

SELEE ADVANCED CERAMICS
TERMS AND CONDITIONS OF SALE

All sales of goods ("Products") by SELEE Corporation doing business as Selee Advanced Ceramics ("Seller") are made subject to the terms and conditions appearing below.

1. CONSTRUCTION AND LEGAL EFFECT - Seller's sale to Buyer is expressly conditioned upon Buyer's acceptance of each of and all the terms and conditions set forth in this quotation (these "Sales Terms"). These Sales Terms supersede and Seller hereby rejects any conflicting terms and conditions of Buyer, any statement therein to the contrary notwithstanding. Additions or exceptions to or modifications of these Sales Terms, at any time, must be contained in a written or typed (not printed) statement received from Buyer and such additions, exceptions or modifications will not be deemed effective unless such statement is executed by Seller's authorized officer. Buyer's assent to these terms and conditions shall be conclusively presumed from Buyer's failure to submit written objection thereto, or from Buyer's acceptance of all or any part of the Products ordered. In addition, Seller will not be deemed to have waived any of these Sales Terms or to have assented to any addition or exception to or any modification of these Sales Terms unless such waiver or assent is in writing and signed by Seller's authorized officer.

No representation of any kind is made by Seller except as set forth herein. Any contract formed upon these Sales Terms conclusively supersedes all prior writings and negotiations with respect to the Products or services to be furnished hereunder and Seller shall furnish only quantities and Products or services specifically listed on the face hereof or the pages attached hereto; Seller assumes no responsibility for furnishing other equipment or material shown in any plans or specifications for a project to which the Products or services ordered herein pertain. Seller's published or quoted prices and these Sales Terms are subject to change without notice.

2. PRICES - Prices quoted are firm for 30 days from the date of quotation, and are thereafter subject to adjustment as stated in Seller's quotation or as provided in Buyer's order and accepted in writing by Seller. In the event of any changes in specifications with respect to the ordered Products after receipt of Buyer's order, Seller may adjust the selling price to reflect any such changes.

3. CREDIT AND TERMS OF PAYMENT - Buyer's orders are accepted by Seller subject to credit investigation and approval. Unless other terms are specified on the quotation of Seller, or accepted by Seller in writing, payment shall become due 30 days from date of invoice. If shipment is delayed by Buyer, Buyer shall pay Seller within 30 days from date of commencement of such delay, an amount equal to the purchase price of the Products multiplied by the percentage of completion of the order. Buyer shall pay Seller the remaining balance of the purchase price and any other amounts owed to Seller in connection with the order within 30 days from the date of readiness for shipment, or the invoice date, whichever is earlier. If, in Seller's judgment, Buyer's financial condition at any time does not justify the credit terms specified, Seller may require full or partial payment as a condition to commencing or continuing manufacture, or in advance of shipment, or, if shipment has been made, recover the Products from the carrier. A service charge of 1.5% per month (18% per annum), or the maximum allowed by law, whichever is less, shall be added to past due balances.

4. SETOFF; DEDUCTIONS - In no event is Buyer authorized to deduct any amounts from the amounts owed Seller unless specifically authorized in writing by Seller.

5. TAXES - Any tax or other governmental charge now or hereafter levied upon the production, sale, use or shipment of Products ordered by Buyer or sold by Seller will be charged to and paid by Buyer unless Buyer promptly provides Seller with an appropriate exemption certificate. Such taxes are not included in Seller's price unless expressly so stated on Seller's quotation form.

6. CANCELLATION OF ORDERS - All orders accepted by Seller are firm commitments on the part of Buyer. If Buyer wishes to cancel or modify all or part of an undelivered balance or order, Buyer shall provide written notice to Seller thereof. If Seller accepts such cancellation, Buyer shall pay to Seller all costs of labor, material and supplies applied to the production of such items, plus overhead expenses, and plus 15% of such costs and expenses, provided that such amount shall in no event exceed the selling price of the Products.

