

#### PURPLAN USA, Inc. GENERAL TERMS and CONDITIONS OF SALE and SERVICE

## Applicable to all Proposals, Purchase Orders, Invoices, Order Acknowledgments and Purchase Agreements

(June 2017)

## 1. General

These Terms and Conditions are application to the person, firm, company or other purchasing entity (hereinafter referred to as "<u>Buyer</u>") and PURPLAN USA, Inc. (hereinafter referred to as "Seller" or "PURPLAN") for items ordered by Buyer from Seller in whatever quantity (hereinafter referred to as "Goods") and/or for services performed by Seller for Buyer (hereinafter referred to as "Services"). Any other document(s) containing terms and/or conditions that are in addition to or inconsistent with the following Terms and Conditions listed herein, including but not limited to penalties or liquidated damages for Seller's failure to meet shipment dates or any other reason, shall not be binding upon Seller without the express written acceptance of liability by an authorized representative of Seller. Seller's proposals or order confirmations may only be modified or amended by a written agreement between the Seller and the Buyer.

These Terms and Conditions, together with the documents attached hereto or incorporated by reference herein shall constitute the entire agreement (collectively, the "Agreement") between the Seller and the Buyer. Seller's Proposals or order confirmations may only be modified or amended by a written agreement between the Seller and the Buyer. ANY PROPOSAL IS EXPRESSLY LIMITED TO ACCEPTANCE OF THESE TERMS AND CONDITIONS.

Seller reserves the right to correct clerical and typographical errors and to modify all specifications, prices, quantities and terms at any time and to modify, improve, or discontinue all its Goods, Services, Equipment, Technology and Processes, or to change Good specifications, at any time, without notice.

## 2. Prices

All prices are in US Dollars, unless otherwise provided for in the Proposal or Order Acknowledgment.

A. <u>Goods.</u> Prices for Goods are exclusive of spare and wear parts and delivery unless otherwise provided for in the Proposal. Any change requests or information not explicitly included in the scope of supply shall be invoiced accordingly as per Section 3 of this Agreement.

B. <u>Service</u>, <u>Maintenance</u>, <u>Repair and Change Requests for Goods</u>. (i) *Consulting Services*. The Buyer shall receive a PURPLAN price list with applicable hourly and daily rates along with expense reimbursement formula on the Proposal for PURPLAN's Consulting Services. The price list shall be provided to Buyer prior to any consulting or temporary work being performed. (ii) *Non-executable repair work*. The agreed-upon hourly rate or package price for the repair work shall be paid even if the repair work cannot be carried out due to unforeseeable factors for which PURPLAN is not responsible.

#### 3. Changes

Seller shall evaluate any Buyer request for changes to the Goods and advise Buyer of the adjustment to the completion date, sales price, payment terms, any other terms that will be required by Seller to implement such change. Upon receipt by Seller of an executed change order from Buyer setting forth such adjustments to completion date, sales price, payment terms, and any other terms, Seller shall implement such change to the Goods.

# 4. Warranty

### A. Seller-Manufactured Components

Seller warrants that those portions of the Goods manufactured by Seller's employees in Seller's plant shall be free from defects in materials and workmanship for a period of twelve (12) months from date of installation, or eighteen (18) months from the date of delivery to Buyer's installation site whichever comes first; provided, however, in no event shall the warranty period exceed eighteen (18) months from the date of delivery to Buyer's installation site. In the event the Goods fail to conform to the above warranty, Seller shall, at Seller's option, either repair or replace the nonconforming Goods or a portion thereof. Such replacement, however, shall not extend the warranty period provided in this paragraph. Warranty claims must be filed in accordance with Seller's Warranty Administration Procedure attached hereto as <u>Exhibit A</u> and incorporated by reference ("Exhibit A"). THIS WARRANTY IS NON-TRANSFERABLE.

## B. Seller Purchased Components

Seller shall endeavor to obtain warranties on behalf of Buyer from vendors, subcontractors, and suppliers of Seller with respect to those portions of the work, materials and components of the Goods supplied by them equivalent to the warranties customarily offered in the applicable industry. Buyer shall accept the warranties provided by any such vendor, subcontractor, or supplier in lieu of any liability or warranty on the part of Seller with respect thereto. C. Non-Warranty Items

ITEMS LISTED IN SELLER'S WARRANTY ADMINISTRATION PROCEDURE ATTACHED HERETO AS EXHIBIT A ARE EXPRESSLY EXCLUDED FROM ANY OF THE FOREGOING WARRANTIES. ALL SUCH ITEMS ARE SOLD "AS IS."

