

General Terms of Purchase of Mitsubishi Chemical Advanced Materials Composites Canada Inc..

1. IN GENERAL

- 1.1 These terms of purchase shall apply to all the orders of Mitsubishi Chemical Advanced Materials Composites Canada Inc.. By accepting our order, the supplier agrees to the following terms.
- 1.2 These terms of purchase shall apply on an exclusive basis. Any deviations from these terms of purchase shall be binding on us only if a specific written agreement has been made with regard thereto.
- 1.3 Orders and delivery schedules and corresponding changes and amendments thereto must be agreed to by us in writing.
- 1.4 Cost estimates shall be binding and the expenditure necessary to prepare them shall not be remunerated by Mitsubishi Chemical Advanced Materials Composites Canada Inc. unless otherwise agreed in writing.
- 1.5 Order confirmations must be submitted promptly. Failure to submit an order confirmation within 10 days shall be deemed acceptance of our order upon the terms contained therein and herein. Notwithstanding the foregoing, Mitsubishi Chemical Advanced Materials Composites Canada Inc. is entitled to revoke, without cost, an unconfirmed order within a further 10 days. Deviations in the order confirmation relating to our order require our written consent to be binding.
- 1.6 Letters, dispatch notes, delivery notes, invoices and other accompanying documents must bear our order number.
- 1.7 Any additional costs and expenses arising out of noncompliance with the terms of our order, particularly in relation to dispatch and customs clearance, shall be borne by the supplier.

2. PRICES

- 2.1 Subject to written agreements to the contrary, the agreed prices shall be deemed to be fixed and shall be inclusive of all cost associated with all packaging, transport, customs, weighing, measuring as well as any other delivery costs. Value added taxes, to the extent applicable, must be showed separately.

- 2.2 Reservations in respect of price increases shall be valid only if they have our express written approval.

- 2.3 Unless otherwise agreed in writing, we shall pay within 60 days net, or within 30 days with 2% discount, of receipt of the invoice, subject to acceptance of the goods.

3. DELIVERY

- 3.1 Agreed times and deadlines shall be binding. If the supplier anticipates difficulties with respect to the delivery date or similar circumstances which may hinder timely delivery or delivery of the agreed quality or quantity, it must promptly notify us thereof. The effects of default shall not be excluded by such a notice.

- 3.2 In the case of late delivery, agreed liquidated damages may be withdrawn or demanded without evidence of the damage suffered from the invoice amount. Late deliveries, irrespective of the reasons, give us the right to cancel our order without notice or to set an adequate grace period for subsequent performance, and such actions will not constitute a waiver of any rights or remedies available to us at law, in equity, or otherwise in respect of such late delivery. The acceptance without reservation of late delivery or performance does not constitute a waiver of any rights or remedies available to us at law, in equity, or otherwise in respect of such late delivery.

- 3.3 Partial deliveries and early deliveries must not occur without our express agreement.

- 3.4 The goods to be delivered must comply with all applicable technical rules and regulations and applicable laws with respect to safety ("**Safety Regulations**") and be manufactured so as to ensure that were used in compliance with the Safety Regulations and handled with due care they do not present a life or health risk. Upon request, supplier shall provide Mitsubishi Chemical Advanced Materials Composites Canada Inc. with such certificates, licenses, permits, approvals and registrations required to be maintained by the supplier in respect of the goods under the Safety Regulations. Dangerous goods must be packaged and

marked in accordance with applicable laws. The danger class or the phrase "not dangerous goods" should be on the delivery note and the corresponding safety data document must be delivered together with the goods, if applicable.

- 3.5 The goods must be accompanied by delivery note indicating our order number and reference, a designation of the goods, the net and gross weight and precise number of items. Partial and left-over deliveries must be designated as such. The delivery shall only be deemed to have been made after the documents required in the order, including any and all technical documents, are in our possession.

- 3.6 Any and all packaging accompanying goods delivered hereunder shall become the sole property of Mitsubishi Chemical Advanced Materials Composites Canada Inc. on delivery. Mitsubishi Chemical Advanced Materials Composites Canada Inc. shall have the right, exercisable in its sole discretion, to return such packaging to supplier in consideration of a credit note against future purchases equal to the cost of such packaging.

- 3.7 The supplier shall be liable for any damage incurred during transport. Insurance shall be borne by the supplier. Up until delivery at the agreed place, the goods shall travel at the cost and risk of the supplier.

4. QUALITY, WARRANTY, DEFAULT CLAIMS AND RIGHT OF RECOURSE

- 4.1 The supplier warrants that delivery will fully conform to the terms contained in the order and herein. The goods will (i) be new and free from defects in design, manufacture, materials and workmanship; (ii) be of merchantable quality, in good operating condition, fit and suitable for the purposes intended by us; and (iii) conform to the specifications and descriptions set forth in the applicable order.

