## ADDITIONAL TERMS AND CONDITIONS OF PURCHASE ORDER

- 1. **TERMS** The relationship between any seller or vendor as described in any sales instruments or agreements entered (collectively "Seller") with Crescent Plastics, Inc., Cresline-Northwest, LLC, Cresline Plastic Pipe Co., Inc., Cresline-West, Inc., S Properties, LLC and Wabash Plastics, Inc. and their affiliated and related companies, subsidiaries, officers, directors, employees and agents (collectively "Buyer") for the purchase of any goods, materials, merchandise, services, items or products (collectively "Goods") covered thereby is conditioned upon the terms and conditions contained in this instrument, and Buyer's purchase order, subsequent purchase orders and material schedules, as they may be amended and supplemented from time to time (collectively "Agreement"). Any additional or different terms or conditions proposed by Seller are objected to and will not be binding upon nor of force or effect on Buyer unless specifically accepted in writing and signed by an authorized representative of the Buyer.
- 2. TRANSPORTATION AND OTHER CHARGES No charges of any kind, including but not limited to, taxes and expenses incurred for boxing, cartage or insurance, will be allowed unless specifically agreed to by Buyer in writing. Prices will cover net weight of material, unless otherwise specified herein. Transportation charges for Goods ordered delivered destination shall be prepaid. Seller assumes all risk of loss and liability arising out of or related to the transportation of the Goods to Buyer, including but not limited to any and all liability for environmental contamination or damages occurring during said transportation. SELLER SHALL PROMPTLY RESPOND TO ANY SUCH CONTAMINATION, AND IF SELLER FAILS TO PROMPTLY RESPOND, BUYER MAY TAKE WHATEVER ACTION IS NECESSARY TO PROTECT ITS INTERESTS AND SELLER SHALL FULLY INDEMNIFY AND HOLD BUYER HARMLESS FOR THE COSTS AND EXPENSES THEREOF.
- **3. BUYER'S COMMITMENT** Buyer is not committed to purchase any goods specified in this Agreement except for such quantity as may be specified in a material schedule issued hereunder by Buyer. Such material schedule may at Buyer's discretion either be set forth on a purchase order or on a separate material schedule form, which is incorporated herein by reference.
- 4. BUYER'S MATERIAL SCHEDULE. Unless otherwise specifically agreed to in writing by Buyer, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Buyer's material schedule. It is Seller's responsibility to comply in all respects with such material schedule by causing timely shipment of the proper quantity of goods. Goods shipped to Buyer in advance of schedule as well as shipments exceeding or otherwise varying from the agreed quantities may at Buyer's election be returned to Seller at Seller's expense.
- 5. DELAYS If Seller does not substantially comply with Buyer's schedule, Buyer, in addition to such other rights, remedies and choices as it may have by contract or by law, may at its sole option either submit a revised material schedule or terminate this Agreement without liability to Seller therefore; provided however, neither Seller nor Buyer shall be liable for any delay or failure to perform its respective obligations, which delay or failure results directly or indirectly from any act of God, fire,

flood, earthquake, tornado, hurricane, labor dispute, act of war or terrorism. If Buyer, because of Seller delay, submits a revised material schedule which provides, or if Buyer otherwise directs, that Seller ship by a method other than that indicated on the face of this Agreement, Seller will pay any additional transportation charges incurred as a result thereof.