## D. Limitation of Warranties and Remedies

The foregoing warranties in Section 3.A. shall be void if: (i) the Goods are not installed by Seller or the installation of the Goods has not been supervised by Seller, (ii) the Goods are not operated and maintained in accordance with the instructions furnished by Seller, its vendors, subcontractors or suppliers or are repaired or maintained without Seller's express authorization; (iii) the Goods are damaged as a result of abuse or inadequate or improper maintenance or care; (iv) the Goods are modified or altered in any manner; (v) the Goods have been used in violation of the manual or other instructions for use or installation; (vi) the Goods have been damaged due to the defects, malfunctioning, or defects of equipment, parts or installations not provided by Seller; (vii) Buyer fails to notify Seller within twenty (20) days of any claimed breach of Seller's warranty, said time to run from the time when Buyer learns that the Goods are not operating as warranted; (viii) the Goods have been damaged due to normal wear and tear, action of corrosion, erosion, chemicals, fires, and any acts of God; (ix) Buyer fails to make any damaged or defective part available to Seller for inspection; or (x) the Goods are moved, relocated, or shipped from the Buyer's initial installation location.

The foregoing warranties and remedies for breach thereof are exclusive. They are extended by Seller and accepted by Buyer in lieu of any and all other warranties and remedies, either express or implied, and specifically in lieu of any warranty of merchantability and warranty of fitness for a particular purpose. Unless otherwise agreed to by the Parties in writing, the foregoing warranties also exclude the labor and costs of labor for the disassembly or removal of any Seller's Goods.

# 5. Technical Documents

All technical documents provided by Seller to Buyer, including all calculations, drawings, descriptions and illustrations, shall be deemed confidential, shall remain Seller's exclusive property, shall not be copied or reproduced by Buyer or communicated by Buyer to any third party, and shall not be used for any purpose other than the operation and maintenance of the Goods. Information in technical documents shall serve only as estimates, unless otherwise agreed in writing. Technical documents submitted in connection with a proposal not resulting in an order, and all copies thereof, shall be returned to Seller upon request.

# 6. Service, Maintenance, Repair and Change Requests for Goods

PURPLAN may provide consulting, repair and/or maintenance services to the Buyer. PURPLAN assists in each project only as a consultant and accepts no responsibility for time, quality or costs incurred by the Buyer as a result of the consultation. PURPLAN



expressly disclaims any follow-up costs incurred by the Buyer. It is understood by both parties that PURPLAN is an independent contractor and not an employee of Buyer. Any services provided by PURPLAN are exclusively advisory in nature and are in no way a guarantee of a definite final outcome.

SELLER IS NOT SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR WARRANTY, TORT CLAIMS INCLUDING NEGLIGENCE AND STRICT LIABILITY, OR ANY OTHER THEORIES OF LAW. SELLER IS UNDER NO EVENT LIABLE FOR ANY SPECIFIC, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL LOSS, DAMAGES, EXPENSE, INJURY, DISMEMBERMENT, OR DEATH OF ANY KIND WHATSOEVER.

Delivery times are calculated from the day of the final technical and commercial release (approval) and written order confirmation. The scheduled time in the Proposal is considered the delivery time. PURPLAN is entitled to cancel the contract or to delay delivery if the Buyer fails to provide the necessary purchase orders, information, confirmations or materials on time.

#### 7. Force Majeure

The delivery date shall be extended by the delay caused to Seller in whole or in part by any act or occurrence beyond the reasonable control of Seller that hinders, delays, or prevents Seller's performance hereunder. Causes deemed to be beyond the reasonable control of Seller include, but are not limited to, any act of God; compliance with any order, decree, or request of any governmental authority; act of declared or undeclared war; public disorder; rebellion; sabotage; riot; fire; explosion; flood; accident; strike, lockout, injunction, or other labor difficulty or concerted act of workmen; inability to obtain fuel, power, raw materials, equipment, labor, containers, or transportation facilities from normal sources of supply; breakage of machinery or apparatus; national defense requirements; production set-aside, or mobilization of industry; or any other cause, whether similar or dissimilar to the above listed categories, beyond the reasonable control of Seller. Delays in Seller's performance occasioned by any act or inaction of Buyer or Buyer's agents, employees, contractors, vendors, or any other party under Buyer's direct or indirect control shall serve to equitably adjust the completion date and sales price.

