

## Terms and Conditions

THESE TERMS AND CONDITIONS OF SALE APPLY TO THE SALE OF GOODS BY INTEGRIS COMPOSITES, INC.(INTEGRIS) NO ACKNOWLEDGMENT BY, REFERENCE TO, OR PERFORMANCE UNDER ANY ORDER SUBMITTED BY BUYER SHALL BE DEEMED TO BE AN ACCEPTANCE BY INTEGRIS OF ANY TERMS OR CONDITIONS CONTAINED IN SUCH ORDER. INTEGRIS' ACCEPTANCE OF ANY ORDER IS EXPRESSLY MADE CONDITIONAL UPON THE APPLICATION OF THESE TERMS AND CONDITIONS OF SALE TO THE PARTIES' TRANSACTIONS. INTEGRIS OBJECTS TO AND REJECTS ANY ADDITIONAL, DIFFERENT OR CONFLICTING TERMS AND CONDITIONS WHEREVER FOUND AND BY WHOMEVER PROPOSED. INTEGRIS WILL NOT BE DEEMED TO HAVE WAIVED THESE TERMS AND CONDITIONS OF SALE IF INTEGRIS FAILS TO OBJECT TO PROVISIONS CONTAINED IN BUYER'S COMMUNICATIONS. BUYER'S SILENCE OR ITS ACCEPTANCE OF INTEGRIS' GOODS OR SERVICES CONSTITUTES BUYER'S ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE.

**PRICE**. All prices are quoted in U.S. dollars. INTEGRIS' quoted prices in its standard quotation form ("Quotation") shall apply for thirty (30) days from the date of the Quotation, or as otherwise stated therein. Prices are firm for all Goods scheduled for delivery not more than sixty (60) days from the date of Buyer's Purchase Order or INTEGRIS' Quotation, whichever came first. Prices for Goods scheduled for delivery thereafter are subject to increases in INTEGRIS' sole discretion. The price of the Goods is EXW INTEGRIS' designated facility and is exclusive of all insurance, freight, packing and unpacking charges and all imposts, duties and taxes. If INTEGRIS pays any insurance, freight, packing, unpacking, imposts, duties, taxes, or other charges in connection with any shipment (including, without limitation, any sales, use, excise, value added, ad valorem or property taxes and any interest or penalties in connection with any of the foregoing, but excluding any taxes measured on INTEGRIS' net income), Buyer, upon receipt of an invoice from INTEGRIS therefor, will promptly reimburse INTEGRIS for same.

**PAYMENT.** The due date for payment as to any shipment shall be thirty (30) days from tender of delivery. Payment shall be made in U.S. dollars without discount, set-off or deduction. Any check or remittance received from or for the account of Buyer may be accepted or applied by INTEGRIS against any indebtedness or obligation owing by Buyer, as shown by the books and records of INTEGRIS, without prejudice to or the discharge of the remainder of any such indebtedness or obligation, regardless of any condition, proviso, statement, legend or notation appearing on, referring to or accompanying such check or remittance.

Late charges will accrue on any amounts payable hereunder from their due date at the lesser of (i) one and one-half percent (1.5%) per month, or (ii) the maximum rate permitted by applicable law. In addition, if Buyer is unable or refuses for any reason to accept delivery of any Goods, Buyer will pay all costs incurred by INTEGRIS as a consequence of the failure or refusal to take delivery, including, without limitation, reasonable charges for storage and handling. Time is of the essence for all payments due hereunder, and in the event any payment due to INTEGRIS is collected at law, or through an attorney-at-law or a collection agency, Buyer agrees to pay all costs of collection, including, without limitation, all court costs and reasonable attorneys' fees.

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**CREDIT.** Credit purchases must be approved in advance by INTEGRIS. Any credit terms extended to Buyer shall be subject to change by INTEGRIS, at any time, if INTEGRIS, in its sole discretion, determines that its prospects for payment have become or may become impaired or determines that its credit information regarding Buyer is insufficient for INTEGRIS to confirm that Buyer's credit has not been impaired. Under such circumstances, INTEGRIS shall have the right to revise the terms of payment as deemed appropriate by INTEGRIS, including, without limitation, requiring cash before production or cash before delivery. If Buyer fails to make any payment required by any such revised terms, Buyer shall be in default hereunder. A change of credit terms by INTEGRIS shall be without prejudice to INTEGRIS' right to again revise the terms of payment, even as to the particular Goods which were subject to the initial revision.

**DELIVERY**. All delivery or shipping dates are estimates only. INTEGRIS will use reasonable efforts to fill each order in accordance with the estimated delivery or shipping date, but INTEGRIS will not be responsible for any delays in filling orders nor liable for any losses or damages resulting from such delays. Goods will be delivered Ex Works INTEGRIS' facility. Title and risk of loss pass to Buyer upon tender of delivery of the Goods. INTEGRIS may, in its discretion, accommodate Buyer's requests for transportation assistance (e.g. "prepaid and add") for an additional 10% administrative fee.

**RETURNS.** Due to the protective properties of the goods provided by INTEGRIS, returns outside of quality nonconformities are not allowed without management approval.

