

TERMS AND CONDITIONS – TP INDUSTRIAL YARNS USA INC.

The following Terms and Conditions apply to any sales of any goods made or provided by TP Industrial Yarns USA Inc. ("TP Industrial") to its customer ("Customer"). No other terms and conditions are effective unless expressly agreed to in writing by TP Industrial through its authorized representative.

1. **Quotations.** Any quote provided to Customer for TP Industrial's goods or services shall be deemed an invitation to make an offer and TP Industrial shall be under no obligation, contractual or otherwise, by issuing such quote. Any quote shall expire on the date set forth therein or, if earlier, when the goods or services for which the quote relates are no longer available.

2. **Acceptance of Orders.** TP Industrial reserves the right to accept or reject any order and shall not be required to give any reason for non-acceptance. If cash payment with order is made by check, cashing or depositing the same shall not be considered as an acceptance of the order. TP Industrial's acceptance of all orders and all offers, and all sales by TP Industrial, are subject to and expressly conditioned upon the Customer's assent to these Terms and Conditions. Customer's acceptance of any offer by TP Industrial must be made on such terms and conditions exactly as offered by TP Industrial. Any terms and conditions proposed by the Customer which are different from or in addition to those contained in this agreement are objected to by TP Industrial and shall be of no effect. Commencement of performance or shipment shall not be construed as acceptance of any terms and conditions which are different from or in addition to those contained in this agreement.

3. **Payment Terms.** Unless otherwise expressly agreed to by TP Industrial, payment must be made within 30 days after invoice, in the currency specified on the invoice. TP Industrial may, in its sole discretion, offer Customer other payment terms. However, TP Industrial reserves the right to terminate such alternate payment terms and/or to require up to full payment in advance or COD terms on any Customer or any account at any time. Customer has no right of offset against amounts owed to TP Industrial.

4. **Price Adjustment Clause.** TP Industrial reserves the right to increase, between the date of acceptance of order and the date of shipment of the goods, any price or change in the order to take account of, among other things, increases in the cost of labor or materials, fluctuations in the value of currency, or other factors beyond TP Industrial's reasonable control and affecting all or any part of an order. If, by operation of this paragraph, the proposed price increase would result in an increase equal to or greater than 10% of the original sale price, Customer may terminate this agreement, unless TP Industrial agrees to supply the goods on the original terms.

5. **Delinquent Accounts.** Any invoice not fully paid by the due date set forth therein shall be delinquent and subject to payment of 1% interest per month or the maximum legal limit, whichever is higher. TP Industrial may refuse to ship goods to any Customer having a delinquent account. Where Customer has tendered less than the full amount due, TP Industrial may apply such payment or payments to the principal balance on any open invoice, or to interest due, in TP Industrial's sole discretion. Customer shall be liable to TP Industrial for all costs and expenses, including attorney's fees, incurred by TP Industrial in the collection of any sum owed on any delinquent account.

6. **Time of Delivery.** TP Industrial shall endeavor to meet any delivery date specified in the parties' contract. However, TP Industrial will not be liable for failure to meet a specified delivery date. Where delivery is to be in installments, each installment shall be deemed to be sold under a separate contract. Defective deliveries of one or more installments shall not entitle the customer to repudiate the contract with regard to any remaining installments.

7. **Retention of Title.** TP Industrial shall retain ownership of and title to all goods sold until all obligations of Customer are paid in full and discharged. If Customer fails to pay any note, order, or installment when due, all other unpaid notes, orders, or installments shall become due and payable immediately and TP Industrial shall have the right to take possession of the goods wheresoever they may be situated. Customer does hereby grant to TP Industrial a security interest in the goods and agrees to execute such additional security agreements or documents as may be required by TP Industrial to perfect the lien granted herein. For any goods to which TP Industrial retains title under this paragraph: (i) Customer agrees to insure the goods against damage or loss up to their full value; (ii) Customer agrees to take reasonable care to safeguard the condition of the goods; and (iii) Customer agrees that it will not permit any security interest, lien, or other encumbrance to attach to the goods. If, prior to transfer of ownership and title, any third-party informs Customer that it claims rights in the goods, Customer shall promptly notify TP Industrial of such claim.

8. **Risk of Loss.** In the case of shipments, TP Industrial's responsibility ceases, and risk of loss passes, upon delivery of the goods to carrier at the shipping point. In all other cases, risk of loss passes to Customer when the goods are delivered to Customer.

9. **Taxes.** All sales tax, excise taxes, or other forms of taxes levied as the result of the sale of the goods shall be the responsibility of Customer. If Customer qualifies for any lawful exemption from any sales tax imposed by applicable law, Customer shall provide TP Industrial with an exemption certificate or other documentation satisfactory to TP Industrial to establish Customer's exemption.

10. **Delivery and Acceptance of the Goods.** Customer agrees to accept the goods at the date and time made available to Customer by TP Industrial. If Customer fails to accept delivery of the goods or fails to provide information, including instructions, necessary to make proper delivery of the goods, then TP Industrial may store the goods at the expense and risk of the Customer, until the goods can be delivered. The Customer shall inspect the goods immediately on delivery thereof and shall within fourteen (14) days after delivery give notice to TP Industrial of any matter or thing by reason whereof the Customer may allege that the goods are non-conforming. If Customer fails to give timely notice of non-conformance, the goods shall be deemed to be in all respects conforming and the Customer shall be deemed to have accepted the goods.

