

GENERAL TERMS AND CONDITIONS

1. **Shipment.** Buyer shall use all reasonable effort to promptly unload and return Seller's transportation equipment in good condition. Unless otherwise mutually agreed, shipment shall be F.O.B. Buyer's plant, in transportation equipment provided by Seller. Buyer shall empty at Buyer's sole risk and make ready for pick-up all transportation equipment within the time period specified in the applicable tariff or contract free of demurrage that may be charged by a terminal or carrier. Free time for railcar detention charge is seven (7) days from the time of actual delivery at Buyer's plant or terminal, as applicable, or from the time railroad carrier advises Buyer of immediate readiness for delivery. Buyer shall be charged by Seller \$50.00 per day for each railcar retained thereafter as a detention charge. If any railcar arrives at destination with damage, Buyer shall promptly notify the carrier and Seller.
2. **Weight Measurement; Certificates of Assurance.** Seller's or a carrier's certified weights (or Seller's measurements in case of the material sold by volume) taken at shipping points or a terminal shall govern concerning the quantity of PVC resin sold. Seller's Certificates of Assurance shall govern concerning compliance of the material with the specifications therefor.
3. **Title and Risk of Loss.** Title and risk of loss pass from Seller to Buyer as the transportation equipment containing the material arrives at Buyer's plant.
4. **Taxes, etc.** Any tax, fee or other governmental charge upon the production, sale and/or shipment of the material sold hereunder, now imposed by federal, state, municipal or any other governmental authorities or hereafter becoming effective for or during the period hereof, shall be added to the price herein provided, and shall be paid by Buyer.
5. **Force Majeure.** Neither Seller nor Buyer shall be liable for any delay or failure by it to make or take any shipments hereunder, if such delay or failure is caused by any event beyond its reasonable control, including, without limitation, Act of God, war, riot, fire, explosion, mechanical breakdown, strikes or other labor trouble, plant shutdown, unavailability of or interference with necessary transportation, any raw material or power, compliance with any law, regulation, order or other requirement of any governmental authority. Unless otherwise mutually agreed, the total quantity to be shipped shall be reduced by the quantity of the shipment or shipments so omitted. If by reason of any such circumstances, Seller's supply of the material herein specified shall be insufficient to meet all requirements, including its own, Seller shall have the right, at its option and without liability, to apportion its available sales supply among any and all purchasers, including Seller's affiliated divisions and companies, in such manner as Seller believes equitable. During the time when the demand for material exceeds Seller's supply, Seller may allocate its available supply of material among Seller's contract customers and Seller's and its affiliates' internal uses in such manner as Seller deems fair and reasonable. Such allocation shall not be deemed a breach of this Contract. It is not Seller's intent to unreasonably exercise this right of allocation or to give an unfair preference to Seller or its affiliates' internal uses.
6. **Credit.** If, in Seller's judgment, Buyer's credit shall become impaired at any time, all shipments hereunder shall be on cash-in-advance terms until such time as said credit has been reestablished to Seller's satisfaction.
7. **Past Due.** Any amount not paid when due hereunder shall bear interest at the maximum lawful rate until paid.
8. **Warranty.** SELLER WARRANTS ONLY THAT THE MATERIAL SOLD HEREUNDER WILL CONFORM TO THE WRITTEN PRODUCT SPECIFICATIONS FOR THE MATERIAL PUBLISHED BY SELLER FROM TIME TO TIME. SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE MATERIAL, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, BOTH OF WHICH ARE EXPRESSLY DISCLAIMED.
9. **Indemnity.** Buyer agrees to indemnify Seller and its affiliates from liability for damage to persons or property resulting from the use of said material in manufacturing processes, or in combination with other substances, or otherwise. Buyer represents to Seller that it has used its own independent skill and expertise in connection with the selection and use of the material purchased pursuant to this Contract, and that it possesses skill and expertise in handling, storage, transportation, treatment, use and disposal of this material.
