

REAXIS INC. PURCHASE ORDER TERMS AND CONDITIONS

1. ACCEPTANCE AND ENTIRE CONTRACT. The Terms shall constitute the entire agreement between Reaxis Inc. ("**Reaxis**") and persons supplying to Reaxis Materials, products, and services ("**Vendor**") with respect to Materials, products, and services ("**Materials**") that are purchased by Reaxis from Vendor and shall supersede any sales order, acknowledgement, invoice, correspondence, other document, or oral communication delivered by Vendor. Vendor's commencement of work on the Materials or shipment of Materials to Reaxis, whichever occurs first, shall constitute its acceptance of the Terms. The Terms shall be continuing and apply to every Purchase Order submitted by Reaxis for the purchase of Materials from Vendor, submitted in written form. No modification of, addition to, or waiver of any of the Terms will be effective unless expressly agreed to by Reaxis in writing, and in no event, shall such modification, addition, or waiver affect any prior accrued rights of Reaxis. No modification shall be affected by the acknowledgement, receipt, or acceptance of any purchase order or other document containing different terms or conditions. No course of prior dealings or usage of trade shall be relevant to give meaning to, to supplement, or to qualify any of the Terms. Any proposal for additional or different terms or conditions, or any attempt by Vendor to vary any of the terms or conditions of any Purchase Order in Vendor's acceptance shall not operate as a modification or rejection of the Terms. If a Purchase Order shall be deemed an acceptance of a prior offer by Vendor, such acceptance is limited to acceptance of the express Terms. Any additional or different terms or conditions in the documents reflecting Vendor's prior offer are totally rejected.
2. DELIVERY AND RISK OF LOSS. The shipment date of the Materials shall be specified on the Purchase Order. Vendor shall notify Reaxis promptly of any conditions affecting the delivery date, and this notice shall be required for conditions affecting both late and early delivery. The specific quantity of Materials ordered must be delivered in full and may not be changed without Reaxis's prior written consent. Reaxis may accept or return deliveries which vary from the specified delivery date or quantities, except for previously authorized partial shipments. Any unauthorized quantity will be received, subject to Reaxis's rejection, and returned to Vendor at Vendor's risk and expense, including delivery charges both to and from the original destination. All prices are F.O.B. destination with freight prepaid by Vendor unless otherwise agreed upon in writing. Regardless of the delivery term specified in the Purchase Order, the risk of loss shall not pass until the specific quantities of the Materials ordered are received by Reaxis, or by a third party at Reaxis's direction, and until the Materials have been accepted by Reaxis in accordance with the terms of Paragraph 5. If Materials are received at their destination in a damaged condition when opened or placed in service, whichever is later and a claim for such damage is denied by the carrier on the basis that such damage was attributable to Vendor, Vendor shall replace or repair such damaged Materials at no cost to Reaxis as soon as commercially reasonable.
3. DELAYS. Time is of the essence in the performance of each Purchase Order. Reaxis is relying on timely performance by Vendor and will incur obligations to third parties in reliance upon timely performance by Vendor and may sustain substantial losses due to any failure of timely performance by Vendor. If delivery of the Materials is not completed within the time frame(s) specified in the Purchase Order, Reaxis reserves the right, without liability, in addition to all its other rights and remedies to charge Vendor for any overtime costs associated with late delivery of materials as well as the right to cancel the Purchase Order or remaining portion of undelivered Materials by notice effective when received by Vendor as to Materials not yet shipped. Vendor shall furnish to Reaxis as promptly as reasonably possible all available information regarding possible delays in the production or delivery of the Materials to be furnished, in written form.
4. PACKAGING AND IDENTIFICATION OF SHIPMENTS. Materials shall be packaged and shipped in accordance with good shipping practices, and Vendor shall be responsible for packing the Materials for shipment or storage in such manner as will ensure safe delivery to Reaxis. No charge shall be made by Vendor for packing, crating, boxing, shipping, or storage unless otherwise stated in the Purchase Order. If Reaxis does not specify the carrier and Reaxis is to be charged for shipping, Materials shall be packed in standard commercial containers capable of safe delivery to Reaxis and transported "best way". Packing slips must be included with all shipments. All items, packages, drums, cases, bundles, etc., or their respective containers, shall be marked with material code, UN number, description, and with Reaxis's Purchase Order number. Materials shall be adequately insulated and protected from impact and weather damage.
5. ACCEPTANCE AND INSPECTION. All Materials to be furnished shall be subject to inspection, test, and approval by Reaxis ("**Testing**"), and Reaxis will accept the Materials only after Testing has been made to determine that the Materials meet all the requirements of the Purchase Order as specifically set forth therein. If Testing shows the Materials or any part thereof not to be as specified in the Purchase Order, Reaxis may reject such Materials, and such Materials will be returned to Vendor at Vendor's risk and expense. Vendor will bear all costs of inspecting, replacing, or correcting any Materials furnished by Vendor which are properly rejected and returned to Vendor. If Vendor fails to replace or repair the rejected Materials, then Reaxis may have said Materials replaced or corrected and charge the additional costs incurred to Vendor in addition to any other remedies available to

