

HALOPOLYMER TRADING, INC.

STANDARD TERMS AND CONDITIONS

GENERAL. With respect to any particular Purchase Order and Invoice (“the Purchase Order”) pursuant to which HaloPolymer Trading, Inc. (“Seller”) confirms the agreement of Seller to sell fluoropolymer product(s) as identified in the Purchase Order (“the Product”) to the party identified in the Purchase Order as “Buyer” (also referred to in these STCs as “Buyer”) and simultaneously invoices Buyer for amounts due thereon, these standard terms and conditions (“these STCs”) shall apply to such sale (“this Sale”). Each of Seller and Buyer may be referred to herein individually as “Party” or collectively as “the Parties.” These STCs, together with the Purchase Order, constitute a single contract that is referred to herein as “this Contract.” The shipper of the Product whose name appears on shipping documentation as described herein may be a person or entity other than Seller, such as a supplier of products to Seller (and usually an affiliate of Seller), but any such third-party shipper/supplier shall be acting solely as an agent of Seller and shall have no contractual privity with Buyer or otherwise have any rights or obligations under this Contract.

DELIVERY. The Product shall be delivered to Buyer in accordance with the Incoterms 2010 terms of commercial delivery (“Terms of Delivery”) set forth in the Purchase Order, or if not set forth in the Purchase Order, as CIF Houston, Texas. The place and time of transfer of title and of risk of loss shall be as provided by such Terms of Delivery. Subject to the “FORCE MAJEURE” terms as set forth herein below, delivery shall be completed by the “Due Date of Delivery” as set forth in the Purchase Order, or if not set forth in the Purchase Order, by the sixtieth (60th) day following the date of the Purchase Order. For this purpose, “delivery” shall mean the arrival and mooring of the vessel (or the last of the vessels) transporting the Product at the port of destination, referred to herein as “the Date of Delivery.”

PRODUCT QUALITY. The Product that shall be delivered by Seller to Buyer at the port of destination shall be of the quality and technical specifications as set forth in the Purchase Order, or if not set forth in the Purchase Order, of the quality and specifications consistent with Seller’s general technical specifications, which shall be communicated by Seller to Buyer, if requested by Buyer, at any time (“acceptable quality”). Any assertion by Buyer that the Product as delivered at the port of destination is not of acceptable quality must be made by written notice (“Quality Variance Notice”) delivered to Seller by no later than thirty (30) days following the Date of Delivery as set forth above, otherwise the Product shall be deemed to have been acceptable to Buyer with respect to quality and technical specifications. Any such Quality Variance Notice shall state with specificity the alleged deficiency or deviation, and if requested by Seller, Buyer shall immediately provide to Seller a sample of the Product that Buyer asserts is not acceptable. If Seller does not concede as to the alleged deficiency or deviation within fourteen (14) days of receipt by Seller of the Quality Variance Notice (or, if later, fourteen (14) days of receipt of the sample requested by Seller), samples of the Product may be submitted by Buyer for analysis to an independent professional product certifier of the Parties’ mutual selection, or if the Parties cannot mutually agree to a certifier within fourteen (14) days of Buyer’s first recommendation of a certifier, to SGS (Société Générale de Surveillance) if it has an office that regularly serves the port of destination in question, or if there be no SGS office that regularly serves that port of destination, then to any certifier selected by Buyer that is accredited to ISO/IEC Guide 65:1996. The determination of such independent certifier as to whether the Product is of acceptable quality shall be conclusive and accepted by each Party. If the Product is determined to not be of acceptable quality and as a result thereof is not usable by Buyer for Buyer’s intended purpose (“unacceptable Product”), Seller shall pay the cost of the analysis and of the storage of the unacceptable Product following unloading until disposal or re-shipment (for which Seller shall be solely responsible), and shall be deemed to have failed to deliver the Product as required by this

Contract, in which event Buyer's sole remedy will be to either terminate this Contract with respect to such unacceptable Product without payment to Seller for the unacceptable Product (or to demand reimbursement of amounts already paid for the nonconforming Product, including taxes, which Seller shall pay within thirty (30) days of receipt of such demand), or permit Seller the opportunity to deliver acceptable Product. If the Product is determined to be of acceptable quality, Buyer shall pay the cost of the analysis and of the storage of the Product following unloading until delivery to Buyer's premises or other disposition by Buyer (for which Buyer shall be solely responsible), and Seller shall be deemed to have fulfilled its obligation to deliver the Product as required by this Contract. EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, SELLER MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND CONCERNING THE PRODUCT, WHETHER OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR OTHERWISE, AND NONE SHALL BE IMPLIED.