11. **Implementation.** Should TP Industrial reasonably require information from Customer for implementation of this agreement, TP Industrial's obligations under this agreement shall not commence until the Customer has provided the required information. TP Industrial may implement this agreement in stages, postponing performance of a later stage until after the Customer has approved performance of prior stages. In the event that TP Industrial performs its obligations in stages, it may invoice the Customer for each stage. If, during implementation, some modification in the performance of this agreement shall be reasonably required, Customer and TP Industrial will act in good faith to adjust the agreement, along with any corresponding change in price and time for completion.

12. **Termination.** TP Industrial may (in its sole discretion) terminate or suspend this agreement if: (i) Customer is in breach of the terms of this agreement; (ii) Customer fails to give adequate assurance of due performance when reasonable grounds for insecurity arise with respect to Customer's performance; (iii) Customer's action, inaction, or delay frustrates or renders impossible TP Industrial's ability to perform its obligations under this agreement; or (iv) Customer files (or suffers the filing of) a bankruptcy petition, a petition for the appointment of a receiver for its property, or an assignment for the benefit of its creditors. In the event of termination for any of the foregoing reasons, TP Industrial shall not be liable to Customer for any loss or damage of any type, actual, incidental, consequential, or punitive. In the event that Customer terminates a fully or partially placed order, Customer shall be liable to TP Industrial for all damages allowed by law.

13. **Limited Warranty.** All TP Industrial manufactured goods are provided with a 30 day warranty on materials and workmanship only. This Limited Warranty is expressly contingent upon proper operation of the goods in accordance with TP Industrial's instructions. This Limited Warranty shall not apply to any goods, including components, sold by TP Industrial that TP Industrial did not manufacture. For any component covered by the warranty of any third-party manufacturer, TP Industrial will transfer to Customer whatever transferable warranties TP Industrial receives from the manufacturer of the component, without adoption thereof by TP Industrial. Unless otherwise restricted by mandatory applicable law, THE WARRANTY SET FORTH HEREIN IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES OF MERCHANTABILITY, QUALITY AND FITNESS FOR USE AND FOR PURPOSE, ANY ADVICE AND RECOMMENDATION AND ANY OBLIGATIONS OR LIABILITIES WHICH MAY BE IMPUTED TO TP INDUSTRIAL, ANY AND ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED, DENIED AND EXCLUDED. NO WARRANTY IS MADE WITH RESPECT TO ANY OF THESE GOODS WHICH HAVE BEEN SUBJECT TO ACCIDENT, NEGLIGENCE, ALTERATION, IMPROPER CARE, IMPROPER STORAGE, IMPROPER MAINTENANCE, ABUSE OR MISUSE.

14. **Limitation of Liability.** TP Industrial's sole liability under this agreement for defective goods shall be for the replacement or repair of the goods. TP Industrial shall not be held liable or responsible for any damages, whether on account of personal injuries or otherwise, suffered or sustained in the operation of the goods, nor for any damages resulting to the Customer by reason of any delays or any alleged failure of the goods to operate. TP Industrial shall not be liable for any damages arising out of inaccurate information provided to TP Industrial in relation to the goods. Customer agrees that in no event shall TP Industrial be liable for any incidental, punitive, exemplary, indirect or consequential damages (including lost profits) as a result of any act or omission by TP Industrial or as a result of any delay in performance by TP Industrial.

15. **Intellectual Property Rights.** All property and intellectual property rights in all materials, inventions, discoveries, processes, formulae, solutions, improvements, designs, models, prototypes and devices of any nature vests in and shall remain with TP Industrial.

16. **Waiver.** No waiver by TP Industrial of any of the provisions of this agreement is effective unless explicitly set forth in a writing that specifically references these Terms and Conditions and is signed by TP Industrial. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

17. **Force Majeure.** This order when accepted by TP Industrial shall become a binding contract but shall be subject to strikes, lockouts, accidents, fire, delays in manufacturing or transportation, acts of God, embargoes, or governmental action or any other causes beyond the control of TP Industrial whether the same is, or different from, the matters and things hereinbefore specifically enumerated, and any of said causes shall absolutely absolve TP Industrial from any liability to the Customer under the terms hereof. If a force majeure event occurs, TP Industrial may elect, in its discretion, to suspend performance of its obligations for so long as the force majeure continues, for a period up to two (2) months. If TP Industrial has partially fulfilled its responsibilities under this agreement as of the time of the force majeure event, then TP Industrial shall be entitled to invoice the Customer for such performance to date.

18. **Indemnification.** Customer shall indemnify, defend and hold harmless TP Industrial, its affiliates, officers, directors, employees, agents and representatives from and against any and all losses, liabilities, claims, damages, actions, fines, penalties, expenses or costs (including court costs and reasonable attorneys' fees) suffered or incurred by TP Industrial relating to any claim of a third party arising from or in connection with Customer's negligence or misconduct.

19. **Choice of Law.** This agreement is made and performed in the State of North Carolina. This agreement, and any dispute arising out of this agreement, shall be governed by the laws of the State of North Carolina, without regard to its choice of law rules. The United Nations Convention on the International Sale of Goods shall not apply.

20. **Costs and Attorneys' Fees.** In the event Customer shall default in any obligation of this agreement, or any note, contract, security agreement, or other document executed and delivered in accordance with the terms and conditions hereof, TP Industrial shall be entitled to recover from Customer all costs incurred in enforcement of this agreement including, without limitation, the reasonable attorneys' fees incurred by TP Industrial in the enforcement hereof.