- 4.2 The supplier must timely inform us of any planned change to the goods, their features and the production process and provide a sample upon request. Changes may only be made after receiving the written approval from Mitsubishi

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- 4.3 No limitations on the warranty and liability of any kind shall be accepted. The rights to an exchange and reduction in price as well as damage compensation shall be reserved in every case. The warranty period is two years. Defect claims may be made during the entire warranty period. The costs for necessary trials, attempts, etc. as a result of delivery not conforming to the order or defective delivery shall be borne by the supplier. Any payment and use of the delivered goods shall not be deemed an acceptance of the delivery and performance with respect to quality and quantity.
- 4.4 We reserve the right to fully or partially retain payment in the case of a defect, to the extent we claim a replacement, until the supplier performs its duty to make a conforming replacement delivery, or until the situation concerning rescission, price reduction and compensation have been clarified in a binding manner.
- 4.5 If we withdraw, or reduce the retail price of, products manufactured and/or sold by us as a result of defects in the goods delivered by the supplier, or if a claim is made against us in any other way, we reserve the right to take recourse against the supplier, whereby there shall be no notice period for our claims.
- 4.6 The supplier shall be responsible for ensuring that the procurement or use of the goods it offers or delivers does not violate patents or other third party intellectual property rights. In case of such violations as well as in the case of full or partial divestiture of title, the supplier shall defend, indemnify and hold us harmless from and against any third party claims in respect of such violations and shall support or represent us in negotiations and legal disputes.
- 4.7 In the event an action is brought against us on grounds of product liability, the supplier has an obligation to defend, indemnify and hold us harmless from any such claims insofar and to the extent the damage is caused through the deficiency of an item delivered by the supplier under this agreement. The supplier shall accept liability in such cases for all costs and expenditure, including the costs of any legal proceedings or product recall. Statutory provisions shall further apply.
- 4.8 All claims resulting from, arising directly or indirectly from or in connection with any order or any supply of goods hereunder must be commenced within five (5) years from the date that the injured party discovers or becomes aware of the claim. Notwithstanding the foregoing, to the extent

permissible under applicable law, all claims resulting from, arising directly or indirectly from or in connection with any order or any supply of goods hereunder must be brought within ten (10) years from the event giving rise to the claim.

5. CONFIDENTIALITY

- 5.1 Our orders and the related commercial and technical details must be treated as confidential by the supplier. Equally, the supplier may only disclose the existence of the business relationship if we have given our written agreement thereto.
- 5.2 Any business or technical information (including features to be inferred from any items handed-over, documents or software, and any other knowledge and experience) made accessible by us must be kept confidential in respect of third parties and may only be made available to persons within the supplier's company who need to use such information for the purposes of the delivery to us and are bound by a confidentiality obligation accordingly. Without our prior written agreement, such information – except deliveries to us – may not be replicated or used for marketing purposes. Upon our request, any information originating from us (including any copies and notes) and items lent must be immediately returned in full or destroyed according to our instructions. We reserve all the rights in such information (including copyrights and the right to apply for industrial property rights, such as patents, utility patents, etc.). Insofar as these are made accessible by third parties, this reservation of rights shall apply in favor of such third parties.
- 5.3 Products which are manufactured on the basis of documents drafted by us, such as drawings, models and the like, or on the basis of our confidential information, may neither be used by the supplier itself nor offered or delivered to third parties. Notwithstanding the foregoing, any information to which the confidentiality obligations contained herein apply, shall only be used by the supplier for the purposes of completing its obligations hereunder.

6. SUB-CONTRACTING

The subcontracting or transfer of our orders to a third party without our written agreement is not permitted. Each case of breach of this clause shall give us the right to terminate the agreement without notice or to refuse, fully or in part, the performance of the supplier. We reserve any rights or

remedies available to us at law, in equity, or otherwise.

7. ASSIGNMENT OF CLAIMS, SET-OFF

The assignment of claims against us and the set-off by the supplier of its claims against us shall be excluded unless we agree otherwise in writing.

8. SEVERABILITY CLAUSE

If any provision of these terms of purchase, our order, or any other agreement made with supplier should be or become inoperative, this shall not affect the validity of the other provisions. The contract parties are obliged to replace the inoperative provision with another clause approximating as closely as possible the economic intent of the provision being replaced.

9. PLACE OF PERFORMANCE, JURISDICTION, APPLICABLE LAW

The exclusive place of performance for delivery and payment and jurisdiction for any dispute arising out of this agreement and these terms of purchase shall be the place of the registered office of Mitsubishi Chemical Advanced Materials Composites Canada Inc.. We are however entitled to file action against the supplier at our discretion before a court at the place of its registered office, branch office, at the place of performance or at any other place of competent jurisdiction. The contractual relationships with the supplier shall be exclusively governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein, with the exclusion of the Vienna Convention on the Sale of Goods and the law on conflict of laws.

10. LANGUAGE

The parties agree that this agreement and all documents contemplated by this agreement be drawn up and interpreted in English. Les parties aux présentes ont exigé que cette entente et tous autres documents envisagés par les présentes soient rédigés en anglais.