## 8. Payments

Proposals are valid for thirty (30) Days unless stated otherwise in Proposal.

A. <u>Payment Terms for Goods</u>: Payment terms shall be as stipulated in Seller's Proposal. Any Changes occurring during production will be invoiced with the due date "Net cash Thirty (30) Days from date of invoice." The due date for deliveries of spare parts, repairs, and any contract work is "Net cash Thirty (30) Days from date of invoice." Notwithstanding any terms to the contrary, in the event of a delinquency, all sums due and owing to Seller (retroactively applied to the invoice date) will be subject to interest charges at the rate of Six Percent (6 %) per month.

B. <u>Payment Terms for Service, Maintenance, Repair, and Change</u> <u>Requests for Goods</u>: One Hundred Percent (100%) due upon completion of performed services based on the applicable hourly rate plus associated travel and living expense. If the project runs for longer than One Month, then expenses are billed on a monthly basis at the end of each month. Notwithstanding any terms to the contrary, in the event of a delinquency, all sums due and owing to Seller (retroactively applied to the invoice date) will be subject to interest charges at the rate of Six Percent (6 %) per month.

C. <u>Payment Terms for Consulting and Temporary Work:</u> One Hundred Percent (100%) due upon completion of performed services based on the applicable hourly rate/expense. If the project runs for longer than One Month, then expenses are billed on a monthly basis at the end of each month. Notwithstanding any terms to the contrary, in the event of a delinquency, all sums due and owing to Seller (retroactively applied to the invoice date) will be subject to interest charges at the rate of Six Percent (6 %) per month. Any delays in payment by Buyer shall subsequently result in delivery delays.

## 9. Delay

Seller is not responsible for delay(s) in delivery for reasons beyond Seller's reasonable control, including but not limited to, Force Majeure as defined herein. In the event of delay under this Agreement, the delivery schedule shall be extended by amount of time originally lost due to the delay.

#### **10. Limitation of Liability**

EXCEPT AS EXPRESSLY AGREED UPON IN WRITING, UNDER NO CIRCUMSTANCES SHALL SELLER HAVE ANY LIABILITY, WHETHER DIRECTLY OR BY WAY OF INDEMNITY, FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, STATUTORY OR OTHER DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR INJURIES TO PERSONS, DISMEMBERMENT, DEATH OF ANY KIND WHATSOEVER OR TO PROPERTY OR LOSS OF PROFITS OR LOSS OF FUTURE BUSINESS OR REPUTATION, WHETHER BASED ON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT, STRICT OR PRODUCTS LIABILITY, INFRINGEMENT OF PATENTS, TRADE COPYRIGHTS SECRETS. TRADEMARKS. OR OTHER PROPRIETARY RIGHTS, OR ANY OTHER LEGAL THEORY IN CONNECTION WITH THE SALE OF THE GOODS, THEIR DESIGN, THEIR USE, INSTALLATION OR APPLICATION OR IN CONNECTION WITH SELLER'S PERFORMANCE UNDER ITS ORDER CONFIRMATION, THESE TERMS AND CONDITIONS, OR ANY BREACH OR DEFAULT THEREUNDER OR HEREUNDER.

#### 11. Indemnity

Buyer and Seller hereby agree to, indemnify and hold harmless the other party and its affiliated companies from and against any and all losses, demands, damages, claims, expenses, including reasonable attorneys' fees, actions, judgments and/or costs liabilities arising from or relating to claims made by any person (including, but not limited to employees of Buyer) or entity for any damage, whether arising in contract, breach of warranty, tort, including but not limited to, strict liability, negligence or fraud or any other cause of action, and whether such damage is direct, indirect, special, general, consequential or incidental, whether arising from personal injury including death, loss of or damage to any property or any other type of injury or damage including but not limited to, loss of profits, which in any way relate to or arise out of Buyer's operation of the Goods including but not limited to, Buyer's removal, disconnection or disengagement of any safety device or feature on the Goods, except to the extent that any such liabilities are caused by the willful or gross negligence of Seller.

Buyer agrees to indemnify Seller and its parent entities, its present and future subsidiaries, any and all subsidiaries of a subsidiary or parents of a parent, all affiliated corporations, and successors and assigns or any company or companies which either directly or indirectly controls or has the power to control a party, or any company or companies which is controlled by a part of which a party has the right to control (hereinafter referred to as "Affiliated Companies") the aforementioned entities as to any such claim, damage, loss or expense arising out of or resulting from the design, construction, formulation, or composition of any product made or handled by the Goods in the hands of the Buyer.

