



S FOR SAFETY, INC.

STANDARD TERMS AND CONDITIONS GOVERNING SALE

1. ENTIRE AGREEMENT, AMENDMENT, REQUIREMENTS IN WRITING. These Standard Terms and Conditions Governing Sale (these “Terms”), together with any document of Seller attached hereto, and any other written or electronic communication of Seller or which incorporates these Terms constitute the entire agreement between S for Safety, Inc. (“Seller”) and the purchaser (“Purchaser”) set forth in the applicable sales agreement or purchase order (each, an “Order”) regarding the sale and purchase of products produced or manufactured by Seller (the “Products”). Except as provided in the foregoing sentence, these Terms supersede and replace all prior agreements, and there are no representations, understandings or agreements, oral or written, which are not included herein. Seller’s offer to sell Purchaser the Products is expressly conditioned on Purchaser’s acceptance of these Terms. These Terms shall not be modified or amended orally, by the terms of the Order or other documents issued unilaterally by Purchaser (and the terms proposed by any such Order or other documents are specifically objected to and shall not be the basis for the Terms regarding the Products), or by any course of dealing or trade usage, but only in writing executed by both parties. These Terms are, however, subject to the terms and conditions of any written Order executed by both parties hereto under which it is issued. In case of conflict between any of the provisions of these Terms and any terms of such mutually executed Order, the terms of such Order shall prevail to the extent that the Order specially indicates that it is intended to modify these Terms.

2. PAYMENT; SECURITY INTEREST. Unless otherwise set forth on the first page of the Order, Purchaser shall pay Seller for the Products within thirty (30) days from the date of Seller’s invoice by check, wire or electronic funds transfer in immediately available funds in U.S. dollars. If Purchaser makes payment within ten (10) days from the date of Seller’s invoice, Purchaser shall receive a one percent (1%) discount. If Purchaser fails to pay Seller in accordance with the above terms, then Seller, at its option and without prejudice to its other rights and remedies, may (A) terminate any Order without notice, (B) suspend deliveries until all indebtedness is paid in full, and/or (C) place Purchaser’s shipments on a cash-in-advance basis. In the event of default in payment, Purchaser shall pay all of Seller’s costs of collection, including, but not limited to, reasonable attorneys’ fees. Interest at the rate of eighteen percent (18%) per annum or the maximum rate allowed by applicable law shall accrue on all past due amounts. If, in the reasonable opinion of Seller, Purchaser’s financial condition or Purchaser’s ability to perform is impaired or unsatisfactory, then Seller, at its option and without prejudice to its other rights and remedies, may (1) suspend deliveries, or (2) place Purchaser’s shipments on a cash-in-advance status until arrangements are made for security or other assurances satisfactory, to Seller, at Seller’s sole discretion. Seller may establish a credit limit for Purchaser’s account. Seller reserves the right to refuse to make shipments to Purchaser if such shipments would cause Purchaser to exceed such credit limit. Seller may increase or decrease such credit limit from time to time, in its reasonable discretion. Until Seller receives full and final payment of the purchase price for the Products, Purchaser grants to Seller, and Seller shall retain, a first priority, perfected security interest in the Products. So long as Seller retains a security interest in the Products, Purchaser shall keep the Products free from any other security interests, liens or encumbrances (other than those which are subordinate to Seller’s security interest). Seller may avail itself of all of the remedies afforded to it by the Uniform Commercial Code or other applicable law for the breach of an agreement for the sale of goods and/or services and for the enforcement of the security interest granted by Purchaser to Seller hereunder. Without limiting any other rights or remedies of Seller, if Seller, in its sole and absolute discretion, determines that the prospect of receiving full payment for any Products is impaired, Seller may



suspend production and/or delivery of Products, but Purchaser will remain fully liable to pay for any such Products ordered. Purchaser agrees to execute such additional documents, financing statements and other instruments reasonably requested by Seller to evidence, perfect, protect or maintain this security interest. All rights and remedies of Seller under these Terms and any sale agreements and applicable law are cumulative.

3. CANCELLATION. Partial or total cancellation of any Order may be made by Purchaser only upon Seller's written consent and then only on the condition that Purchaser reimburses Seller for all losses and damages resulting from such cancellation.