**WARRANTIES AND DISCLAIMER**. Unless the Goods are the subject of a specific written warranty provided by Buyer to Seller, then subject to the terms, limitations, and conditions set forth below, INTEGRIS warrants to Buyer (and Buyer only) that on the date of delivery, the Goods will conform to INTEGRIS' issued specifications for said Goods or any Buyer specification agreed upon in writing by INTEGRIS.

If the Goods are personal body armor, INTEGRIS warrants, for the earlier of the ballistic plate being struck by a projectile or the warranty period stated on the label affixed to the armor plate, whichever shall occur first, that (1) its ballistic plates shall be free from defects in material and workmanship; (2) plates bearing an NIJ logo will meet the ballistic performance criteria identified on the label; and (3) plates that do not bear the NIJ logo will exhibit ballistic performance commensurate with the threat level identified on the label. Where the "date of issue" cannot be clearly established and/or documented, INTEGRIS' warranty period will begin after the "date of manufacturing". No ballistic plate should be worn or used after the expiration of this warranty period (i.e. "useful life period"). This warranty does not apply to any plate that has been subjected to misuse, abuse, accident, neglect, unauthorized alteration, breakage, interruption, damage, improper storage or handling, and/or unauthorized repair or service. Among other things that will void the warranty are improper use, exposure to bleach or other corrosive or caustic chemicals; using when the finish is broken, interrupted, cracked or damaged in any way, or exposure to extreme conditions and environments (especially high temperatures and/or high humidity) for long periods of time.

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The limited warranties provided above shall not apply to any damage to or failure of the Goods or other damages resulting, directly or indirectly, from acts of God or conditions beyond the reasonable control of INTEGRIS, including, without limitation, accidents, fire, misuses, negligence, improper installation, improper storage, improper handling, modifications, alterations, tampering, vandalism or failure to properly maintain, protect or repair the Goods.

INTEGRIS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, INTEGRIS MAKES NO WARRANTY OF MERCHANTABILITY, NO WARRANTY OF NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND NO WARRANTY OF FITNESS OR SUITABILITY FOR A PARTICULAR PURPOSE. INTEGRIS makes no warranty or guaranty under the Flammable Fabrics Act or regulations issued thereunder or any other federal, state or local laws or regulations regarding flammability or any other characteristics, properties or uses of the Goods. Any samples submitted by INTEGRIS shall not be deemed to create any warranties.

Buyer shall promptly inspect all Goods upon receipt and in any event, no later than 10 days after tender of delivery. Any claims as to a shortage, defect or nonconformity in any Goods, including claims for breach of the warranties set forth above, shall be barred and waived unless Buyer notifies INTEGRIS in writing of same by the earlier of (i) ten (10) days after Buyer learns or should have learned of the shortage, defect or nonconformity; (ii) the cutting, processing or changing of the Goods from their original condition; or (iii) thirty (30) days from the date the Goods are delivered to Buyer. Buyer's sole remedy for INTEGRIS' breach of the warranties set forth above shall be repair or replacement, as determined by INTEGRIS, of the defective Goods or refund of the purchase price thereof, as determined at INTEGRIS' sole option.

LIMITATION OF LIABILITY – INTEGRIS' LIABILITY IS LIMITED TO ITS OBLIGATIONS CONTAINED IN THE FOREGOING WARRANTY. IN NO EVENT SHALL INTEGRIS BE LIABLE TO BUYER OR ANY OTHER PERSON, WHETHER IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) OR UNDER ANY OTHER LEGAL THEORY (INCLUDING STRICT LIABILITY), FOR, AND BUYER IS NOT ENTITLED TO COLLECT, ANY INDIRECT, SPECIAL, INCIDENTAL CONSEQUENTIAL OR SIMILAR DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF PROFITS OR REVENUE, LOSS OF DATA, LOSS OF USE, COSTS OF REWORK, MANUFACTURING EXPENSE, LOSS DUE TO INJURY TO REPUTATION, LOSS OF CUSTOMERS OR BUSINESS, OR FOR ANY CLAIM MADE AGAINST BUYER BY ANY OTHER PERSON, EVEN IF INTEGRIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR CLAIMS. UNDER NO CIRCUMSTANCES SHALL INTEGRIS' LIABILITY UNDER ANY CLAIM EXCEED THE PRICE RECEIVED FOR THE SPECIFIC GOOD GIVING RISE TO THE CLAIM. Any action against INTEGRIS for breach of warranty or contract, negligence, or other alleged liability arising out of the sale of Goods hereunder must be commenced within one year after such cause of action accrues. BUYER WILL INDEMNIFY, DEFEND AND HOLD INTEGRIS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS BASED ON: (i) INTEGRIS COMPLYING WITH BUYER'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS, (ii) MODIFICATION OF ANY GOOD BY ANYONE OTHER THAN INTEGRIS, OR (iii) USE OF GOODS IN COMBINATION WITH OTHER PRODUCTS.