- 6. **REJECTIONS** All purchases are subject to inspection and rejection notwithstanding prior payment. If any of the Goods ordered are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of this Agreement and/or Buyer's material schedule, including any applicable drawings and specifications, Buyer, in addition to such other rights, remedies and choices as it may have by contract or by law, at its option and sole discretion may: (a) reject and return such Goods at Seller's expense for transportation both ways and all related labor and packing costs and Seller will promptly refund to Buyer all prior payments received by Buyer; (b) require Seller at its sole expense to replace the rejected goods to a revised material schedule submitted by Buyer; or (c) require Seller to inspect the goods and remove and replace nonconforming goods with goods that conform to this Agreement. If Buyer elects option (c) above and Seller fails to promptly make the necessary inspection, removal and replacement, Buyer may at its option inspect and sort the goods. Seller shall pay the costs thereof.
- 7. BUYER'S PROPERTY Unless otherwise agreed to in writing by Buyer, all tools, equipment and material furnished to Seller by Buyer or paid for by Buyer, as well as replacements therefor and attachments thereto, shall be and remain the property of Buyer. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of Buyer Plastic Pipe Co., Inc." shall be safely stored separate and apart from Seller's property and shall be properly maintained by Seller at its expense under conditions of normal wear, Seller shall not substitute any other property for Buyer's property and shall not use Buyer's property except in filling Buyer's order. Such property, while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller, at Seller's expense in an amount equal to the replacement cost with loss payable to Buyer and shall be subject to inspection by Buyer upon reasonable notice and to removal at Buyer's written direction. In which event Seller shall prepare it for shipment and shall redeliver it to Buyer in the same condition as originally received or manufactured by Seller, reasonable wear and tear excepted.
- 8. CHANGES Seller shall not make any changes in the specifications physical composition of, or processes used to manufacture the goods hereunder without Buyer's prior written consent. However, Buyer shall have the right to make changes of any kind (including quantity) in this Agreement and/or in Buyer's material schedule. If such changes affect delivery or the amount to be paid by Buyer, Seller shall immediately notify Buyer in writing and negotiate an adjustment. If any quantity ordered and covered by this Agreement and/or Buyer's material schedule is decreased or canceled by Buyer, it shall be Seller's responsibility to make every effort to minimize charges, including but not by way of limitation, diverting material for other uses. In no event shall any cancellation charges apply if they are received by Buyer more than 30 days after Buyer's notice to Seller or any quantity reduction or cancellation or if they result from Seller's noncompliance with any of the provisions of either this Agreement

and/or Buyer's material schedule. All cancellation charges shall be the subject of negotiation.

- **9. NON-ASSIGNMENT** Seller shall not assign this Agreement any interest therein, any right or obligation created thereby or any payment due or to become due thereunder without Buyer's written consent. Any attempt by Seller to make such assignment shall be null and void and any such assignment by operation of law shall give Buyer the option to terminate the order without further liability. Seller shall remain fully liable and responsible for all obligations imposed under the terms and conditions of this Agreement regardless of any such assignment.
- **10. SET-OFF** Buyer shall have the right at all times to set off any amount owing from Seller to Buyer, any component of Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with this Agreement and/or Buyer's material schedule.
- **11. COMPLIANCE WITH LAWS** Seller agrees, represents and warrants as follows:
  - (a) To comply with the applicable provision of any federal, state or local law or ordinance and all orders, rules and regulations issued thereunder, and any provisions, representations, or agreements, required thereby to be included in the contract resulting from acceptance of this Agreement, including but not limited to, clauses dealing with Equal Opportunity, employment of veterans, employment of handicapped, and utilization of minority business enterprises, and such requirements are incorporated herein by reference;
  - (b) To assure all hazardous materials contained in the Goods are properly labeled and an applicable material safety data sheet has been submitted to Buyer, in accordance with all federal, state or local environmental laws and, including but not limited to OSHA;
  - (c) To assure that each chemical substance constituting or contained in goods sold or otherwise transferred to Buyer hereunder which is required or permitted to be reported for the inventory of chemical substances published by EPA pursuant to the Toxic Substances Control Act is as of the time of sale or transfer on the list of such substances published by the Administrator of EPA; and
  - (d) To assure the Goods covered by this Agreement meet or exceed the Safety Standards established and promulgated under the Federal Occupational Safety & Health Law (Public Law 91-596) and its regulations in effect or proposed as of the date of this Agreement.
- 12. CERTIFICATIONS Seller, in accepting this Agreement, represents and warrants that the goods furnished hereunder were or will be produced in compliance with all applicable requirements of the Fair Labor Standards Act, as amended. Seller shall insert a certification on all invoices submitted in connection with this Agreement stating that the goods were produced in accordance with foregoing representation. By accepting or performing this Agreement and/or Buyer's material schedule, Seller certifies that it does not and will not maintain segregated facilities or permit its employees to perform services at any location under its contract where segregated facilities are maintained, and that it will obtain a similar certification prior to the award of any subcontract.

