

## ARBOR TEK PLASTICS, INC.

### Conditions of Sale

1. **Terms of Sale.** Acceptance of the materials shipped by us to you as documented by the invoice shall constitute your acceptance of the terms set forth below. The terms on the invoice shall supersede the terms of your purchase order in the event of a contradiction or inconsistency. No understanding, agreement, term, condition or trade custom at variance with or contradictory to the terms on the invoice shall be binding on us.
  2. **Passing of Title.** Title to all material shipped by us to you shall pass upon our delivery to the carrier at point of shipment.
  3. **Force Majeure.** In the event of war, act of God, fire, flood, strike, labor trouble, accident, riot, act of government authority, shortage of power, failure of our raw materials suppliers to fulfill supply commitments to us, or other contingencies beyond our reasonable control, which interferes with the production, supply or transportation of material covered by the invoice, or our ability to ship the materials to you shall not constitute a default. Upon termination of the intervening cause, we shall promptly complete such shipment. We may, without liability during any period of shortage due to any of the aforementioned causes prorate our supply of material in such manner as we believe to be fair and reasonable.
  4. **Material Weight.** Carrier weight at point of shipment shall govern in event of disagreement between you and us.
  5. **Freight Charges.** Where the price specified in the invoice provides that we are to pay the freight charges, we will have the right to select the means of transportation. However, if you require a means of transportation other than one normally selected by us, any extra cost incurred by reason of using such other means shall be paid by you.
  6. **Custom Blend Materials.** Should material be prepared specifically for you and not of a grade or color customarily carried in stock by us your agree that:
    - a. Delivery of 90% of the amount specified in the order shall constituted fulfillment of order.
    - b. In case of an over-run, we may deliver up to 10% of the order.In both situations referred to above, the total price charged by us shall be adjusted to reflect the actual amount shipped to you.
  7. **Cancellations.** In the event that you cancel an order for material not customarily carried in stock by us, you agree to pay us as liquidated damages our published price for completed material and an equitable price as determined by us based upon degree of processing for material in process at the time of cancellation.
  8. **Limited Warranty.** We warrant all material to comply with the agreed upon specifications, if any. Any recommendation by us for the use of the material is based on tests or experience believed to be reliable. However, since the final processing and use of the product are beyond our control, we make no warranty as to such use or effect incident to such use handling or sale. In the event of material failure, we may grant a full or partial credit to you for the cost of the material. All material for credit of material on buyer's premises are subject to prior approval and on terms acceptable to seller. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO CASE SHALL WE BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT OR TORT.
  9. **Invoice Payment.** In the event you fail to fulfill previous terms of payment or if we should have doubt as to your financial responsibility, we may decline to make further deliveries except upon receipt of cash or other special arrangements.
  10. **Arbitration.** In the event of a dispute between us regarding the interpretation or application of the terms in the invoice, or the relationship between our respective companies, you agree to submit the dispute to binding arbitration at a location within Washtenaw County Michigan. The rules promulgated by the American Arbitration Association pertaining to commercial arbitration shall govern the arbitration. The award of the arbitrators shall be binding upon you and us and shall be enforceable in the state of federal courts of Michigan. The arbitrators will be authorized to award costs and reasonable attorneys fees to the prevailing party as part of the arbitration award.
  11. **Sales Literature.** You acknowledge that our sales literature and brochures are intended only to present summary descriptions and are not intended to substitute for testing of such materials, compliance with our written specifications, knowledgeable manufacturing procedures and /or continuous quality control. Upon your request we will endeavor to furnish such technical advice as we have available in reference to the use of the material by buyer. You acknowledge, however, that all our technical advice is not intended to represent an "expert opinion". We assume no obligation of liability for the advice given or the results obtained. All such advice is given and accepted by you at your own risk.
  12. **Hazardous Materials.** You acknowledge that the materials covered by the invoice may be, or become, considered as "hazardous materials" under applicable laws and regulations. You agree to familiarize yourself (without reliance on us except as to the accuracy of specific safety information actually furnished by us) with any hazard of such materials and their applications and the containers in which such materials are shipped.
  13. **Indemnification.** You agree to indemnify, defend, and hold harmless us and our consultants, agents and employees, from and against any and all claims, demands, causes of action, damages, losses or expenses including costs and attorney fees because of bodily injury, whether actual or merely alleged, including death, sustained by any person or persons, or on account of damage to property, whether actual or merely alleged, including loss of use of such property, or rising out of, in connection with or in relation to the material sold to you by us, whether such injuries to persons are due, or claimed to be due, to the negligence of us, our consultants, agents, or employees, except only such injury or damage as shall have been occasioned by the sole negligence of us, our consultants, agents and/or employees.
- Default.** Failure to pay our invoice according to its terms shall constitute a default. In the event of default, you agree to pay us, in addition to the contract price, interest at the maximum rate permitted under the laws of the State of Michigan.