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FORCES BEYOND INTEGRIS' CONTROL. INTEGRIS is not liable for failure to fulfill its obligations if such failure results from causes beyond its reasonable control (for example, and not by way of limitation: acts of God, acts or omissions of the Buyer, government prioritization orders, or other government orders or decrees, man-made or natural disasters, epidemic or other medical crises, materials shortages, failure or breakdown of machinery, labor actions or strikes, acts of terrorism, delays in transportation, or inability to obtain labor or materials through regular sources). If, due to any event beyond INTEGRIS' control INTEGRIS is unable to supply the total demand for any Goods specified herein INTEGRIS shall have the right allocate its available supply and resources in an equitable manner.

**TERMINATION.** INTEGRIS may terminate any order immediately at any time upon any material breach by Buyer. In addition, if Buyer ceases to conduct its operations in the normal course of business, or is unable to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Buyer, or a receiver for Buyer is appointed or applied for, or Buyer makes an assignment for the benefit of creditors, INTEGRIS may promptly terminate any and all Orders without liability. No such termination by INTEGRIS shall relieve Buyer of Buyer's obligation to pay for Goods delivered through the date of termination or to compensate INTEGRIS for damages caused by Buyer's breach. INTEGRIS may at any time terminate an order for Goods and/or services, in whole or in part, with or without cause, immediately upon written notice to Buyer. In such case, INTEGRIS' liability shall be limited to return of any payment received for undelivered Goods.

**NON-ASSIGNMENT**. No right, title or interest hereunder may be assigned by Buyer without the written consent of INTEGRIS, and no attempted assignment shall be of any force or effect. These Terms and Conditions shall inure to the benefit of INTEGRIS' successors and assigns and shall be binding upon Buyer's successors and permitted assigns.

**EXPORT/IMPORT.** Certain Goods sold by INTEGRIS and other related technology and documentation are subject to export control laws, regulations and orders of the United States (including the International Traffic in Arms Regulations, the Export Administration Regulations, and various economic sanctions regulations) and the export or import control laws and regulations of other countries ("Export Laws"). Buyer will at all times comply with all such Export Laws and will not directly or indirectly export or divert any Goods or any related technology or documentation to any third party or country if such export or transmission is restricted or prohibited. Buyer agrees that it is responsible for obtaining any licenses to export, re-export, or import as may be required by applicable law.

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**GENERAL.** These Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Ohio, including its Uniform Commercial Code as in effect on the date hereof, without regard to its conflicts of laws rules. The parties hereto expressly disclaim application of the United Nations Convention on the International Sale of Goods. Venue for any action arising out of or related to these Terms and Conditions of Sale shall lie exclusively in the State or federal courts having jurisdiction over Licking, County, Ohio, and the parties hereto irrevocably consent to such venue and jurisdiction and waive any defenses of personal jurisdictiona and *forum non conveniens*. Wherever possible, each of the terms and conditions hereof is to be interpreted in such manner as to be effective and valid under applicable law, but if any such term or condition is prohibited or invalid under such law, such term or condition is to be reformed, if possible, but only to the extent of such prohibition and invalidity, and only if such reformation will give effect to the intent of the parties. If reformation is not possible, the provision shall be struck without invalidating the remainder of such term or condition or the remaining terms and conditions hereof.

**ADVICE**. Upon request, INTEGRIS may, but shall not be obligated to, furnish Buyer with advice, recommendations and services with respect to the properties, and the cutting, processing, installation, maintenance or other uses of the Goods. Buyer expressly acknowledges that any such advice, recommendation or service is given free of charge and accepted at Buyer's risk on an "AS IS" basis with no warranties whatsoever. INTEGRIS assumes no obligation or liability for the advice, recommendations or services so given, and Buyer agrees to indemnify and hold INTEGRIS harmless from any liability asserted against INTEGRIS as a consequence thereof, including, without limitation, any costs and attorney's fees incurred by INTEGRIS in defending any claims arising as a consequence thereof.

**NOTICES.** All notices and other communications hereunder are to be in writing. Notices shall be deemed delivered upon receipt or refusal to accept.

ENTIRE AGREEMENT. These Terms and Conditions constitute the entire agreement between the parties governing the purchase and sale of the Goods and supersede all prior and contemporaneous discussions and agreements between the parties concerning the Goods. No promises, covenants, representations or agreements other than as expressly set forth herein have been made, and Buyer represents and warrants that it is not relying on any promises, covenants, representations or agreements other than as expressly set forth herein in entering into this transaction. Notwithstanding the foregoing, nothing herein shall be deemed to supersede, modify, or terminate any preexisting agreement between INTEGRIS and Buyer concerning the protection of proprietary or confidential information.

**CHANGES.** These Terms and Conditions may not be modified, amended, changed or terminated, and no term or condition hereof may be waived, unless such waiver, modification, amendment, change or termination is expressed in writing and signed by duly authorized employees of INTEGRIS and Buyer. No delay or omission by INTEGRIS in exercising any right or remedy shall be a waiver thereof or of any other right or remedy, and no single or partial waiver thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. All rights or remedies of INTEGRIS hereunder are cumulative.

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