

TERMS AND CONDITIONS OF SALE

("Agreement")

Effective: April 2025

- 1. ENTIRE AGREEMENT:** Pipeline Plastics, LLC ("Seller") agrees to sell the products covered herein ("Products") to the purchaser (collectively, "Buyer") on the following terms and conditions of sale ("Terms and Conditions") which supersede any prior or contemporaneous terms of Buyer, whether oral or written, unless otherwise agreed in a written and binding agreement signed only by the President, CEO, or Managing Member of Seller. This Agreement constitutes the entire agreement between parties with respect to the Products, and this Agreement may not be modified, amended or waived in any way except in writing signed by the President, CEO, or Managing Member of Seller. All references by Seller to Buyer's specifications and similar requirements are only to describe the products covered hereby and no warranties or other terms therein shall have any force or effect. Accordingly, any purchase order or other written documentation of Buyer issued before or after delivery of these Terms and Conditions to Buyer (collectively, "PO") is intended solely for administrative convenience and no term or condition in any PO, including without limitation, any expanded warranty or indemnity obligation imposed upon Seller, will be binding upon Seller. In the event of a conflict between these Terms and Conditions and any PO, these Terms and Conditions will control unless the PO contains an express and specific statement that a particular term is to control, this section is referenced, and the statement is executed by the President, CEO, or Managing Member of Seller.
- 2. QUOTATIONS AND ORDERS:** Quotations are not offers to sale but a communication of prices and availability based on current market conditions and are subject to change or cancellation, including prices, lead times, and availability. Purchase Orders are subject to Seller's acceptance at time of order and may be subject to modification, rescission, or expiration. Acceptance of Purchase Orders, whether oral or written, is based on the express condition that Buyer agrees to all of these Terms and Conditions. All prices quoted are in US Dollar (US\$ or USD). Notwithstanding anything contained in this Agreement, should (in the sole but reasonable judgment of the Seller), Seller's performance be made substantially more costly by an unanticipated contingency, or Seller is unable to acquire materials necessary for the manufacture of the products at what it deems to be reasonable terms, Seller may either cease manufacture and delivery of such products so affected, or raise prices on such affected products to reflect the increased costs. If Seller increases the price of products pursuant to this section, Buyer may, at its option, continue to take title of the products at the increased price or cancel the order, without penalty, of any products so affected by the increased price but not yet manufactured. The Buyer is obligated to take products already made but not shipped at the original price. Nothing in this Section will excuse the Buyer from its obligations to make prompt payments under the terms of order.
- 3. CREDIT AND PAYMENT TERMS:** Prior to delivery of any products and at any time thereafter, upon Seller's request, Buyer will promptly provide Seller, and hereby authorizes Seller to obtain from Buyer or any third party, such credit information and documentation as Seller may reasonably require to determine Buyer's creditworthiness. If at any time, in the sole opinion of Seller, the financial responsibility of Buyer is impaired or unsatisfactory, or Buyer fails to provide such credit information, Seller may suspend deliveries or place Buyer on a cash-in-advance status until arrangements are made for security satisfactory to Seller or, at Seller's option, until all indebtedness is paid. Terms to Buyers whose credit has been approved by Seller are net thirty (30) days from date of invoice, unless otherwise agreed in writing by a duly authorized representative of Seller, payable in US currency at Seller's Westlake, TX office, or at any other location designated by Seller. Seller shall have the right to make partial shipments and payment therefor shall be due thirty (30) days thereafter. Buyer grants Seller a security interest in Products until full payment by Buyer. If Buyer fails to make payment for the Goods when due, Buyer's account shall be deemed delinquent and Buyer shall be liable to Seller for a service charge of eighteen percent (18%) per annum or the maximum allowed by law, whichever is greater, on any unpaid amount. Buyer shall be liable to Seller for all costs and expenses of collection, including court costs and reasonable attorney's fees.
- 4. ELECTRONIC TRANSACTIONS:** Buyer and Seller agree that any transactions conducted electronically, including but not limited to orders, invoices, purchase orders, confirmations, and communications, shall be legally binding and enforceable as if they were conducted in writing. The following provisions apply:
 - i. Any purchase orders, agreements, or amendments exchanged via email, electronic document exchanges (e.g., PDF, DocuSign, Adobe Sign), or other digital platforms shall have the same legal force as physical documents.
 - ii. Scanned, electronic, or facsimile signatures shall be considered legally binding and enforceable as original signatures.
 - iii. Buyer acknowledges that electronic orders and invoices do not require a physical signature to be valid and shall be deemed accepted upon confirmation of receipt.
 - iv. Both parties agree to waive any objection to the validity, enforceability, or admissibility of electronic records in any legal proceeding on the basis that they were electronically generated.
- 5. DELIVERY:** All prices are F.O.B. Seller's plant, unless otherwise specified by Seller. Title and risk of loss transfers to the Buyer at time of invoice or shipment, whichever occurs first. Buyer agrees to take delivery as agreed between the parties or upon notice of readiness for shipment. Delivery by truck will be made to nearest points reasonably accessible by truck as determined by the driver, and any costs associated with lack of accessibility, including delay, will be paid by the Buyer. Buyer will furnish and pay for necessary labor to unload and store Products.
- 6. INSPECTION AND ACCEPTANCE:** Upon delivery, Buyer must immediately inspect the product and report any shortages, incorrect product, damages or other deficiencies within five (5) days of receipt of the initial shipment. Any such claim shall be in writing and fully detail the deficiencies associated with the Product. The absence of a claim within five (5) business days shall constitute Buyer's unqualified acceptance and waiver of any and all claims of deficiency in the Product. In no event shall Buyer be entitled to make any deduction from any payment due hereunder by reason of loss or damage in transit. Upon the written request of Buyer, Seller, at its sole discretion, may agree as a service to Buyer to process Buyer's claim against the carrier for any loss or damage in transit, provided that such claim is received by Seller within five (5) business days of the receipt of Products. Any such claims must be accompanied by a delivery receipt, signed by carrier's agent at time of delivery, on which receipt the loss or damage has been noted. Products will not be accepted for return without written authorization from Seller.