## 13. CONFIDENTIAL OR PROPRIETARY INFORMATION -

Any knowledge or information which the Seller shall have disclosed or may hereafter disclose to the Buyer, and which in any way relates to the Goods covered by this Agreement and/or Buyer's material schedule, shall not, unless otherwise specifically agreed to in writing by the Buyer, be deemed to be confidential or proprietary information, and shall be acquired by Buyer free from any restrictions (other than a claim for patent infringement) as part of the consideration for this Agreement and or/ Buyer's material schedule. All technical and other information obtained or learned by Seller as a result of this Buyer/Seller relationship and all technical and other information furnished by Buyer and Seller shall remain Buyer's property and, unless otherwise consented to in writing signed by Buyer's representative, shall be used only for performance of the work under this Agreement. Seller agrees to hold in confidence all any and all data, designs, drawings, specifications, methods, processes, techniques, projects, operations, services, trade secrets, marketing, business, technical, or financial information, business records and plans, financial statements and information, customer lists and records, computer programs, receipts and expenditures, know-how, patents and patent lists, referral sources, vendors, management activities, formulas, test results, sales figures, employee names, accounting, pricing, salary information, business plans and strategies, negotiations of contracts, inventories and discoveries, mailing lists and/or any other information related to the operation of the Buyer's businesses and business of all related entities of Buyer and disclosed to Seller as a result of this Agreement. Until such information has been published or disclosed to the general public, Seller agrees not to use such information for itself or others, or to disclose such information to others, and then only with Buyer's written consent.

- **14. WARRANTIES** In addition to all other warranties provided by law, Seller warrants as follows:
  - (a) That all Goods sold hereunder or pursuant hereto will be free of any claim of any nature by any third person and that Seller will convey clear title thereto to Buyer as provided hereunder; and
  - (b) That all Goods sold hereunder or pursuant hereto will be of merchantable quality free from all defects in design, workmanship and materials, and will be fit for the particular purposes for which they are purchased and that the Goods are provided in strict accordance with the highest professional standards, the specifications and/or the samples, drawings, designs or other requirements (including performance specifications) approved or adopted by Buyer.

The warranties contained in this Section shall be in addition to and shall not be construed as restricting or limiting any warranties or remedies of Buyer, express or implied, which are provided by contract or law, including, but not limited to, the warranties and remedies contained in the Uniform Commercial Code. Any attempt by Seller to limit, disclaim or restrict any such warranties or remedies of Buyer, by acknowledgment or otherwise, in accepting or performing this Agreement and/or Buyer's material schedule shall be null, void and ineffective without Buyer's written consent.

**15. PATENTS** - Seller shall defend any suit or proceeding brought against Buyer or its customers so far as based on a claim that any article or apparatus, or any part thereof constituting goods furnished under this Agreement and/or Buyer's material schedule, as well as any device or process necessarily resulting from the use thereof constitutes an infringement of any patent of the United States, if notified promptly in writing and given authority,

information and assistance (at Seller's expense) for the defense of same, and Seller shall pay all damages and costs awarded therein. In case said article or apparatus, any part thereof, of any device or process necessarily resulting from the use thereof is in such suit held to constitute infringement and the use of said article or apparatus, part or device is enjoined, Seller shall, at its own expense and at its own option, either procure for Buyer the right to continue using said article or apparatus, part or device; or replace same with a non-infringing article or apparatus; or modify it so it becomes non-infringing, or remove said article or apparatus and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability between Seller and Buyer with respect to patent infringement involving said article or apparatus or any part thereof.

**16. INDEMNIFICATION - TO THE FULLEST EXTENT** PERMITTED BY LAW, SELLER SHALL DEFEND, INDEMNIFY AND HOLD BUYER HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, CONTROVERSIES, LIABILITIES, FINES, REGULATORY ACTIONS, LOSSES, COSTS, EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES. EXPERT WITNESS EXPENSES AND LITIGATION EXPENSES, ARISING FROM OR IN CONNECTION WITH ANY DAMAGE, ENVIRONMENTAL LIABILITY, PATENT OR INTELLECTUAL PROPERTY INFRINGEMENT, INJURY, DEATH, LOSS, PROPERTY DAMAGE, DELAY OR FAILURE IN DELIVERY OF THE GOODS, RELATING TO THIS AGREEMENT, BUYER'S MATERIAL SCHEDULE, THE BUSINESS RELATIONSHIP BETWEEN THE PARTIES, TRANSPORTATION OF THE GOODS BY THE SELLER OR A THIRD PARTY CARRIER, OR THE GOODS PROVIDED HEREUNDER. WHETHER BASED IN COMMON LAW. TORT, CONTRACT, STATUTE, INCLUDING ANY AND ALL FEDERAL, STATE OR LOCAL LAWS, OR OTHERWISE (COLLECTIVELY "CLAIMS"), AND REGARDLESS OF WHETHER DIRECTLY OR INDIRECTLY RELATED TO ANY ACTION OR FAILURE TO ACT BY SELLER, OR ITS REPRESENTATIVES, AGENTS, EMPLOYEES OR SUPPLIERS. HOWEVER, SELLER MAY NOT BE OBLIGATED TO INDEMNIFY BUYER FOR THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF BUYER WHERE SUCH INDEMNIFICATION IS CONTRARY TO LAW. IN ANY AND EVERY CLAIM AGAINST BUYER BY ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY SELLER, THE INDEMNIFICATION OBLIGATION UNDER THIS PARAGRAPH MAY NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE UNDER WORKERS' OR WORKMEN'S COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE FOR OR HAVE ANY DUTY FOR INDEMNIFICATION OR CONTRIBUTION TO THE OTHER PARTY FOR ANY CLAIMS FOR STATUTORY OR COMMON LAW INDIRECT, EXEMPLARY, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, TREBLE OR LIQUIDATED DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE) SUCH AS, BUT NOT LIMITED TO, LOSS OF USE, REVENUE, PROFIT, BUSINESS OPPORTUNITIES AND THE LIKE, DEPRECIATION OR DIMINUTION IN VALUE, EVEN IF THE PARTY HAD BEEN ADVISED, OR KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