4. DELIVERY, TITLE AND RISK OF LOSS. Unless otherwise agreed to in writing by Seller, delivery of the Products by Seller shall be Ex Works (EXW) Origin INCOTERMS 2010, with risk of loss and damage passing to Purchaser at such point, subject to Seller's rights under applicable law. All dates quoted for shipment of Products are estimates only and are not guaranteed. Seller may make partial deliveries of Products. Seller will endeavor to meet the quoted shipment dates but shall have no liability for any delay in shipment or delivery and shall be held harmless from any damage or loss incurred by Purchaser due to such delay. Products invoiced and held in any location for any reason shall be held at Purchaser's risk and expense, and Seller may charge for insurance and storage at prevailing rates.

5. FREIGHT AND TAXES. Unless otherwise specified in any Order, in addition to the purchase price of the Products and any other amounts required to be paid by Purchaser under the applicable Order, Purchaser shall be solely responsible for and, upon demand of Seller, shall pay to Seller the amount of all governmental taxes, duties and other charges (collectively, "Taxes") imposed under any existing or future law upon or with respect to the sale, purchase, delivery, storage, use or transportation of the Products (excluding income taxes imposed upon Seller). Purchaser may, however, in lieu of payment of any such Taxes, provide to Seller tax exemption certificates, if any, from appropriate taxing authorities in a form acceptable to Seller establishing Purchaser's exemption from such Taxes.

6. INSPECTION AND NON-CONFORMING DELIVERY. Purchaser agrees to inspect fully all Products delivered to it at the time of delivery. In the event that such inspection reveals any damage or other non-conformity in the Products, Purchaser may refuse to accept such Products and shall, upon non-acceptance, notify Seller and the carrier in writing immediately of any such damage or other non-conformity. If Purchaser fails to notify the carrier and Seller in writing of any such damage or other non-conformity within five (5) days from the date of delivery, then Purchaser shall be deemed to have accepted the Products delivered. Such acceptance shall constitute an irrevocable acceptance of the Products by Purchaser and a waiver of any and all claims Purchaser may otherwise have had against Seller with respect to the damage and/or non-conformity of such Products. Seller shall not accept Products for return after such Products are accepted by Purchaser. If it any Products do not conform to the warranty set forth herein, Purchaser shall provide written notice to Seller within five (5) days from the date of delivery and Seller shall at its election either (i) replace such nonconforming Products with conforming Products, or (ii) refund the price for such nonconforming Products, together with all reasonable shipping and handling expenses incurred by Purchaser in connection therewith. If Seller's reasonable inspection and testing reveals that such Products is not nonconforming, and/or such defect has been caused by Purchaser's or its customer's improper use or handling of the Products, Purchaser shall reimburse Seller for all shipping costs. Seller's weight and/or other measurements of Products shall be conclusively binding, unless proved to be in error. Seller's laboratory analysis and methods shall determine whether Products specifications have been met and are conclusively binding, unless Purchaser proves to Seller's reasonable satisfaction that Seller's



analysis report is erroneous. No Products quantity claims will be made unless the difference is more than one-half of one percent (0.5%) of the invoiced quantity.

7. EXCUSED PERFORMANCE. When Seller's ability to manufacture or deliver Products, or to otherwise perform under these Terms are impeded, restricted, or affected, in whole or in part, (A) by any of the following causes (or cause similar thereto) (i) fire, explosion, flood, storm, earthquake, tidal wave, act of God, terrorism, war, military operation, national emergency, civil commotion, or other event of the type of the foregoing, (ii) any strike or other difference with workers or unions (without regard to the reasonableness of acceding to the demands of such workers or unions), (iii) any governmental law, regulation, decree, order, or similar act, or (iv) any shortage in supplies of, or impairment in the facilities of production, manufacture, transportation or distribution of Seller attributable to (a) mechanical or other interruption, breakdown or failure, (b) the order, requisition, request or recommendation of any governmental agency or acting governmental authority, or Seller's compliance therewith, (c) governmental proration, regulation, or priority, or (d) the inability of Seller to obtain from its usual sources, on terms and conditions deemed practical by Seller in its sole judgment, any right, equipment, labor, transportation, or any feedstock or other raw material (including energy) necessary for manufacturing, producing or delivering Products, or (B) by any cause beyond Seller's reasonable control, whether similar or dissimilar to any aforementioned cause, then Seller shall have the right, in its sole discretion, by notice to Purchaser, to reduce, in part or in full, deliveries of Products hereunder, and Seller shall have no liability or responsibility to Purchaser for any loss or damage resulting from such reduced deliveries; any such deliveries so reduced shall be permanently canceled rather than merely suspended. If Seller's ability to supply Purchaser with Products from Seller's facilities is impeded, restricted, or affected by one or more of the aforementioned causes, then Seller shall not be obligated to purchase or obtain Products for Purchaser on the open market or from other producers or suppliers of Products. Seller's obligation to sell Products is subject to modification and reduction in accordance with any present or future allocation program of Seller or of any governmental authority.