7. **BILL AND HOLD TERMS:** At Buyer's written request, Seller may manufacture, invoice, and hold Products at Seller's facility or an approved third-party storage location prior to shipment. Buyer acknowledges that such transactions shall be considered a completed sale upon invoicing, subject to the following conditions:
- Buyer provides a written request specifying the Products, quantities, and date to begin shipping per the order acknowledgement sent by Pipeline Plastics prior to production start date.
 - Buyer acknowledges seller will invoice on the 31st day for all product produced and not shipped within 30 days of the agreed upon start ship date from the Pipeline Plastics order acknowledgment.
 - Buyer acknowledges that title to the Products transfers to Buyer upon issuance of the invoice, even though the Products remain in Seller's possession.
 - Buyer assumes all risk of loss or damage once the invoice is issued, except for damage caused by Seller's gross negligence or willful misconduct.

Storage & Handling Fees

- Buyer agrees to pay a storage fee at 3% of product produced, insurance, and handling fees incurred during the holding period unless otherwise agreed in writing.
- Storage charges of 3% will commence 30 days after invoicing and will be invoiced separately on a recurring monthly basis.
- If Buyer fails to request shipment within 90 days of invoicing, Seller reserves the right to:
 - Ship the Products to Buyer's last known shipping address at Buyer's cost.
 - Continue storage at an increased monthly rate of 5%.
 - Dispose of the Products at Buyer's expense if no instructions are received within a commercially reasonable time.

Shipping & Delivery

- Buyer shall provide a minimum of 2 business days' notice before requesting shipment.
- Seller shall arrange shipment per Buyer's instructions, subject to standard lead times and logistics availability.
- Any delay in shipment caused by Buyer's failure to provide timely shipping instructions shall not relieve Buyer of its payment obligations.

Indemnification & Liability

- Buyer shall indemnify, defend, and hold Seller harmless from any losses, damages, claims, or liabilities arising from Buyer's request to hold Products, including product deterioration, obsolescence, regulatory compliance changes, or force majeure events affecting the stored Products.
- Seller shall not be liable for any incidental, consequential, or special damages resulting from the storage or delay in shipment of the Products.