#### 12. Taxes

Buyer shall, at the time of order entry provide a sales exemption certificate to the Seller for the location where equipment will be installed or services rendered. Alternatively, the Buyer can provide a statement that the Buyer will pay all appropriate taxes associated with this purchase order. Unless otherwise agreed in writing, Seller's prices are exclusive of any federal, state or local property, sales, use, excise, gross receipts or other like taxes which may be applicable to, measured by, or imposed upon or with respect to the transaction,



the equipment, its sale, its value or its use, or any services performed in connection therewith. Buyer agrees to pay or reimburse any such taxes which Seller or Seller's subcontractors or suppliers are required to pay. Buyer further agrees to waive any and all claims regarding the reasonableness of such payment and will be liable to Seller for reasonable attorney's fees and/or court costs incurred by Seller as a result of Buyer's failure to pay the charges listed in this paragraph.

## 13. Buyer Default

In the event Buyer does not comply with any part of the payment terms of this Purchase order, Seller shall have the right to elect to accelerate and declare immediately due and payable all debts and obligations of Buyer of any nature due to Seller, whether under this purchase order or otherwise. In addition, Seller may refrain from making any further shipments, whether under this purchase order or another contract, until such default or noncompliance is remedied. Any failure of performance of this purchase order by Buyer shall at the option of Seller be grounds for Seller, in addition to any remedies of Seller provided by law, to cancel or terminate this purchase order and all other contracts of sale between Buyer and Seller, and to recover all damages provided by law, including reasonable attorneys' fees and disbursements and court costs.

#### 14. Delivery and Risk of Loss

Unless otherwise expressly agreed in writing by the Seller and the Buyer, delivery of Seller's Goods is deemed to be complete once the Goods have been delivered to Buyer's initial installation site or as stipulated in the Seller's Proposal. If delivery of the Goods is delayed at the request of or due to the fault of Buyer or due to other reasons beyond Seller's control, the risk of loss on said Goods shall pass to the Buyer at the time of the original anticipated date of delivery of the Goods at the place of delivery. From this time forward the Goods shall be stored and insured for the account of and at the risk of the Buyer, and Buyer shall be responsible for all additional costs incurred as a result of such delay.

#### 15. Safety

Buyer shall employ and maintain any safety guards, controls, warning signs, and/or other safety devices and feature, and to provide all warnings and instructions reasonably required for the safety of persons within reasonable proximity and/or in use of the Goods. Buyer shall ensure all employees are fully aware of Seller's operating instructions for the Goods, and to comply with all laws and regulations of applicable governmental or other agencies with jurisdiction thereto, including but not limited to, the Occupational Safety and Health Act of 1970 ("OSHA"), as amended, and regulations promulgated pursuant thereto and any amendments with regard to the installation and use of the Goods thereto. Buyer shall refrain from any alterations or misuse of the Goods in any manner that may constitute a threat of danger to persons.

To the best of its knowledge, Seller shall comply with any applicable standards and/or requirements of legislation, regulations, or guidelines for the regulation or protection of occupational, environment, health or safety, which may have been enacted or promulgated in any jurisdiction.

SELLER EXPRESSLY DISCLAIMS ANY RESPONSIBILITY FOR ANY FAILURE TO COMPLY WITH ANY SUCH LEGISLATION, REGULATIONS OR GUIDELINES UNLESS EXPRESSLY AGREED TO BY SELLER IN A SEPARATE WRITING.

## 16. Acceptance of Goods

All Goods shall be accepted subject to the Buyer's rights of inspection, rejection, and revocation of acceptance pursuant to Article Two of the Uniform Commercial Code (the "UCC").

#### 17. Assignment

Neither this Agreement nor any interest hereunder shall be assigned or transferred by either party hereto without the prior written consent of the other party, except that the Seller may subcontract with Seller's customary practice. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors, legal representatives, and assigns of the parties hereto. **18. Waiver** 

Waiver by either party of any breach by the other party of any of the terms or provisions hereof shall not be deemed to be a waiver of breach on any other occasion of the same terms or provisions, or a waiver of breach of any other term or provision hereof.