8. ALLOCATION. If sufficient Products is not available for any reason, Seller may allocate Products among its customers, affiliates, and/or for Seller's internal use. Seller will make reasonable efforts to obtain additional Products from other sources, provided Purchaser agrees to pay all additional costs associated with such Products. Allocation of Products pursuant to this paragraph shall completely satisfy and discharge Seller's supply obligations and Seller shall, therefore, not be deemed to be in breach of such obligations.

9. CHANGED CIRCUMSTANCES. In the event that the market for the price of raw materials used to manufacture or produce the Products increases prior to the date of delivery, Seller shall have the right to pass-along such costs by increasing the price of the Products in the applicable delivery.

10. DISCLAIMER. SELLER WARRANTS THAT AT THE TIME AND PLACE OF DELIVERY ALL PRODUCTS SOLD HEREUNDER SHALL CONFORM TO THE WRITTEN SPECIFICATIONS PROVIDED TO PURCHASER BY SELLER AND REFERENCED IN THE APPLICABLE ORDER. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHT OF ANY THIRD PARTY, OR WARRANTIES AS TO QUALITY OR CORRESPONDENCE WITH PRIOR DESCRIPTION OR SAMPLE, AND THE PURCHASER ASSUMES ALL RISK AND LIABILITY WHATSOEVER RESULTING FROM THE USE OF SUCH PRODUCTS, WHETHER



USED SINGLY OR IN COMBINATION WITH OTHER SUBSTANCES OR MATERIALS. Without limiting the generality of the foregoing, Seller expressly disclaims all representations and warranties with respect to any recommendations or advice provided by Seller to Purchaser with respect to the modification, formulation, combination and/or use of the Products, either by themselves, and/or through the combination of such Products with other products, and Purchaser assumes all liability related thereto. The disclosure of any information to Purchaser and/or Seller's sale of Products to Purchaser should not be construed by implication, estoppel, or otherwise as a license under any intellectual property right of any entity, or as a suggestion, recommendation, or authorization to take any action that would infringe any patent or other intellectual property right.

11. LIMITATION OF LIABILITY. Seller's maximum liability for any breach of these Terms, Order or any other claim related to the Products, shall be limited to the purchase price of the Products or portion thereof (as such price is set forth on the first page of Seller's invoice) to which such breach or claim pertains. **IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO ANY DAMAGES FOR LOST PROFITS OR BUSINESS OPPORTUNITIES OR DAMAGE TO REPUTATION.** The Products may be or become hazardous. Seller shall not be liable for, and Purchaser assumes full responsibility for and liability arising out of the storage, handling, transportation, sale, use and disposal of any Products after delivery to it of such Products, and of any derivative product, any co-product, by-product, or waste product therefrom, including the use of any such Products alone or in combination with other substances and compliance or non-compliance with any laws or regulations relating thereto.

12. INDEMNITY. Purchaser agrees to indemnify, defend and hold harmless Seller, its affiliates, officers, agents and employees free from and against any actual or alleged claims, demands, actions, losses, damages, penalties or expense, including attorney's fees and costs, which Seller suffers or incurs directly or indirectly as a result from (a) Purchaser's breach of or failure to comply with any provision, representation, warranty, obligation or agreement made by Purchaser in these Terms or in any other document governing the sale of the Products; (b) from any failure of Purchaser to store, sell or use the Products other than in a normal, intended, customary, safe and lawful manner; (c) the acts, omissions, negligence or willful misconduct of Purchaser, its employees or agents, (d) claims where the Products met Seller's specifications at the time of delivery to Purchaser; (e) any modification, including but not limited to, physical, chemical and/or molecular change(s) in the composition of the Products, which occurs after the Products are delivered to Purchaser, including contamination and/or adulteration; (f) sales of Products which have been relabeled with a label which does not provide the identical information contained in a Seller prepared label; (g) claims by Purchaser against its buyers or customers and/or (h) any damage or loss arising from the use or failure to return any Products provided hereunder.