7. FREIGHT; TITLE AND RISK OF LOSS; SECURITY INTEREST - Unless otherwise stated on Seller's quotation form, prices are F.O.B. original shipping point, without freight allowance. Delivery to the initial carrier shall constitute delivery to Buyer. Title and risk of loss transfer to Buyer and Seller's responsibility ceases upon delivery in good order to such carrier, and all Products are shipped at Buyer's risk. Any claim for loss or damage in transit must be entered with the carrier and prosecuted by Buyer.

Notwithstanding the foregoing, for all Products exported by Seller from the U.S., legal title to the Products shall pass at the first port of entry in the country of ultimate destination but all risk of loss and damage to Products and liability for shipment shall nevertheless transfer F.O.B. Seller's shipping point.

As collateral security for the payment of the purchase price of the Products, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Products, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the North Carolina Uniform Commercial Code.

8. DELIVERY AND DELAY - Shipping dates are approximate and are based on prompt receipt of all necessary information from Buyer as well as availability of raw materials and/or components purchased by Seller for Buyer's order. Seller has no obligation

to deliver Products against any order based on this quotation unless and until Seller has accepted the order by issuance of its acknowledgment of order. In no event shall Seller be liable for any delay or failure in the delivery or shipment of Products against an accepted order, or for any damages suffered by reason thereof, when such delay or failure is, or such damages are, directly or indirectly, due to accident (in manufacture or otherwise), fire, flood, riot, war, embargo, labor stoppages, inadequate transportation facilities, shortage of materials or supplies, delay or default on the part of its vendors, regulation by any governmental authority or any like or dissimilar cause or causes beyond its control, which affects Seller or any of its subcontractors or suppliers. **Seller shall have no liability for any liquidated damages or penalty whatsoever unless specifically agreed to in writing by an authorized officer of Seller.** If delivery is delayed beyond originally scheduled dates due to delays by Buyer in furnishing Seller with technical information or approvals, or manufacturing releases, and additional costs are incurred by Seller due to such delays, then Buyer shall reimburse Seller for such added costs plus reasonable profit thereon.

9. STORAGE - Any Products with respect to which manufacture or delivery is delayed due to any cause within Buyer's control may be placed in storage by Seller, for the Buyer's account and risk, and regular charges therefor and expenses in connection therewith shall be paid by Buyer. If at any time, in Seller's opinion, Seller is unable to obtain or continue such storage, the Buyer will, on request, provide or arrange for suitable storage facilities and assume all costs and risks in connection therewith, including, without limitation, any transportation or delivery costs to or from the storage facility.

10. INSTALLATION - Unless otherwise stipulated in Seller's quotation, Buyer's order does not include installation of Products or any costs or risks attendant thereto.

11. TESTS - If tests are requested by the Buyer and quoted by Seller to determine the performance of Products, the testing procedure to be used will be subject to Seller's approval and acceptance, and Buyer shall abide by Seller's terms and conditions concerning such testing including, without limitation, items to be supplied by Buyer, items to be supplied by Seller, and Seller's charges for such tests, all of which shall be paid by Buyer.

12. WARRANTY - Except where a written warranty has been issued by an authorized officer of Seller with respect to the sale of a particular Product, no warranty of any kind, express or implied, is extended to any person by Seller except warranty of title to the Products to Buyer. Seller shall not be liable for any cost or expense, including, without limitation, labor expense, in connection with the removal or replacement of alleged defective Products, or any part or portion thereof nor for incidental or consequential damages of any kind, nor under any circumstances for any damage beyond the purchase price of the Products sold. Seller neither assumes, nor does it authorize any other person on its behalf to assume, any other liability in connection with the sale of its Products. Products of other manufacturers sold by Seller are not warranted except by express warranties, if any, which may be issued in writing from time to time by the manufacturer with respect to a particular Product or a particular sale, but Seller will endeavor to secure for Buyer the benefit of warranties extended by manufacturers of such Products sold but not manufactured by Seller. **THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY.** If Buyer discovers that any of the Products fail to meet the warranty of title provided herein, Buyer shall promptly notify Seller. If Seller determines that the Products are in breach of this warranty, then Seller will, in its sole discretion, either replace the Products at no cost to Buyer or refund the purchase price of the non-conforming Products to Buyer. **SUCH REPLACEMENT OR REFUND IS THE SOLE LIABILITY OF SELLER AND THE EXCLUSIVE REMEDY OF BUYER FOR ANY BREACH OF THE EXPRESS LIMITED WARRANTY HEREIN.** Buyer agrees that if Products sold hereunder are resold by Buyer, Buyer will include in its contract for resale provisions which limit recoveries against Seller in accordance with these Sales Terms. In case of Buyer's failure to include in any such contract for resale terms providing for such limitations, Buyer agrees to indemnify and hold Seller harmless against any liability, loss, cost, damage, or expense (including reasonable attorneys' fees) arising out of or resulting from such failure. No employee or agent of Seller is authorized to make any warranty other than that which is specifically set forth herein. The provisions in any specification or chart issued by Seller or attached hereto are descriptive only and are not warranties.