- **17. INSURANCE**. Seller will maintain and upon request will provide evidence of such public liability, property damage and employee's liability and worker's compensation insurance as Buyer may from time to time determine to be adequate to protect Buyer and against the above claims and any claims under applicable workmen's compensation and occupational disease laws.
- 18. INSOLVENCY Seller shall promptly notify Buyer if Seller decides or is forced to cease its operations or discontinue the manufacture or supply of the Goods, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or receiver for Seller is appointed or applied for or an assignment for the benefit of creditors is made by Seller. In such event, Buyer may, at its sole option, terminate this Agreement and/or Buyer's material schedule without liability except for previously delivered Goods and/or modify this Agreement and/or Buyer's Material schedule to acquire additional Goods from Seller to meet Buyer's needs for such Goods. Termination by Buyer under this Paragraph 18 does not in any way limit any other rights or remedies which Buyer may have
- **19. MODIFICATION OR WAIVER** Except as provided herein to the contrary, the terms of this Agreement cannot be rescinded, modified or waived except in writing, signed by an authorized representative of the Buyer. No substitutions, modifications or variations of this Agreement and/or Buyer's material schedule or of any of their terms and conditions shall be effective without prior written approval of Buyer.

## 20. FOREIGN PURCHASES -

(a) If the purchase order indicates Buyer is Importer of Record, the following applies to all transactions involving imported goods (20(b) does not apply):

**ANTI-DUMPING** - Seller warrants that all sales made hereunder are or will be made at not less than fair value under the United States anti-dumping laws, and Seller will indemnify, defend and hold Buyer harmless from and against any costs or expenses (including but not limited to any antidumping duties which may be imposed), arising out of or in connection with any breach of this warranty.

(b) If the purchase order indicates Seller is Importer of Record, the following apply to all transactions involving imported goods (20(a) does not apply):

**IMPORTER OF RECORD** - Seller agrees that Buyer will not be a party to the importation of the goods, that the transaction(s) represented by this Agreement will be consummated subsequent to importation, and that Seller will neither cause nor permit Buyer's name to be shown as "importer of record" on any customs declaration.

**DRAWBACK** - Upon request and where applicable, Seller will provide Buyer appropriate Customs Forms entitled "Certificate of Delivery" properly executed.

- **21. TAXES -** The Goods sold pursuant to this Agreement are not customarily subject to sales or use taxes. Unless otherwise agreed to in writing, signed by the parties hereto, Seller shall pay any and all taxes on the Goods.
- 22. NON-COLLUSION Seller declares that with respect to Buyer's business, no purchasing employee, or relative of a purchasing employee: a) has any financial interest in, or will derive any direct or indirect benefit from this or any other instrument or b) is an employee, officer, director, consultant, supplier or in any way involved in any business relationship with the Seller except as an

ordinary purchaser in the regular course of the Seller's business. Should any such interest exist, the Seller must immediately make this fact known to Buyer.

