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GENERAL TERMS AND CONDITIONS OF SALE BY EXIM INCORPORATED

1. General Conditions. These general conditions ("General Conditions") apply to each and every sale and/or contract of sale (the "Contract") made by or on behalf of Exim Incorporated (hereinafter called "the Company"), except as otherwise amended in writing. Every sale or contract of sale made by or on behalf of the Company shall be deemed to incorporate and be subject to these General Conditions. All dimensions and weights mentioned in the Contract must be considered as approximate only unless expressly stated to the contrary. The Company shall not be bound by any typing or clerical errors in any document issued or sent and it will take all reasonable steps to correct such errors as and when they are discovered.

2. Installment Deliveries. Where delivery is to be made by installments, each and every installment shall be paid for separately on or before the payment date expressly fixed by the Contract. Save as aforesaid, the rights and obligations of the parties in relation to each installment shall be for all purposes deemed to amount to a separate contract and in particular any default by the Company in relation to any particular installment shall have no effect on the rights and obligations of the parties in respect of any subsequent installment.

3. Risk of Loss – Domestic Shipments Only. Title to the materials shall pass to Buyer upon Buyer's payment in full of the materials. Notwithstanding the foregoing, risk of loss or damage to the materials shall pass from the Company to Buyer upon delivery of the materials by the Company to the carrier "Free on Board" unless otherwise specified in the sales order. Unless otherwise agreed in writing by the parties, Buyer shall be responsible for procuring insurance with respect to the materials and paying the cost thereof. This Section 3 shall apply to domestic and international shipments.

4. Risk of Loss in Rejection. Where the Buyer rightfully rejects any or all of the materials pursuant to Section 10 below, the risk shall only revert to the Company on actual physical redelivery to the Company at its works or to such other place as may be designated by the Company. Should all or any of the materials be lost or destroyed in transit, the Company, in its sole discretion, shall have the option of treating the Contract terminated as to the materials lost or destroyed. This Section 4 shall not affect the right of the Company to hold that part of the Contract as materials in respect of any portion of the said materials which may be saved and come forward.

5. Security Interest; Company's Rights over Materials. Upon passing of title to the materials to Buyer, Buyer hereby grants to the Company a security interest in the materials until all monies due the Company under the Contract are paid in full. The Company shall have the right to file financing statements and any other documents that may be necessary to evidence and perfect such a security interest in the materials in any jurisdiction. Additionally, in the event the Buyer fails to make a past-due payment for materials already delivered within 7 days of receipt of written notice from the Company, the Company shall be entitled to enter upon and re-possess the materials from the premises of the Buyer or his agent.

6. Suspension of Delivery upon Buyer's Default. The Company shall have the right in its sole discretion to suspend delivery of materials under the Contract or any balance of it remaining, whether such deliveries are to be in installments or in transit, if any payment of any account or installment or performance of any obligation of the Buyer or of any its affiliates under any contract between the Buyer or its affiliates on the one hand and the Company on the other hand is overdue for a period of more than 7 days. In the event the Company suspends delivery pursuant to this Section 6, delivery shall not commence again until (A) the Buyer has paid the amounts due in full and (B) an adequate and reasonable time has elapsed for the Company to procure and prepare materials for the further delivery of materials. In the event that Buyer or any of its affiliates is delinquent on any payments or amounts owed to the Company pursuant to the terms of the Contract or any other contract between the Company and any of its affiliates on the one hand and Buyer or any of its affiliates on the other hand, the Company, upon three (3) days written notice, shall have the right to offset any such outstanding amounts against payments, deposits or amounts Buyer or any of its affiliates owes the Company or any of its affiliates. Failure by the Buyer to pay any such account or fulfill any such obligation within a further period of 7 days after the date of such written notice shall be a repudiation of the Contract and shall entitle the Company to cancel the Contract and to recover damages in respect of such repudiation. All overdue payments shall carry interest at the rate of 1½% per month until paid. The rights of the Company to suspend deliveries under this Section 6 shall not be the exclusive remedy of the Company and shall not prejudice to the Company's right to recover damages for the Buyer's breach.

7. Force Majeure. In the event either party's performance hereunder is delayed or made impossible or commercially impracticable due to causes including (i) fire, explosion, war, terrorism, strike or other differences with workers, (ii) shortage of energy sources, facility, material or labor, (iii) delay in or lack of transportation, (iv) temporary or permanent plant shutdown, breakdown or accident, (v) compliance with or other action taken to carry out the intent or purpose of any law, regulation, or other requirement of any governmental authority, or (vi) any cause beyond that party's reasonable control (each, a "force majeure" event), that party shall have such additional time in which to perform this Contract as may be reasonably necessary under the circumstances. However, the Buyer's obligation to pay for materials delivered is never suspended or delayed. In addition, if due to a force majeure event or any other cause, the Company is unable to produce sufficient materials to meet all demands from customers and internal uses, the Company shall have the right to allocate production among its customers and plants in any manner which the Company may determine, acting reasonably. This Section 7 is to be applied in conjunction with UCC Section 2-615, Excuse by Failure of Presupposed

Conditions, in the case of domestic U.S. sales; provided, however, that in the event of a conflict, this Section 7 shall govern.