13. Technical Assistance. Unless otherwise expressly agreed in writing by Seller, Seller assumes no obligation or liability for any technical advice provided by Seller with respect to the use of Products furnished to Buyer, or for any results occurring as a result of the application of such advice and Buyer shall have sole responsibility for selection and specification of the Products appropriate for the end use of such Products.

14. Indemnification. To the maximum extent allowed by law, Buyer shall defend and indemnify Seller and its employees and agents against all sums, costs, liabilities, losses, obligations, suits, actions, damages, penalties, fines, interest and other expenses (including investigation expenses and attorneys' fees) that Seller may incur or be obligated to pay as a result of: (a) Buyer's negligence, use, ownership, maintenance, transfer, transportation or disposal of the Products; (b) Buyer's violation or alleged violation of any Federal, state, county or local laws or regulation, including without limitation, the laws and regulations governing product safety labeling, packaging and labor practices; or (c) Buyer's breach of any contract formed upon these Sales Terms.

15. LIMITATION OF LIABILITY - Except as specifically provided in Section 16 below, Seller shall in no event be liable for any indirect, special, incidental, consequential, punitive or exemplary damages for any reason and under any theory whatsoever, including, without limitation, damages for loss of business, lost profits, business interruption, or other pecuniary loss, even if Seller has been apprised of the

likelihood of such damages occurring. Under no circumstances will Seller's liability for direct damages exceed the purchase price for Products and services upon which liability is claimed. Any action in any form arising out of any contract formed upon these Sales Terms must be commenced within one year after the cause of action has accrued.

16. PATENTS, COPYRIGHTS AND MASK WORKS - If Buyer receives a claim that any Product or part thereof manufactured by Seller (herein called a "Selee Product") infringes a U.S. Patent, Copyright or Mask Work, Buyer shall promptly notify Seller in writing and give Seller information, assistance and exclusive authority to evaluate, defend, and settle such claim. Seller shall then at its own expense and option (1) settle such claim; (2) procure for Buyer the right to use such Selee Product; (3) replace or modify it to avoid infringement; (4) remove it and refund the purchase price less accrued depreciation or (5) defend against such claim. Provided such timely notice, information, assistance and authority have been given by Buyer to Seller, should any court of competent jurisdiction hold such Selee Product to constitute an infringement, Seller shall pay any costs and damages finally awarded on account of such infringement and, if the use of such Selee Product is enjoined, Seller shall take at its option one or more of the actions under (2), (3) or (4) above in this Section. With respect to any Product not manufactured by Seller, the patent indemnity, if any, given by the manufacturer thereof shall apply in place of the foregoing indemnity.

The foregoing indemnity shall not apply to any claim that arises out of Seller's compliance with any specification or design owned or required by Buyer and it shall not apply to any claim of infringement resulting from the use of a Selee Product in combination with other equipment and materials not furnished by Seller. Buyer shall hold Seller harmless and shall indemnify Seller from and against all claims described in the foregoing sentence. The sale of any Products hereunder does not carry with it any license to use such Products in combination with other goods, unless such other goods are purchased from Seller and such combination is the subject of a patent owned or controlled by Seller.

The rights and obligations of the parties with respect to Patents, Copyrights and Mask Works are solely and exclusively as stated herein.