PRODUCT QUANTITY. The Product that shall be delivered by Seller to Buyer at the port of destination shall be within three percent (3%) of the quantity (greater or lesser) as set forth in the Purchase Order. For this purpose, the quantity of the Product (or of each Product) as reflected in the carrier's Cargo Declaration (or equivalent document) presented by the carrier to the appropriate governmental customs authority at the port of destination shall be presumed to be the quantity of Product delivered in the absence of clear and convincing evidence to the contrary presented by Buyer to Seller by no later than thirty (30) days following the Date of Delivery at the port of destination.

PRICE AND PAYMENT. The amount to be paid by Buyer to Seller for the Product shall be the prices as set forth in the Purchase Order, plus any taxes as provided below in "TAXES" and set forth in the Purchase Order, plus any other charges specifically set forth in the Purchase Order, together referred to herein as "the Invoiced Amount." Immediately upon receipt by Seller of the bill of lading for the first shipment of Product for this Sale, Seller shall provide to Buyer a copy of such bill of lading, and Buyer shall pay the Invoiced Amount in full, in U.S. dollars, net of all bank charges and without deduction, withholding or setoff, in accordance with the Terms of Payment set forth in the Purchase Order, or if there be no Terms of Payment in the Purchase Order, by no later than the twentieth (20th) day following Buyer's receipt of the copy of such bill of lading. Unless otherwise agreed by Seller, payment shall be made by wire transfer or ACH payment in accordance with the following instructions:

Bank name: Citibank, N.A.
Branch: 930-New York
Bank address: 111 Wall Street, New York, NY 10043
Acct. name: HALOPOLYMER TRADING INC
Acct. number: 31075574
SWIFT: CITIUS33
ABA: 021000089

Any bank fees of Buyer's bank related to such payment shall be the sole responsibility of Buyer, and any bank fees of Seller's bank related to such payment shall be the sole responsibility of Seller.

Buyer shall immediately notify Seller of payment by written notice referring to the Purchase Order number. Immediately upon receipt of payment by Seller, Seller shall send or otherwise provide such documentation to Buyer as is necessary for Buyer to obtain release of the Product from the carrier at the port of destination, which generally shall consist of an original of the bill of lading (duly endorsed if negotiable) and/or an original or copy of the waybill, if issued by the carrier and if distinct from the bill of lading. Buyer shall not attempt to obtain release of the Product from the carrier until it has paid the Invoiced Amount in full as

provided above and has received from Seller the documentation necessary to obtain release. Seller shall not be responsible for improper release of the Product by the carrier to anyone other than Buyer.

Any late payment will bear simple interest of 1% per day of the amount in arrears but such rate shall be capped at the maximum rate allowed by law. For so long as payment is in arrears, shipment of Product under any other Purchase Order may be delayed by Seller until full payment of the amount in arrears on this Contract has been received by Seller.

OTHER SHIPPING DOCUMENTATION. In addition to such documentation as Seller shall provide to Buyer in order to obtain release of the Product to Buyer at the port of destination as provided above under "PRICE AND PAYMENT," Seller shall provide to Buyer, at Buyer's request and if available to Seller, the following documentation:

- a. an export cargo declaration and/or import cargo declaration;
- b. a certificate of origin reflecting manufacture of the Product in the Russian Federation; and/or
- c. if, in accordance with the Terms of Delivery, Seller is to obtain insurance on the Product while in transit, a certificate of insurance or original or copy of the policy of insurance.

CHANGE IN BUYER'S FINANCIAL CONDITION. Seller reserves the right by written notice to cancel the Purchase Order or any part thereof or require full or partial payment in advance of shipment or delivery or adequate assurance of performance from Buyer without liability to Seller in the event of: (i) Buyer's insolvency, (ii) the filing of a voluntary petition in bankruptcy by Buyer, (iii) the appointment of a receiver or trustee for Buyer, (iv) the execution by Buyer of an assignment for the benefit of creditors, or (v) any other act by Buyer or by the owners of Buyer, such as transfer of ownership of Buyer or sale of all or significantly all of the assets of Buyer to a person not affiliated with Buyer, that will or reasonably might be expected to significantly impair Buyer's ability to comply with its obligations under this Contract. Seller reserves the right to suspend its performance until payment or adequate assurance of performance has been received.