8. **FORCE MAJEURE:** Seller shall not be liable for damages nor shall Buyer have the right to terminate this Agreement for any delay or default in performing hereunder by Seller if such delay or default is caused by conditions beyond its control including but not limited to: (i) Acts of God; (ii) Government restrictions (including the denial or cancellation of any export or other necessary license), acts of the public enemy or any other individual, civil, or public disturbance; (iii) shortages in or inability to obtain raw materials, power, or transportation; (iv) breakdowns, accidents, loss or damage to facilities or equipment; or (v) any other cause beyond the reasonable control of Seller.

9. **CANCELLATION, CHANGES AND RETURNS:** Buyer acknowledges that Buyer's purchase orders initiate action by Seller for the acquisition of materials, scheduling of assets, allocation of stock, and various other actions and investment of resources, and that the Buyer's cancellation of all or part of such purchase orders directly impact Seller's costs and opportunities for other sales. Therefore, Buyer's purchase orders are not subject to cancellation, change or return, and any unilateral cancellation by the Buyer is subject to a fifty percent (50%) cancellation fee for the full amount of all products cancelled. Payment in full is required for all orders or partial orders which have already been produced. Seller, at its sole discretion, may allow some or all Product to be returned for credit at a price agreed by Seller less all shipping and handling charges. In such an event a return of Product is allowed, a return authorization must be

obtained from Seller. Seller will inspect product upon return and will notify Buyer if any product has been damaged and will not be accepted for credit. In certain complex transactions a "Special Cancellation Agreement" may be required between the Seller and Buyer; in such an event, the terms of the "Special Cancellation Agreement", inasmuch as they do not conform to this paragraph, will prevail.

10. **LIMITED WARRANTY AND LIMITATION OF LIABILITIES:** Seller warrants that the Products delivered hereunder shall be free from defects in material and workmanship under conditions of normal use for a period of one (1) year from time of original invoice. Seller shall not be liable or responsible for any defects attributed to normal wear and tear, installation, or improper storage, use or maintenance. Any claim by Buyer with reference to the Product for any cause shall be deemed waived by Buyer unless submitted to Seller in writing within five (5) business days from the date Buyer discovered, or should have discovered, any claimed breach. Buyer shall give Seller an opportunity to investigate, and Seller reserves all rights in determining if Product has covered defects.

Provided Seller is furnished prompt notice by Buyer of any defect and an opportunity to inspect the alleged defect as provided herein, Seller shall, at its option and in its sole discretion either: (i) repair the defective portion of non-conforming Product, (ii) replace the nonconforming Product, or part thereof, within sixty (60) days after receipt of the returned Products to Buyer's plant or storage facilities, or (iii) if Seller is unable or chooses not to repair or replace, return the purchase price that has been paid and cancel any obligation to pay unpaid portions of the purchase price of only that portion of nonconforming Products. In no event shall any obligation to pay or refund exceed the purchase price actually paid for the portion of nonconforming Product. Repair and/or replacement as provided above shall be at Seller's plant and shipped FOB Plant unless otherwise agreed to by Seller. Transportation charges for the return of the Products or part thereof to Seller shall be prepaid by Buyer, unless otherwise agreed to in writing by Seller. Seller shall, in no event, be responsible for any labor, removal, installation or consequential costs or charges that may result from the above-described repair and/or replacement of any Product.

If Seller provides technical support, assistance and advice ("Technical Support") to Buyer, it is at no charge and is an accommodation to Buyer. Seller makes no representations or warranties, express or implied, of its Technical Support, or any proprietary information in connection with this Agreement, or the results that might be obtained from the Technical Support.

