRECT, INCIDENTAL OR

CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, REVENUES OR OTHER ECONOMIC LOSSES, WHETHER ARISING UNDER WARRANTY, CONTRACT, NEGLIGENCE (INCLUDING NEGLIGENT MISREPRESENTATION), STRICT LIABILITY, INDEMNIFICATION, OR ANY OTHER CAUSE OR COMBINATION OF CAUSES, INCLUDING ANY THEORIES OF CONCURRENT LIABILITY ARISING FROM A DUTY OF CARE BY OPERATION OF LAW OR OTHERWISE. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FUNDAMENTAL BREACH OR FAILURE OF ESSENTIAL PURPOSE OF AN LIMITED REMEDY.

BUYER AND END USER REMEDIES ARE SPECIFICALLY LIMITED TO THE REPAIR OR REPLACEMENT OF THE WORK AND ARE EXCLUSIVE OF ALL OTHER REMEDIES. SHOULD THESE REMEDIES BE FOUND INADEQUATE OR TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE FOR ANY REASON WHATSOEVER, BUYER AND OR END USER AGREES THAT RETURN OF THE FULL VALUE OF THE CONTRACT TO IT BY KCC SHALL PREVENT THE REMEDIES FROM FAILING OF THEIR ESSENTIAL PURPOSE AND SHALL BE CONSIDERED BY THE BUYER AS A FAIR AND ADEQUATE REMEDY.

7. **TECHNICAL ASSISTANCE.** It is expressly understood that any technical assistance, installation or application services furnished by KCC will be addressed in a separate written agreement between the parties. In no event will any technical assistance or installation provided by KCC constitute a waiver by it or any of these Standard Terms and Conditions or affect or expand KCC obligations as stated in Paragraphs 4 & 6 or any other provision of these Terms & Conditions.

8. **PATENTS.** KCC will defend and indemnify Buyer from any suit or proceeding brought against Buyer based on a claim that the Products manufactured and furnished by KCC constitute an infringement of any United States patent, if KCC is notified promptly in writing and given authority, information and assistance, at its expense, for the defense of the suit or proceeding. Defense and settlement of any claim shall be within KCC sole discretion. Should it be held that any Products constitute infringement and the use of the Products is enjoined, KCC will, at its own expense, as the sole remedy for Buyer, either procure for Buyer the right to continue using the Products, replace the Products with noninfringing goods, modify the Products to become noninfringing, or remove the infringing Products and refund the price paid for the respective Products.

9. **BACKCHARGES.** No backcharges will be paid or allowed by KCC unless KCC is notified in writing of any Products defect claim or omission pursuant to Paragraph 4. All backcharges must be approved in writing before any Product is repaired, replaced or altered in any manner by Buyer or its designee, or returned to KCC.

10. **CANCELLATION FEE.** Buyer may not cancel any order except upon written notice and payment to KCC of all reasonable cost arising from the cancellation, plus a cancellation fee of 30% of the purchase price. In any event, the minimum cancellation fee shall be \$ 250.00.

11. **UNUSED PRODUCT RETURN.** Certain Unused Products may be returned within ninety days, freight prepaid, to KCC for credit or refund, provided that such return is not in excess of 10% of material originally ordered. Specially manufactured or custom-made Products, including Products with customer-specified or non-standard colors, and Product with a short useful life may not be returned under any circumstances. All Product returns must be authorized by KCC in advance and must be in original unopened containers, and will be subject to KCC quality control material testing. All Product returns approved for restocking by KCC QC are subject to a charge equal to 35% of the purchase price paid by the Buyer. KCC will not accept any returns of any Product for any reason if the Product is more than 90 days old from shipping date.

12. **FORCE MAJEURE.** KCC or Buyer will be excused from their respective obligations (except for payment of money) in the event and to the extent that their respective performance is delayed or prevented (a) by any circumstance (except financial) reasonably beyond their control or (b) by fire, explosion, breakdown of machinery or equipment, plant shutdown, strikes or other labor disputes, riots or other civil disturbances, or voluntary or involuntary compliance with any law, order, regulation, recommendation or request of any governmental authority. In addition, KCC will be excused in the event of its inability to obtain materials necessary for manufacture of the Products, or total or partial failure of any of its usual means of transportation of the Products.

13. **ASSIGNABILITY.** No claim against KCC arising directly or indirectly out of or in connection with the Products furnished by KCC to Buyer may be assigned by Buyer or by operation of law without the prior written approval of KCC.

14. **SHIPMENT.** All Products will be shipped F.O.B. KCC manufacturing facility unless otherwise stated. If Buyer has not issued inspection and shipping instructions by the time the Products are ready for shipment, KCC may select any reasonable method of shipment, without liability by reason of its selection. Shipments may be insured at Buyer's expense, and KCC will not place a valuation upon shipments unless specifically requested in writing by Buyer or required for export purposes.

15. **SEVERABILITY.** Invalidity of any of these Standard Terms and Conditions will not affect the validity of any other provision and the remaining provisions will remain in force and effect.

16. **WAIVER.** Failure to enforce any of these Standard Terms and Conditions in a particular instance will not constitute a waiver of or preclude subsequent enforcement of any of these provisions.

17. **APPLICABLE LAW.** The agreement of the parties shall be construed and enforced in accordance with the laws of the State of Texas, and venue for any disputes shall be Houston, Harris County, TX.