it. Materials supplied in quantities that exceed those required by the Purchase Order may be refused and returned at Vendor's expense. If Materials are supplied in quantities that do not meet the requirements of the Purchase Order, Reaxis may either elect to accept the quantity delivered as fulfillment of the Purchase Order or Reaxis may require Vendor to deliver the balance of the Materials specified by this Purchase Order. Reaxis shall be allowed access to Vendor's facilities to inspect workmanship, perform quality audits, observe tests and inspection, expedite manufacture, and obtain required information relating to the Materials.

6. **MATERIALS.** Certificate of Analysis (COA) must be provided by Vendor, accompanying all raw material shipments ("**Materials**") and be emailed to Reaxis's Manager of Quality Control at quality@reaxis.com shelf life of the Materials must be listed on the COA. Safety Data Sheets (SDS) must be provided to Reaxis and resent promptly by Vendor if they are revised. All Materials delivery documentation, which includes the COA, packing list, and Bill of Lading, must reference Reaxis's Purchase Order, Supplier's lot number(s), and gross and net weights. All bulk tanker raw material orders must include a certified weight ticket with order documentation. Bulk tanker Materials orders are given a time for delivery and must arrive at that time. If they do not arrive within 15 minutes of their scheduled time, the next tanker will be moved up to offload and the late truck will offload thereafter. All Materials drum orders must be palletized and shrink wrapped prior to arrival. All Materials deliveries must comply with GHS labeling requirements. All LTL/FTL orders are to be received during Reaxis's receiving hours, McDonald facility 7am – 2pm Monday thru Friday, and Pittsburgh facility 7am – 2pm Monday thru Thursday, except for nationally recognized holidays. All Materials shipped to Reaxis must meet the agreed upon quality specifications as covered in Paragraph 5. The Purchasing Manager must be notified immediately in writing of any product changes to the Materials purchased including, but not limited to, formula, processing equipment, location, or specifications. A 30-day notification is required on all Materials price increases and is to be provided to the Purchasing Manager in writing.
7. **PAYMENT.** Unless otherwise negotiated, invoices shall be paid net within sixty (60) days after all Materials ordered have been received, inspected, and accepted at the destination or receipt of the invoice, whichever is later, and Reaxis does not waive the right to deduct any usual cash discount. For any portion of the Materials which does not conform to the requirements of the Purchase Order, a corresponding portion of the purchase price may, at Reaxis's option, be withheld until such nonconformance is corrected. Payment by Reaxis shall not forfeit Reaxis's right to inspect and accept the Materials and its documentation, nor shall the withholding of any payment or prorated portion thereof preclude Reaxis from pursuing any other rights or remedies it may have. All invoices shall include Reaxis's Purchase Order number and item/part number.
8. **PRICE.** Vendor agrees that the price charged for the Materials covered by the Purchase Order is not and will not be more than the lowest prices charged by Vendor to purchasers similar to Reaxis under conditions similar to those specified in this Purchase Order. The Purchase Order price for the Materials shall be inclusive of all applicable import/export duties, tariffs, excises, assessments, licenses, fees, and other charges whether imposed by any federal, state, local or foreign government or body imposed or increased on the sale, use, production, delivery, or transportation of the Materials whether or not such taxes are imposed upon Reaxis by law; provided, that each of the foregoing shall be separately itemized
9. **WARRANTIES.** (i) Vendor warrants that it has good title to the Materials to be furnished under each Purchase Order, free from any lien, security interest, or other encumbrance; that the Materials to be furnished will be in full conformity with all requirements of the Purchase Order including, but not limited to, the specifications submitted by Reaxis (and/or submitted to Reaxis by Vendor and accepted by Reaxis in writing) and any sample, design, or model from which Materials were ordered will be free from all defects, including defects in material, design, and workmanship and will be merchantable; and will be fit and sufficient for their intended use and purpose, including any special requirements of Reaxis which have been disclosed to Vendor. Vendor warrants that the Materials will be adequately labelled and will conform to statements of fact made on the containers and labels, and further warrants that the sale or use of the Materials to be furnished will not infringe upon or contribute to the infringement of any trademark, patent, or other intellectual property right or interest not properly possessed by Vendor. Any services to be provided as part of the Purchase Order shall be provided by duly licensed, insured, and trained workmen in an efficient and safe manner conforming to those standards generally accepted in the industry. Any exclusions of any such warranties by Vendor shall be void and of no effect. These warranties shall be in addition to all other express warranties given by Vendor to Reaxis. Vendor agrees that the foregoing warranties shall survive delivery of the Materials and will not be waived or in any way limited due to Reaxis's inspection, or acceptance or payment. (ii) Vendor shall, at its sole expense and promptly after written notification by Reaxis, correct or replace Materials not conforming to the above warranties. Reaxis shall have the right to use such defective Materials until they can be removed from operation for correction or replacement. In the event Reaxis incurs any costs as a result of such nonconforming Materials will be reimbursed to Reaxis by Vendor on demand. (iii) Vendor agrees to and shall indemnify, defend, and hold harmless Reaxis, its successors and assigns, and any of its or their agents and customers and the users of any Materials from any and all claims, actions, damages, losses, liabilities, costs, and expenses which may be asserted against or incurred or suffered by them by virtue of Vendor's breach of any of such warranties or representations; any product liability or similar claim based upon exposure to any Materials supplied by Vendor; any claim arising by reason of or incident to work performed on Reaxis's premises by Vendor's employees, agents, or other representatives; or any claim for infringement of any intellectual or proprietary right or interest and to pay any and all settlement amounts and judgments and decrees rendered against them or any of them as a result thereof; and to pay all costs and expenses incurred by them in defending any action brought against them including fees and expenses, expert witness fees, and expenses and court costs. If requested by Reaxis, Vendor will, at its own expense, defend any such action.
10. **CHANGES.** Reaxis reserves the right at any time to make changes in any one or more of the following: (i) methods of shipment