## 19. Governing Law and Venue

This Agreement, its administration and performance and all rights, obligations, liabilities, and responsibilities of the parties hereto, shall be governed and interpreted in accordance with the laws of North Carolina giving effect to the conflict of law provisions thereto. The parties further consent to the exclusive personal jurisdiction of any applicable court in the city of Charlotte, in the county of Mecklenburg, North Carolina for any legal action or proceeding brought to enforce, construe or interpret these Terms and Conditions. Venue is proper only in the United States District Court of North Carolina. Each party hereto irrevocably submits to the jurisdiction of each court in each such action or proceeding.

TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, SELLER AND BUYER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO TRIAL BY JURY THAT SELLER OR BUYER MAY HAVE IN ANY ACTION OR PROCEEDING, IN LAW OR IN EQUITY, IN CONNECTION WITH THIS PURCHASE ORDER.

## 20. Security Interest

Seller reserves a purchase money security interest in the Goods, all additions and accessories thereto, and all replacements, products, and proceeds thereof to secure payment of the purchase price. Said security interest shall be retained until the purchase price is paid in full. Buyer agrees Seller has the right to file the Agreement or financing statements pursuant to the Uniform Commercial Code or other applicable law to evidence or perfect Seller's security interest in the Goods. Upon Seller's request, Buyer will join with Seller in the execution of such financing statements. Buyer further agrees Seller has the right to invoice Buyer and Buyer will pay all fees, taxes, and assessments associated with the filing of the Agreement or financing statements.

#### 21. Severability

If a court of competent jurisdiction holds any term or provision of this Agreement to be invalid or unenforceable, such provision or portion thereof shall be considered separate and apart from the remainder of the Agreement and the other provisions shall remain fully valid and enforceable.

#### 22. Modification

The terms of this Agreement may not be amended, modified, waived, superseded, or rescinded except by a writing signed by Seller's duly authorized representative.

#### 23. Entire Agreement

The Agreement, together with these Terms and Conditions and any attachments, manuals, guidelines, requirements, exhibits and supplements specifically reference therein, constitute the entire agreement between the Seller and the Buyer and supersedes any and all other prior contracts and undertakings, both written and oral, among the parties or any of them, with respect to the subject matter herein and, except as otherwise expressly provided herein, is not intended to confer upon any other person any rights or remedies hereunder.



# Exhibit A

# Warranty Administration Procedure -- IMPORTANT INFORMATION YOU SHOULD KNOW

# 1. Customer Assistance

PURPLAN USA, Inc. ("<u>PURPLAN</u>") is available to assist you with all your equipment needs. If you have questions or concerns, please call our Customer Service Team.

Service Contact: +1 980 585 2891

# 2. The Warranty Period

The warranty expires twelve (12) months from date of installation or eighteen (18) months from date of shipment to the Buyer, whichever comes first. In no event shall the warranty period exceed eighteen (18) months from the date of shipment.

# 3. Maintain Your Equipment

Proper equipment maintenance is the responsibility of the owner. PURPLAN recommends that you read your operation and maintenance manual for proper instructions. To insure proper procedure you are encouraged to maintain a maintenance log and to keep records in case a question arises as to whether a malfunction is caused by a defect in factory-supplied materials or workmanship or lack of proper maintenance.

# 4. Where To Go For Service

To obtain warranty repairs or service, PURPLAN recommends that you review the listed "non-warranty" items below then contact the Customer Service Team to request a return authorization package. We will, however, require the owner to:

- Issue a valid purchase order, identifying parts or service required.
- Provide with every request the serial number of the equipment and if applicable for the sub component in question.
- Describe in detail the failure or malfunction.
- With every item send under warranty PURPLAN will request a return shipment of the failed part in question.
   If the part is not received within instructed timeframe the full sales price for the provided spare part will be invoiced.
- After receipt of returned goods or completion of the service call, a complete evaluation will be performed and
  a warranty report will be created to document the findings. If the conditions of the warranty request are met
  no cost will be charged against the provide purchase order.

# 5. Non-Warranty Items

Non-Warranty items include all components and labor required for the replacement of wear items and parts, such as, seals, O-rings and fluids. Non-warranty components include, but are not limited to the following:

Seals for pumps, mix heads, agitators, rotary unions; Dynamic O-Rings; Brake or clutch linings; Lamps; Filter bags or elements; V-Belts; Piston seals; Cylinder seals; Fuses; Rupture discs; Electric brushes and contacts; Injector nozzles; Actuator seals; Bladders and diaphragms; Valves seats and seals; PLC-Batteries; "Chemglass" fabric mesh conveyor belt; etc.