THE EXCLUSIVE REMEDY OF BUYER AND THE SOLE LIABILITY OF SELLER, FOR ANY LOSS, DAMAGE, INJURY OR EXPENSE OF ANY KIND ARISING FROM THE MANUFACTURE, DELIVERY, SALE, INSTALLATION, USE OR SHIPMENT OF THE PRODUCT AND WHETHER BASED ON CONTRACT, WARRANTY, TORT OR ANY OTHER BASIS OF RECOVERY WHATSOEVER, SHALL BE, AT THE ELECTION OF SELLER, THE REMEDIES DESCRIBED ABOVE AND WILL NOT EXCEED THE PURCHASE PRICE OF THE PORTION OF GOODS RELATED TO SUCH CLAIM. THE FOREGOING IS INTENDED AS A COMPLETE ALLOCATION OF THE RISKS BETWEEN THE PARTIES AND BUYER UNDERSTANDS THAT IT WILL NOT BE ABLE TO RECOVER CONSEQUENTIAL DAMAGES, WHICH ARE WAIVED BY BUYER, EVEN THOUGH IT MAY SUFFER SUCH DAMAGES IN SUBSTANTIAL AMOUNTS. BECAUSE THIS AGREEMENT AND THE PRICE PAID REFLECT SUCH ALLOCATION, THIS LIMITATION WILL NOT HAVE FAILED OF ITS ESSENTIAL PURPOSE EVEN IF IT OPERATES TO BAR RECOVERY FOR SUCH CONSEQUENTIAL DAMAGES.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER EXPRESS OR IMPLIED BY LAW. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER DISCLAIMS ALL WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY, NON-

INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, ALL IMPLIED WARRANTIES ARISING FROM A COURSE OF DEALING, TRADE PRACTICE, OR OTHERWISE UNDER THE UNIFORM COMMERCIAL CODE. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR STRICT LIABILITY, SHALL SELLER BE LIABLE FOR ANY PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF USE OF THE GOODS, EQUIPMENT, OR OTHER PROPERTY, DAMAGE TO OTHER PROPERTY, COST OF CAPITAL, COST OF SUBSTITUTE GOODS, DOWNTIME, OR THE CLAIMS OF BUYER FOR ANY OF THE AFORESAID DAMAGES.

11. **INDEMNIFICATION:** Buyer will indemnify, defend and hold harmless Seller, its parents, affiliates and subsidiaries and their respective officers, directors, employees and agents ("Seller Indemnitees") from and against any and all third party claims, liability or expense, including, without limitation, all court costs and attorneys' fees incident thereto, ("Third Party Claims") for (i) personal injury or death of any person (including, without limitation, Buyer's employees); or (ii) damage to real or personal property that arises out of, are connected with, or relate in any way to Goods (including, without limitation, receipt, possession, use, handling, storage, processing, disposal, resale and/or retransfer of Goods) after delivery of Goods to Buyer. Such indemnification and obligation to defend shall apply without regard to the cause or causes thereof, including, without limitation, strict liability or the negligence (whether concurrent, active or passive) of a Seller Indemnitee, provided that Buyer shall have no such obligations in the event the Third Party Claim results from the sole negligence or willful misconduct of a Seller Indemnitee. **SELLER'S TOTAL LIABILITY ARISING FROM THIS CONTRACT FOR ANY CLAIMS OF ANY NATURE, WHETHER BASED IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), INDEMNITY, CONTRIBUTION, STRICT LIABILITY OR OTHERWISE, WILL NOT EXCEED THE PURCHASE PRICE OF THE PORTION OF GOODS RELATED TO THE CLAIM. THIS CONSTITUTES SELLER'S MAXIMUM LIABILITY, EVEN IF GOODS HAVE BEEN MIXED WITH OTHER MATERIALS OR USED IN SPECIALIZED EQUIPMENT OR APPLICATION. IN NO EVENT WILL SELLER BE LIABLE TO BUYER FOR ANY LOST PROFITS OR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, CONTINGENT, EXEMPLARY OR PUNITIVE DAMAGES.**
12. **OTHER:** No waiver by either party of any obligation, performance, breach or default hereunder or of its failure to enforce any of the provisions of the Agreement shall limit or waive the right of such party to enforce this Agreement and compel strict compliance with each and every provision. Any action against Seller under this Agreement or related to its subject matter must be brought within one (1) year after the cause of action accrues. This Agreement shall be governed and construed in accordance with the laws of the State of Texas. The parties agree to the jurisdiction and venue of the state and federal courts located in Tarrant County, Texas. Buyer will cause subsequent Buyers to abide by the terms in this Agreement. The obligations hereunder survive the termination of this Agreement. If any provision of this Agreement shall, to any extent, be held to be invalid or unenforceable, it shall be deemed to be separate and severable from the remaining provisions of this Agreement, which shall remain in full force and effect and be binding as though the invalid or unenforceable provision had not been included.