or packing; (ii) place of delivery; and (iii) time of delivery. Any claim by Vendor for adjustment under this paragraph shall be deemed to be waived unless promptly asserted by Vendor. No such change shall be binding on Reaxis unless evidenced by an amendment to the Terms which is issued and signed by Reaxis.

11. CANCELLATION. Reaxis reserves the right to cancel entirely or to reduce the quantity of Materials covered by the Purchase Order with or without cause by electronic transmission, or by mailing written notice of cancellation to Vendor specifying the extent of such cancellation. Vendor to confirm receipt of electronic transmission.
12. TERMINATION. At any time after the acceptance of the Purchase Order, Reaxis shall have the absolute right to terminate the Purchase Order, in whole or in part, without liability to Vendor whatsoever, upon the occurrence of a material breach of the Purchase Order by Vendor.
13. COMPLIANCE WITH LAWS. The Materials shall comply with the applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of legally constituted authorities in effect as of the date of acceptance ("Laws"). Vendor represents that it has complied and, in filling the Purchase Order, will continue to comply with the provisions of all Laws including those relating to labor relations, hazardous materials, or other environmental matters, minimum wages, maximum hours of employment, and equal employment opportunity and will refrain from any violation as a result of which liability may accrue to Reaxis and agrees to furnish Reaxis with a certificate to such effect and in such form as Reaxis may from time to time require. Vendor expressly warrants that the Materials to be furnished under the Purchase Order will comply with the Fair Labor Standards Act of 1938, the Civil Rights Act of 1964, the Toxic Substances Control Act, and the Occupational Safety and Health Act of 1970, as amended, and the rules and regulations thereunder, and Vendor agrees to give Reaxis all compliance certificates, notices, and reports as may be required or reasonably appropriate in connection therewith and to appropriately label all Materials in the manner required by all such applicable laws. Vendor agrees to furnish Reaxis with a Material Safety Data Sheet regarding the Materials and the relevant ingredients thereof being supplied pursuant to the Purchase Order and any other disclosures required by Laws. Reaxis affirms and advises Vendor that it purchases goods and services solely based on quality, price, delivery, and service, and Vendor acknowledges its understanding of the same. Vendor warrants that it complies with applicable statutes, Executive Orders, rules, and regulations requiring equal opportunities in employment without regard to race, color, religion, sex, age, or national origin and to employ and advance qualified disabled veterans, handicapped persons, and Vietnam-era veterans.
14. GOVERNING LAW AND JURISDICTION. The terms and conditions hereof should be incorporated in each Purchase Order and shall be deemed to be between merchants, and all issues arising in connection with the Purchase Order shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania. Any actions, claims, or suits (whether brought in law or equity) arising out of or under the Purchase Order or the alleged breach thereof, shall be brought only in federal or state courts located in the counties of Allegheny or Washington, Commonwealth of Pennsylvania, and Vendor hereby waives its rights, if any, to bring such actions, claims, or suits in any other courts. The parties hereby irrevocably submit themselves to the jurisdiction of such courts for the enforcement of this provision and for the enforcement of any judgment rendered by such courts. If any action, claim, or suit is brought by Reaxis against Vendor hereunder, and the Vendor is not otherwise subject to service of process in Pennsylvania, Vendor agrees to and does hereby irrevocably appoint the Secretary of the Commonwealth of Pennsylvania as Vendor's agent for the acceptance of service of process therein, and a copy of such process shall be mailed by Reaxis to Vendor at Vendor's last known address. In any such action the prevailing party shall be entitled from the party all of its costs and expenses including reasonable attorney fees.