17. SUBSTITUTES, CHANGES AND IMPROVEMENTS - Factors beyond Seller's control and the need for continuing improvement of Products may require changes in Products from time to time. Seller reserves the right to make reasonable changes in Products of any kind without notice, and to deliver designs or types of Products against any order based on this quotation, unless the right is specifically waived by it in writing. Seller shall have no responsibility whatever with respect to changes made by the manufacturer of products sold but not manufactured by Seller.

18. VARIANCES - Any claim for variances or shortages in an order must be presented to Seller within 30 days after receipt of the Products or such claims will be waived. Buyer shall have no claim with respect to any shipment to the extent of variances or shortages within the variance levels set forth below. Buyer shall be obligated to pay for any products shipped within the acceptable variance levels set forth below.

<u>Number Ordered:</u>	<u>Acceptable Variance:</u>
1 to 9 pieces or One Set	None unless authorized*
10 to 49 pieces	2 pieces or 2 Sets*
50 to 99 pieces	10%
100 to 499 pieces	5%
500 to 999 pieces	3%
1000 to 4999 pieces	2%
5000 or more pieces	1%

*No minus variance allowed

Any shipping weights given or estimated herein are approximate, for the Buyer's convenience only, and are not guaranteed by Seller.

19. RETURNS - Products may not be returned for credit until and unless Seller has given prior consent in writing to accept them. Materials returned without Seller's written approval may be rejected or credited at Seller's sole discretion. When returned Products are accepted, a

minimum deduction of 25% will be made for rehandling and/or reconditioning. All transportation costs for returned Products shall be paid by Buyer. In no event will Seller accept the return for credit of any custom Products or Products that are not in salable condition.

20. TOOLING - All fixtures, patterns, molds and die equipment remain the property of Seller even though Buyer has partially or completely paid for this equipment. All molds and dies will be stored, maintained in good condition and replaced when necessary without further cost to Buyer, but Seller shall have the right to discard and scrap them without credit to Buyer after they have been inactive for three (3) years.

21. INSPECTION, LICENSES, CERTIFICATES - All charges for inspection, licenses, certificates and other special requirements shall be paid by the Buyer.

22. APPLICABLE LAW - All rights and duties of the parties to any contract formed upon these Sales Terms shall be governed by the laws of the State of North Carolina, without reference to principles of conflicts of law and excluding any application of the United Nations Convention on Contracts for the International Sale of Goods. Litigation brought to contest disputes arising under any contract formed upon these Sales Terms shall be brought only in the state or federal courts of the State of North Carolina.

23. NON-WAIVER - Seller's failure at any time to require strict performance by Buyer of any of the provisions herein shall not waive or diminish Seller's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default.

24. ASSIGNMENT - No part of any order based on this quotation or the contract formed upon these Sales Terms may be assigned by Buyer without prior written approval of Seller. Seller will be entitled to cancel any order or contract upon written notice to Buyer in the event Buyer assigns or attempts to assign such order or contract without Seller's prior written consent.

25. ENTIRE AGREEMENT - These Sales Terms, together with the order arising from this quotation, if any, comprise the complete and final agreement between Seller and Buyer, and supersede all prior negotiations, proposals, representations, commitments, understandings or agreements between Seller and Buyer, either written or oral, on its subject. Any other representations or warranties made by any person, including employees or other agents of Seller, that are inconsistent with these Sales Terms shall be disregarded by Buyer and are not binding upon Seller.

26. SEVERABILITY - If any clause or provision in these Sales Terms is determined to be invalid, the remaining provisions of these Sales Terms will remain in full force and effect.

27. SURVIVAL - The terms of any contract formed upon these Sales Terms that by their nature are reasonably intended by the parties to survive its expiration or earlier termination, survive such expiration or termination.

28. ATTORNEYS FEES - If either party commences an action against the other to interpret or enforce the contract formed upon these Sales Terms or as a result of a breach by the other party of the contract formed upon these Sales Terms, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees, costs and expenses incurred by the prevailing party in connection with such action.

Last Updated: 07/___/17