8. Power to Cancel, Suspend. The Company shall be entitled at any time in its absolute discretion to cancel the Contract, or any unfulfilled part thereof without any liability to pay damages or compensation (whether in money or goods of a similar or any nature) if performance or further performance shall be impeded or the cost to the Company of performance or further performance shall be increased over the cost calculated at the date of entering into the Contract by reason of cancellation or shortage of supplies or difficulty or impossibility of complying with license or currency regulations anywhere or of obtaining export and/or import licenses anywhere or by reason of the inability or failure of any supplier or sub-contractor of the Company to supply to the Company goods or services required for the performance or further performance of this Contract. In addition, in the event of delay arising from any of the causes set forth in Section 7 or this Section 8, the Company may without incurring any liability whatsoever suspend deliveries under the Contract, notwithstanding any express or implied condition of warranty as to time which may be contained in the Contract.

9. Termination Upon Default. The Company may terminate the Contract if Buyer: (i) becomes insolvent; (ii) is unable to meet its obligations as they become due or admits such in writing; (iii) enters bankruptcy or has a receiver or trustee appointed for it; (iv) fails to timely make payments under this Contract or under any other obligation of Buyer to the Company; or (v) fails to provide the Company with adequate assurance of due performance within fifteen (15) days of Buyer's receipt of the Company's written demand therefor. In the case of such a termination, Buyer shall be considered to have defaulted under the Contract, and the Company shall have such remedies as are available to it under this Contract and/or at law.

10. Defective Materials; Rejection. If the Buyer alleges that any materials are not in accordance with the Contract, then written notice to that effect shall be given to the Company within 7 days after delivery of the materials and thereafter the Buyer shall afford to the Company all reasonable facilities for proper investigation of the alleged defect or complaint. Failing such notice within the said period the materials shall be deemed to be in all respects in accordance with the Contract and accepted by the Buyer and shall be so deemed notwithstanding that the Company may afterwards have entered into discussions and/or negotiations with the Buyer in reference to such materials. If it is found after such notice as aforesaid that any materials are not in accordance with the Contract, the Company's liability shall be limited at its option either (i) to the replacement or in the Company's absolute discretion the reprocessing of the materials or (ii) where the purchase price has been paid in respect of the same, to the refund of the purchase price to the Buyer. The provisions of this Section 10 shall apply to materials sent by the Company to the Buyer pursuant to this Section 10 by way of replacement of materials delivered under the Contract or where such materials have been re-processed by the Company.

11. Limitation of Liability. NEITHER THE COMPANY NOR ANY OF ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES OR AGENTS WILL BE LIABLE FOR ANY INCIDENTAL, INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF ITS OBLIGATIONS UNDER THE CONTRACT, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE COMPANY SHALL NOT HAVE LIABILITY FOR (I) LOSS OF INCOME, PROFIT, OR SAVINGS, WHETHER DIRECT OR INDIRECT OR (II) MATERIALS NOT BEING AVAILABLE FOR USE. THE COMPANY'S TOTAL LIABILITY ARISING OUT OF, OR IN CONNECTION WITH THE CONTRACT SHALL EXCLUSIVELY BE LIMITED TO THE EXCESS OF THE DIFFERENCE BETWEEN THE MARKET VALUE AT THE PLACE OF DELIVERY ON THE DATE WHEN DELIVERY IS DUE OF THE MATERIALS SUPPLIED AND THE CONTRACT PRICES OF SUCH MATERIALS.

12. Disclaimer of Warranties. EXCEPT AS SET FORTH HEREIN OR IN THE CONTRACT, THE COMPANY DISCLAIMS, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL OTHER WARRANTIES OR CONDITIONS, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

13. Notice of Claims. In the event of any claim on behalf of the Buyer arising out of the Contract the Company shall be under no liability whatsoever in respect thereof unless notification in writing of such claim shall have been received by the Company within 7 days of the actual or due delivery date of the materials in such claim referred to.

14. Charges to Buyers. The price of the materials shall be increased by the amount of any import duty, assessment or tax, or of any increase in freight, insurance or carriage charges over the charges applicable at the date when the Contract was made.

15. Entire Agreement. The Contract and the General Conditions constitute the entire agreement between Company and Buyer with respect to the materials and supercedes any prior or other agreements, written or oral, between the parties. No amendment, modification, waiver or release of any provisions hereof is binding upon the Company without a writing signed by the Company's authorized representative.

16. Governing Law. The Contract and these General Conditions shall be construed as a contract made in the State of Texas and shall be governed by the laws of the State of Texas, without reference to any conflicts of law principles. Any action or suit initiated by Buyer relating in any way to the Contract must be brought in a federal or state court located in Harris County, Texas. Buyer hereby consents to the jurisdiction of the courts located in Harris County Buyer hereby consents to the jurisdiction of the courts located in Harris County, Texas. The United Nations Convention for the International Sale of Goods shall not apply to this Contract or any other agreement between the parties.