15. PROTECTION OF PROPRIETARY INTERESTS. Vendor hereby acknowledges that all material and information, including any laboratory, formulation, marketing, or application technology or other information which has or will come into its possession or knowledge regarding the Purchase Order or the performance hereof, consists of confidential and proprietary data whose use by or disclosure to third parties may be damaging to Reaxis. Vendor therefore agrees to hold such material and information in the strictest confidence, not to make use thereof other than for the performance of the Purchase Order, to release it only to employees requiring such information, and not to release or disclose it to any other party. Vendor will provide for confidentiality from all subcontractors and vendors. All foregoing restrictions shall survive, without limitation, any termination of any Purchase Order. Any material and information which Vendor elects to disclose to Reaxis regarding its products or methods of manufacture during negotiating or performing this Purchase Order may be utilized by Reaxis, unless otherwise agreed in writing. All such information is subject to the Uniform Trade Secrets act and its remedies.
16. AUDIT. The Purchase Order and all payments received hereunder shall be subject to audit by Reaxis or any authorized representatives acting on Reaxis's behalf. Vendor shall comply with all reasonable requests by Reaxis in this regard and shall provide all records and information as requested by Reaxis.
17. BANKRUPTCY OR INSOLVENCY. The Vendor shall promptly notify Reaxis in writing of the filing of any voluntary or involuntary petition for bankruptcy and/or of any insolvency of the Vendor or any of its subcontractors or suppliers. If Vendor enters any voluntary or involuntary receivership bankruptcy or insolvency proceedings, the Purchase Order may be immediately cancelled by Reaxis.
18. NON-WAIVER. The rights, powers, privileges, and remedies of Reaxis herein reserved shall be cumulative and in addition to any other or further rights, powers, privileges, and remedies including those contained in the Pennsylvania Uniform Commercial Code. Reaxis shall have the maximum period provided by law within which to pursue any remedy. The failure of Reaxis to enforce any of the terms and conditions or to exercise any right or privilege in this Purchase Order shall not be construed as a

waiver of any such terms and conditions or right or privilege, and the same shall continue and remain in force and effect as if no such failure to enforce or exercise had occurred. No waiver by Reaxis shall be valid unless expressly stated to be a written waiver in an amendment hereto.

19. ASSIGNMENT. No right or interest in any Purchase Order shall be assigned by Vendor without the prior written permission of Reaxis and no delegation of any obligation owed by Vendor shall be made without the prior written permission of Reaxis. Any such attempted assignment or delegation shall be wholly void and totally ineffective. Consent shall not relieve Vendor from its obligations under this Purchase Agreement.
20. NOTICES. Any notice pertaining to any Purchase Order shall be given to Reaxis or to Vendor as appropriate at their respective addresses appearing on this Purchase Order, which notice may be given in written form and confirmed in writing and sent by registered or certified mail, postage prepaid.
21. SEVERABILITY. If any provision is determined to be illegal or unenforceable, it shall not affect the enforceability of any other provision of the Terms or of any Purchase Order.
22. ENTIRE AGREEMENT. This Purchase Order contains the entire agreement and understanding between Reaxis and the Vendor as to the subject matter of this Purchase Order and supersedes all prior agreements, commitments, representations, and discussions between Reaxis and the Vendor pertaining to any Purchase Order. The attempted modification or amendment of any Purchase Order will not be binding on Reaxis unless such modification or amendment is agreed to by Reaxis in writing.