10. **Prohibited Uses.** Buyer agrees that the material sold hereunder will be consumed by Buyer at the location(s) described in this Contract. Without limiting the foregoing, Buyer warrants that it shall not cause or permit the material purchased hereunder to be shipped directly or indirectly through or to, or to be resold, exchanged, bartered or otherwise supplied to, any country, government, governmental entity, company, or national thereof subject to U.S. trade sanctions, or to any country, government, governmental entity, company, or national thereof with whom U.S. persons are prohibited from trading or dealing with under U.S. law. Upon Seller's request, Buyer agrees to notify Seller of the final destination of the material sold to Buyer by Seller and to provide Seller with relevant documentation adequate to verify such destination. In the event that Buyer is in breach of any provisions of this undertaking, Seller shall be entitled to terminate this Contract immediately without any liability to Buyer, and Buyer shall hold Seller harmless and indemnify Seller from any damages, losses, inclusive of legal costs, costs, fines or penalties incurred by Seller, resulting from Buyer's breach.
11. **Limitation of Actions.** Claims on account of weight, loss of or damage to said material are waived by Buyer unless made in writing within ten (10) days after arrival thereof at destination, and any action for breach of this Contract, other than for nonpayment hereunder, must be commenced within one (1) year of the date of shipment, or due date of delivery in the event of nondelivery, of the particular shipment upon which such claim is based.
12. **Limitation on Buyer's Remedies.** In the event material sold hereunder does not conform to the specifications therefor, Buyer's remedy shall be limited to either a refund of the purchase price of the non-conforming material or, at Seller's option, the replacement of the non-conforming material with conforming material. In no event shall Seller be liable for special, incidental, indirect, consequential or punitive damages under the Contract, all of which are expressly waived by Buyer.
13. **Termination.**
 - (a) Either party may terminate this Contract by written notice to the other in either of the following events:
 - (1) The other party defaults in the performance of any of its obligations hereunder, and any such default continues for thirty (30) days after receipt of the default.
 - (2) The other party becomes insolvent, is dissolved, liquidated or becomes a party to a proceeding for bankruptcy or insolvency of such party or to any other similar proceeding, or transfers all or material portion of its business, assets or shares of capital stock, by agreement or by operation of law or otherwise.
 - (b) Termination of this Contract for any cause shall not relieve either party from any obligations accrued hereunder prior to such termination or from any liability to the other party for breach of this Contract.
14. **No Disclosure.** Except as may be compelled by a court or governmental agency of competent jurisdiction, or when written approval is given by the other party, neither party hereto will disclose the contents of this Contract to any third party with the exception of the portions of this Contract which must be disclosed in order to carry out the purpose of this Contract.
15. **Severability.** If any provision of this Contract, including any provision of the General Terms and Conditions, is held to be void, voidable or unenforceable by any court or governmental agency of competent jurisdiction, such holding shall not affect other provisions or the application or enforcement which can be given effect without the invalid provision. If such invalidity becomes known or apparent to Seller and to Buyer, they agree to negotiate promptly and in good faith to make appropriate changes to achieve the intent and spirit of the provision held to be invalid, consistent with applicable law.
16. **Governing Law.** This Contract shall be governed by the laws of the state of Texas, including without limitation the Texas Business and Commerce Code (Uniform Commercial Code).
17. **Entire Agreement.** This Contract, together with the General Terms and Conditions, shall constitute the entire agreement of Seller and Buyer with respect to the subject matter hereof and shall supersede all previous understandings, oral or written, between the parties with regard to this subject matter. No modification of this Contract shall be effected by any purchase orders, acknowledgments, shipping document or any other documents containing terms and conditions inconsistent with or in addition to those set forth in this Contract, unless Seller and Buyer specifically agree otherwise in writing.
18. **Assignability.** This Contract, and all rights incident thereto are for the benefit of Buyer and shall not be assignable to any third party, or to any successor or assignee of Buyer (by merger, consolidation, liquidation, operation of law, or otherwise), without the prior written consent of Seller. Seller shall have the right to terminate this Contract upon thirty (30) days written notice to Buyer in the event there is a change in ownership or managerial control of Buyer. In the event of a sale of any of Buyer's assets required for the production of PVC products, Buyer will notify Seller of such sale and the identity of the buyer, and if Seller elects, Buyer shall require the buyer of the assets to assume Buyer's obligations under this Contract or, in the case of a sale of less than all of the assets, Buyer, Seller and the new buyer shall bifurcate their respective obligations under this Contract accordingly.