GRANT OF SECURITY INTEREST. Buyer, in order to provide security for the payment of the Invoiced Amount in full for the Product as provided in this Contract, grants to Seller a security interest in the Product, and Buyer agrees to execute any documents or furnish information as requested by Seller to perfect this security interest.

TAXES. Any import duties and other duties or taxes (other than income tax) or other fees imposed by any governmental entity having jurisdiction at the port of destination or any jurisdiction in which the Product may thereafter be located with respect to the sale or delivery of the Product, whether imposed on Seller, Buyer, or the carrier, shall be the sole responsibility of Buyer, and if paid by Seller, Buyer shall promptly reimburse Seller for such amounts paid upon demand by Seller. Without limiting the foregoing, if required by applicable law (such applicability to be determined solely by Seller), Seller shall include in the invoiced amount to Buyer, and Buyer shall pay as part of the invoiced amount, an amount for sales tax or value added tax unless Seller determines, in its sole judgment and discretion, that this Sale (or any part thereof) is exempt from such tax. If, in Seller's sole judgment and discretion, the applicability of an exemption requires that Buyer provide to Seller an exemption certificate (which may be a re-sale certificate) and/or any supporting or evidentiary documentation, Seller shall request such a certificate and/or documentation from Buyer, and Seller shall determine in its sole judgment and discretion whether any certificate or documentation provided by Buyer is sufficient to exempt the sale from sales tax or value added tax that is otherwise applicable. If Seller does not charge and collect amounts for such taxes but later a taxing authority imposes upon Seller

an obligation to pay such taxes, Buyer shall indemnify and reimburse Seller promptly upon request by Seller for such taxes and any interest and penalties imposed with respect thereto.

USE OF THE PRODUCT. Buyer agrees and represents that it is not purchasing the Product for export out of the United States of America and that the Product will not be used for manufacture of pharmaceutical products.

LIMITATION ON BUYER'S REMEDIES. Seller's total liability for any claim arising out of or in connection with this Contract for breach of contract, warranty or statutory duty, or any other tort, including Seller's negligence, shall not exceed the sale price of the Product, if delivered, or, if liability arises from a failure to deliver, the sale price of Product had it been delivered and invoiced. No Party, (even if negligent) will be liable to the other for any incidental, indirect, special, consequential, or punitive cost, expense, loss or damage including but not limited to loss of production, loss of use, loss from business interruption, indirect loss of profit, loss of business, loss of goodwill or reputation, or wasted expenditure. Buyer shall indemnify Seller, its affiliates, directors, officers and employees against any liability (whether strict, absolute, or otherwise) for any claim, loss, damage, cost and/or expense on account of any injury, disease or death of persons (including but not limited to Buyer's employees) or damage to property (including but not limited to Buyer's property) or the environment arising out of or in connection with Buyer's unloading, storage, handling, sale, use or disposal of the Product and/or any failure by Buyer to disseminate safety and health information as appropriate pursuant to these STCs. Any claim under this Contract shall be made by Buyer by written notice, setting forth fully the facts on which it is based, immediately after the date when the facts were discovered or should have been discovered but in any event no later than 90 days after the Date of Delivery.

FORCE MAJEURE EVENT. Seller shall not be liable for its failure to fulfill any term of this Contract if such fulfillment has been delayed, hindered, or prevented by any circumstance or event outside of its reasonable control ("Force Majeure Event" or "the Event"), such as but not limited to war, blockades, or other military actions; acts and actions of government that hinder production including but not limited to expropriations; strikes, labor slowdowns, lockouts, and other actions involving labor disputes; flood, fire, wind, earthquake, and other phenomena of nature (other than an event contemplated by the shipping insurance purchased by Seller pursuant to the Terms of Delivery); explosions, plant malfunctions, shutdowns in anticipation of or in response to a breakdown or malfunction; or Seller's inability to acquire materials or services from any one of its usual supply source(s) on commercially reasonable terms. Upon the occurrence of a Force Majeure Event, Seller shall immediately notify Buyer of such Event, describing with specificity the nature of the Event, the date of commencement of the Event, and the estimated duration of the Event. For the duration of the Event, if the Event results in a shortfall of Product available to Seller to meet its supply obligations under this Contract, Seller shall not be required to acquire Product from other sources to cover such shortfall, but if such shortfall continues for more than three (3) months following the date of commencement of the Event as set forth in Seller's notice of the Event, Buyer may terminate this Contract by notice to Seller with respect to any Product not yet delivered by Seller to a carrier that is not hindered from delivery by blockade or other government action.