13. NO THIRD PARTY BENEFICIARIES. These Terms are for the sole benefit of the parties hereto and their successors and permitted assigns, and nothing herein expressed or implied shall give or be construed to give to any person, other than the parties hereto and such successors and permitted assigns, any legal or equitable rights hereunder.

14. WAIVER. The failure of Seller to insist, in any one instance or more, upon the performance of any of the covenants or conditions of these Terms, or to exercise any right or privilege herein conferred, shall not be construed as thereafter waiving any such covenants, conditions, rights or privileges, but the same shall continue and remain in full force and effect.



15. GOVERNING LAW, CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL. These Terms, and all of the rights and duties of the parties arising from or relating in any way to the subject matter of these Terms or the matters contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the State of Texas without reference to conflict of laws principles. Any and all claims, lawsuits or other proceedings for temporary or permanent injunctive relief brought hereunder or any causes of action, lawsuits, hearings or other proceedings brought in equity hereunder will be brought in the United States District Court for the Southern District of Texas located in Harris County, Texas. FURTHER, THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO THIS AGREEMENT. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF OR RELATING TO THESE TERMS.

16. COMPLIANCE WITH LAWS, INCLUDING EXPORT CONTROL AND TRADE EMBARGO LAWS. Each party shall comply with all laws in connection with the sale and/or resale of the Products and the performance of its obligations hereunder, including, but not limited to (i) the International Emergency Economic Powers Act (50 U.S.C. § 1701) and all other laws administered by Office of Foreign Assets Control (OFAC) or any other governmental authority imposing economic sanctions and trade embargoes against countries and persons designated in such laws, (ii) all antiboycott laws; (iii) the Foreign Corrupt Practices Act of 1977, as amended, and (iv) United States export control laws, including the Export Administration Regulations promulgated under the Export Administration Act of 1979. Without limiting the foregoing, each party shall not, and shall ensure that its personnel shall not either directly or indirectly, offer, pay, arrange for a third party to pay, or agree to pay any payment, gift or other thing of value of any nature to any public officer, agent, employee or representative of any government, domestic or foreign, its agencies and national or international organizations, or any political party, politician, candidate or occupant of public office or offices of political parties, or to any other person, knowing or having reason to believe that all or any part of the amount, valuables or undue advantage will be offered, given or promised in order to get or keep an undue favorable treatment for the business of the other party in violation of any laws that deal with crimes related to corruption practices and acts against the public administration. The failure by either party to comply with anti-corruption laws shall be considered a material breach of this Agreement.

17. TRADEMARKS. Purchaser shall not use the trademarks of Seller without Seller's prior written approval. No license or right to use Seller's trademarks is implied or granted. Purchaser shall defend, indemnify and hold Seller harmless from and against any expense, judgment, liability or loss, including reasonable attorneys' fees, resulting from any claim of infringement of any patents, trademarks or other third-party property rights which result from Seller's compliance with Purchaser's specifications or instructions.

18. TECHNICAL INFORMATION. If Seller furnishes technical or other information or advice to Purchaser, whether or not at Purchaser's request, Seller shall not be liable for, and Purchaser assumes all risks related to, such information or advice and the results thereof.

19. RELATIONSHIP OF PARTIES. Nothing contained herein shall be construed to create an association, joint venture, trust, or partnership, or impose a trust or partnership covenant, obligation, or liability on or with regard to the parties. Each party shall be individually responsible for its own covenants, obligations, and liabilities under these Terms.



20. ASSIGNMENT. Purchaser may not assign any of its rights or obligations under these Terms, any Order or any portion of it to any third party.

21. SEVERABILITY. If any provision in these Terms or any Order is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of these Terms or such other agreement shall be unaffected and such provision shall be reformed to the extent necessary to be legal, valid and enforceable.