

General Terms and Conditions of Sales and Delivery

1. Entire Agreement:

These Terms and Conditions, together with any other written agreements between Stockmeier Urethanes U.S.A., Inc. (the "Company") and Buyer comprise the entire agreement between the parties regarding the sale of the Company's products to the Buyer. In any conflict between these Terms and Conditions and other written agreements, signed by both parties, which agreements relate to the sale of the Company's products to the Buyer, those agreements shall govern. No additions to these Terms and Conditions, or any other agreement between the parties shall be valid unless signed by both parties. Any action on the part of the Buyer in furtherance of the purchase of the Company's products shall constitute acceptance of these Terms and Conditions.

2. Payment:

The price for Product is the price in effect on the date of shipment, unless otherwise agreed by the parties. The Company may adjust the price of any Product upon at least ten (10) days prior notice. Payment for the full amount of each invoice shall be made to the Company, addressed as indicated on the invoice, denominated in U.S. Dollars. All claims by Buyer shall be made by written notice to the Company in accordance with these Terms and Conditions, and no offset or deduction from any invoice is permitted. Buyer shall be responsible for any tax, duty or charge levied by any governmental entity and based upon the purchase, by Buyer of the Company's product(s).

3. Breach/Termination:

Subject to exceptions contained herein, if either party breaches any non-monetary obligation created by these Terms and Conditions, or any other written agreement between the parties, and such breach shall continue for thirty (30) days, then the non-breaching party may defer any additional performance of obligations under these Terms and Conditions or any other written agreements between the parties, or may terminate the non-monetary obligations existing between the parties. If either party chooses to terminate the obligations it owes to the other party because of an on-going breach of these Terms and Conditions, or any other written agreement between the parties, then all sums owed by the Buyer to the Company shall become immediately due and payable. In addition, in the event that Buyer fails to make any payment when due, the Company shall have the right to offset any and all outstanding payment obligations or other indebtedness of Buyer to the Company against any outstanding payment obligations or other indebtedness that the Company may owe Buyer.

4. Force Majeure:

Neither the Company nor Buyer shall be responsible for any delay or failure to make or take delivery of any Product due to any cause beyond its reasonable control, including without limitation (a) fire, storm, flood, strike, lockout, accident, act of war or terrorism, riot, civil

commotion embargo, (b) any regulation, law, order or restriction of any governmental department, commission, board, bureau, agency, court, or other similar government instrumentality ("Governmental Authority"), or (c) inability of the Company to obtain any required raw material, energy source, equipment, labor or transportation, at prices and on terms the Company deems practicable from the Company's usual sources of supply. Neither party is subject to any liability to the other for failing to perform during the period such inability exists. Without limiting the generality of the foregoing, under no circumstances shall the Company be obligated to purchase Product from a third party for delivery to Buyer in the event of a force majeure. Quantities so affected may, at the option of either party, be eliminated from the obligations existing between the parties without liability, but the remaining obligations shall remain otherwise unaffected. A party's obligation to render timely payment shall not be excused by this provision.

5. Safe Use:

Buyer shall familiarize itself, its agents, employees, contractors and customers with procedures for the safe use of the Company's product(s). Buyer shall indemnify and hold harmless the Company from and against and all claims, causes of action, damages, losses, liabilities, costs, expenses (including reasonable attorneys' fees), penalties, and judgments arising out or related to Buyer's violation of any law rule or regulation, or Buyer's processing, transportation, delivery, unloading, discharge, storage, handling, sale or use of any of the Company's product(s).

6. Warranties/Limitation of Liability:

THE COMPANY WARRANTS THAT AT THE TIME OF DELIVERY (I) PRODUCT IS FREE AND CLEAR OF ALL LIENS, ENCUMBRANCES AND SECURITY INTERESTS; AND (II) PRODUCT COMPLIES WITH THE COMPANY'S PUBLISHED SPECIFICATIONS (OR AS OTHERWISE REFERENCED IN THE CONTRACT). THE COMPANY MAKES NO OTHER WARRANTY OR GUARANTEE OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY.

THE COMPANY'S TOTAL LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIM OR LIABILITY ASSOCIATED WITH THE CONTRACT OR ANY PRODUCT, WHETHER BASED IN TORT, CONTRACT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY IS EXPRESSLY LIMITED TO, AT THE COMPANY'S OPTION, REPLACEMENT, REPAIR OR REWORK, AS APPLICABLE, OF NONCONFORMING PRODUCT OR PAYMENT IN AN AMOUNT NOT TO EXCEED, IN THE AGGREGATE, THE PURCHASE PRICE OF THE SPECIFIC PRODUCT FOR WHICH DAMAGES ARE CLAIMED. IN NO EVENT SHALL THE COMPANY BE LIABLE FOR ANY OTHER DAMAGES, LOSSES OR EXPENSES, INCLUDING, WITHOUT LIMITATION, INDIRECT, INCIDENTAL, PUNITIVE, CONSEQUENTIAL, AGGRAVATED, EXEMPLARY OR SPECIAL DAMAGES OR DAMAGES, LOSSES OR EXPENSES ASSOCIATED WITH LOSS OF PROFITS,

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BUSINESS, CONTRACTS OR SAVINGS, LOSS OF GOODWILL, LOSS OF PRODUCTION, LOSS OF USE, BUSINESS INTERRUPTION AND ANY OTHER DAMAGES, LOSSES OR EXPENSES OF ANY KIND OR CHARACTER TO BUYER, ITS CUSTOMERS, OR OTHER PERSONS OR ENTITIES.

7. Limitation of Action/Governing Law:

BUYER'S FAILURE TO COMMENCE ANY CAUSE OF ACTION EITHER RELATED TO ANY PRODUCT OR OTHERWISE ARISING OUT OF THE PURCHASE OF THE COMPANY'S PRODUCT(S) WITHIN ONE YEAR AFTER THE DATE OF DELIVERY SHALL FOREVER BAR ALL RIGHTS OF BUYER TO COMMENCE ANY CAUSE OF ACTION WITH RESPECT THERETO NOTWITHSTANDING ANY APPLICABLE STATUTE OF LIMITATIONS.

The relationship between the Company and Buyer, including, but not limited to Buyer's purchase of any of the Company's products, shall be governed by West Virginia law regardless of any other rule, regulation, law or agreement to the contrary. The parties hereto agree that the sole and exclusive jurisdiction for any and all claims between the Company and Buyer shall be the Circuit Court of Harrison County, West Virginia.

8. Title/Risk of Loss:

Unless otherwise provided in a signed agreement between the Company and Buyer, title to and risk of loss of Product shall transfer to Buyer upon delivery to the carrier at the Company's shipping point; Buyer shall bear all risk of loss or damage in transit.