PERMITS, EXPORT, AND IMPORT LICENSES. Buyer shall be responsible for obtaining any licenses or other official authorizations that may be required by U.S. federal or state law for delivery of the Product as contemplated in this Contract.

NOTICES. All notices and other communications required or permitted to be given under this Contract shall be in writing directed to the principal representative of the receiving Party as set forth herein and shall be deemed to have been duly given upon receipt delivered by any of the following methods: by prepaid

U.S. certified or registered mail (first-class mail, Priority Mail, or Express Mail), in person, by commercial courier (such as FedEx, UPS, or DHL), by telephonic facsimile (fax), or by e-mail to the respective Parties at the addresses and numbers provided below:

As to Buyer: the address, principal representative, and numbers as set forth in the Purchase Order.

As to Seller:

HaloPolymer Trading, Inc.
Attn: Mrs. Maria Newbury (President)
2100 West Loop South, Suite 900
Houston, Texas 77027
Phone: +1 (419) 378-2664
E-mail address: marianewbury@halopolymer-usa.com

Each Party shall promptly inform the other of any change in the above information or any other information.

ASSIGNMENT. No purported assignment by either Party of any of its rights or obligations hereunder shall be valid except with the written consent of the other Party.

GOVERNING LAW. This Contract and any dispute or claim arising out of or in connection with it shall be governed by the laws of the State of Texas without regard to its rules concerning conflict of laws. The U.N. Convention on Contracts for the International Sale of Goods shall not apply.

DISPUTE RESOLUTION. Any dispute or claim arising out of or relating to this Contract or an alleged breach thereof shall be resolved by the American Arbitration Association (“the AAA”) under its commercial arbitration rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction in Harris County, Texas. The arbitration proceeding shall be heard and determined by one (1) arbitrator to be chosen by the parties hereto. If the parties hereto are unable to agree on the appointment of an arbitrator within thirty (30) days of the initial arbitration demand, the AAA shall make the appointment. The decision of the arbitrator on any point or points shall be final. Until such time as the arbitrator formally closes the hearings, either party shall have the right by written notice served to the arbitrator and to the other Party to specify further disputes or differences under this Contract for hearing and determination. The arbitrator may grant any relief that he or she deems just and equitable and with the scope of the agreement of the Parties, including but not limited to specific performance. Awards made pursuant hereto may include costs, including interest and a reasonable allowance for attorney’s fees. All arbitration proceedings shall take place in the English language in Houston, Texas.

WAIVER. No waiver or failure to exercise any option, right, privilege, claim or remedy under the terms of this Contract by either of the Parties hereto on any occasion or occasions shall be construed to be a waiver of the same or of any other option, right, privilege, claim or remedy on any other occasion.

SURVIVAL. All provisions with respect to payment rights and obligations, disclaimers of warranties, waivers of claims, indemnification, limitations of liability, notice of claims, tax, governing law and dispute resolution, assignment, no waiver, and entire agreement shall survive and continue to be applicable to the Parties following the expiration or termination of this Contract for any reason.

ENTIRE AGREEMENT. These STCs, together with the Purchase Order, shall constitute the sole and exclusive agreement between the Parties with respect to this Sale and shall prevail over any other agreement, written or oral, with respect to this Sale, EXCEPT as otherwise agreed to mutually by the Parties in a writing

executed by both Parties subsequent to the date of the Purchase Order for this Sale. In the event of any conflict between the Purchase Order and these STCs, the Purchase Order shall prevail, and in the event of any conflict between these STCs or the Purchase Order with any prescribed Incoterm, these STCS or the Purchase Order shall prevail. **Buyer's terms and conditions of purchase, if any, shall not apply.**