- **23. INSPECTION/AUDIT** Buyer may at reasonable times and upon reasonable notice, perform such inspections and/or audits at Seller's facilities as Buyer deems necessary to assure itself of Seller's compliance with applicable laws and regulation as well as to assure itself that Seller is complying with its obligations to Buyer hereunder.
- **24. APPLICABLE LAW** Parties hereby consent to jurisdiction, venue and application of the laws of the State of Indiana, U.S.A., without giving effect to the conflicts or choice of law provisions thereof.
- 25. ALTERNATIVE DISPUTE RESOLUTION Any and all disputes, complaints, controversies, claims and grievances arising under, out of, in connection with, or in any manner related to this Agreement, Buyer's material schedule or the relationship of parties hereunder shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The obligation to arbitrate shall extend to any affiliate, subsidiary, officer, employee, shareholder, principal, agent, trustee in bankruptcy or guarantor of a party making or defending any claim hereunder. Any decision and award of the arbitrator shall be final, binding and conclusive upon all of the parties hereto and said decision and award may be entered as a final judgment in any court of competent jurisdiction. Notwithstanding said Rules, any arbitration hearing to take place hereunder shall be conducted in Evansville, Indiana, before one (1) arbitrator who shall be an attorney who has substantial experience in commercial law issues. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Indiana (not including the choice of law rules thereof). However, neither party shall institute an arbitration, or any other proceeding to resolve such disputes between the parties before that party has sought to resolve disputes through direct negotiation with the other party. If disputes are not resolved within three (3) weeks after a demand for direct negotiation, the parties shall attempt to resolve disputes through mediation conducted in Evansville, Indiana. If the parties do not agree on a mediator within ten (10) days, either party may request the American Arbitration Association to appoint a mediator who shall be an attorney who has substantial experience in commercial law issues. If the mediator is unable to facilitate a settlement of disputes within forty-five (45) days, the mediator shall issue a written statement to the parties to that effect and the aggrieved party may then seek relief through arbitration as provided above. The fees and expenses of the mediator shall be split and paid equally by each of the parties. In the event of any arbitration between the parties hereto involving this Agreement or the respective rights of the parties hereunder, the party who does not prevail in such arbitration shall pay all the prevailing party's reasonable attorneys' and experts' fees, costs and expenses incurred by the prevailing party in resolving said matter. As used herein the term 'prevailing party' shall include, but not be limited to, a party who obtains legal counsel or brings an action against the other by reason of the other's breach or default and obtains substantially the relief sought whether by compromise, settlement, or judgment. Each party hereby

consents to a single, consolidated arbitration proceeding of multiple claims, or claims involving two (2) or more parties. Notwithstanding said Rules, each party shall be permitted and limited to a single deposition of such opposing party and its expert witness(es) at opposing party's place of business, which deposition(s) shall not exceed our (4) hours each in duration. Either party may apply to any court of competent jurisdiction for injunctive relief or other interim measures as provided for elsewhere in this Agreement, in aid of the arbitration proceedings, or to enforce the arbitration award, but not otherwise. Any such application to a court shall not be deemed incompatible or a waiver of this provision. The arbitrator shall be required to make written findings of fact and conclusions of law to support its award. Except as may be required by law, neither a party nor an arbitrator(s) may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties. By execution of this Agreement, the parties consent to the jurisdiction of the American Arbitration Association and waive any objection which either party may have to any proceeding so commenced based upon improper venue or forum non conveniens.

- 26. TERMINATION Buyer may at any time terminate the order related to this Agreement in whole or in part by written notice to Seller. Seller shall thereupon as directed cease work and as directed deliver to Buyer all completed and partially completed articles or materials and work in process, and Buyer shall pay to Seller: a) the price stipulated in this Agreement for all articles or materials which have been completed prior to such termination and which are accepted by Buyer and b) actual expenditures made by Seller in connection with the uncompleted portion of the order including reasonable documented cancellation charges paid by Seller on account of commitments made under this order. Any standard commercial material as illustrated in Seller's catalog shall be subject to only a standard restocking charge, if any, compatible with industry practice. The provisions of this clause are without prejudice to the rights of Buyer in the event of any failure on the party of Seller to comply with the delivery schedule or other provisions of this order.
- 27. INTERPRETATION This Agreement together with material incorporated herein by reference, sets forth the entire and only agreement between the parties regarding the subject matter hereof and supersedes any and all prior or contemporaneous agreements, understandings, or proposals whether written or oral, between the parties. As used in this Agreement, the plural shall be substituted for the singular, and the singular for the plural, where appropriate; and words and pronouns of any gender shall be meant to include any other gender or entity. The subject headings herein have been placed and arranged for convenience and shall not be considered in any question of interpretation of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, such provision shall be enforced to the fullest extent permissible and the remaining portion of this Agreement shall remain in full force and effect. This Agreement shall inure to the benefit of and be binding upon both Buyer and Seller, their legal representatives, successors and assigns, except as limited hereinbelow. IN THE CASE OF CONFLICT BETWEEN THIS AGREEMENT AND ANY OTHER INSTRUMENT ENTERED BY THE BUYER AND SELLER, THE TERMS AND CONDITIONS OF THIS AGREEMENT SHALL PREVAIL.