

TERMS AND CONDITIONS OF SALE

This document (the "Agreement") constitutes an offer by IMG Chemicals Corporation ("IMG") to sell its goods (the "Products") to you (the "Client"). This offer is expressly limited to the acceptance of the terms contained herein and constitutes notice of objection to any additional or different terms in the acceptance so as to preclude the inclusion of any different or additional terms in any resulting contract.

1. PRICE LISTS, PURCHASE ORDERS, PROPOSALS AND ESTIMATES

- 1.1 Any price lists generated by IMG that are provided to Client are supplied strictly for informative purposes.
- 1.2 All prices are quoted in U.S. Dollars.
- 1.3 The pricing of any Product stated in a price list provided by IMG to Client is not binding upon either party until a firm purchase order – being the acceptance of the offer – is received by IMG from Client. Until firm acceptance of an IMG offer is made, pricing is subject to change without notice.
- 1.4 All pricing information, including any price list, provided by IMG to Client is confidential, and is intended solely for the Client to whom it is addressed. Client understands that all pricing information received from IMG is proprietary, and agrees to keep and protect it, to the greatest commercially reasonable extent, from disclosure to any other party.
- 1.5 If IMG issues a proposal or estimate to Client, it shall be valid for thirty (30) days from the day that it is sent to the client.
- 1.6 Any IMG proposals or estimates are for Products only, and do not include any services whatsoever, unless expressly specified in writing.
- 1.7 All Client purchase orders must be made to IMG in writing and must contain the Product part number, description, and the quantity desired.
- 1.8 IMG may issue a pro forma invoice to Client with the Product, pricing, quantity, and other relevant information. If such a pro forma invoice is issued by IMG, the pro forma invoice shall be deemed an offer to sell goods or services to the client. The client may accept the offer by confirming the pro forma. If Client issues payment based on the pro forma invoice without confirmation, whether the payment is in whole or in part, that act shall be deemed an acceptance of the pro forma invoice and all terms contained therein.
- 1.9 Services relating to Products, such as general business consultations, consolidation of goods, logistics, and brand/package design, are confined to those specified in IMG estimates or pro forma invoices.
- 1.10 In addition to the purchase price for the Products, the Client shall pay and be liable for all of the Client's expenses incurred by IMG for insurance, freight, cartage, warehousing, and all other charges in connection with delivering the Products to the Client.

2. SHIPPING & DELIVERY

- 2.1 Unless otherwise expressly agreed to in writing, Incoterms 2010 issued by the International Chamber of Commerce (ICC) shall apply to the trade terms quoted.
- 2.2 Unless otherwise expressly agreed to in writing, all Client Product purchases from IMG are understood to be purchased Ex Works (EXW, Incoterms 2010) IMG warehouse located at 6485 Shiloh Road, STE B-500, Alpharetta, GA 30005, USA. If Products are stored in a facility other than IMG warehouse, then it is understood that Products are sold to Client Ex Works storage facility.
- 2.3 IMG may arrange shipping services for Client to a named destination, at Client's expense, if requested by Client in writing. The Client shall pay and be liable for all of the Client's expenses incurred by IMG for insurance, freight, cartage, warehousing, and all other charges in connection with delivering the Products to the Client.
- 2.4 If Client requests that IMG provides shipping services, Client assumes all risk and peril during the shipping process, through to the final delivery at Client's facility.
- 2.5 Delivery times given by IMG are estimates only. In the event that an act or event beyond the reasonable control of IMG, and not the fault of IMG renders it impossible to provide or deliver the Products within the agreed upon time, no damages whatsoever may be claimed by the Client.
- 2.6 Regardless of which party makes the shipping arrangements or which mode of transport is utilized, the Products are sent at the Client's risk and peril. It is the Client's responsibility to make all necessary reserves and to undertake any complaint against the carriers, transporters, or cargo insurance carriers in the event of damage or missing items.

3. INTELLECTUAL PROPERTY. Any logos, studies, designs, advertisements, marketing and advertising materials, or similar items created by or for IMG and sent to the Client are the property of IMG and may not be copied reproduced or used without the express written consent of IMG. The aforementioned items may be used by the Client to promote, market, advertise, and sell IMG Products.

4. RETURN AND CANCELLATION

- 4.1 No Products may be returned to IMG without the prior written consent of IMG.
- 4.2 Products which have been accepted for return must be sent in its original packaging with all its accessories, and with all items in perfect condition, carriage prepaid, to the address indicated by IMG.
- 4.3 All charges and fees associated with returning or cancelling Products, including but not limited to, shipping, documentation, customs clearance, and warehousing, are to be paid by the Client.

5. TAXES AND DUTIES

- 5.1 Prices on the Products are exclusive of all city, state, and federal excise taxes, including without limitation, taxes on manufacture, sales, receipts, gross income, occupation, use and similar taxes.
- 5.2 Prices on the Products are exclusive of any tariffs, duties, taxes, and fees that may be imposed by on the Products by the government of any sovereign state, country, principality, or autonomous region.
- 5.3 Wherever applicable, any taxes, tariffs, duties, and fees are the responsibility of and must be paid by the Client.

6. PAYMENT

- 6.1 Client agrees to pay IMG in U.S. Dollars only, pursuant to the final invoice provided to Client by IMG.
- 6.2 Payment for Products and/or services shall be made by Client via wire transfer to a bank account designated by IMG.
- 6.3 Barring any contrary clause, IMG invoices are payable in full, 100%, before Products are made available or shipped to Client, net and without discount. Unless otherwise specified, IMG does not grant discount for early payment, and is not responsible to Client for any interest accrued on funds sent to IMG as early payment.
- 6.4 IMG shall be entitled to withhold shipment, delivery, and/or tender of goods until payment has been made and any wire transfer provided in payment has cleared.

7. TITLE TO AND RESERVATION OF SECURITY INTEREST IN THE GOODS

- 7.1 Legal and equitable title to the Products will pass from IMG to the Client upon the receipt by IMG of the full amount due from the Client to IMG pursuant to the invoice for such Products.
- 7.2 Until the Client has completed payment of the Products, title and ownership to said Products shall remain with IMG and its assigns and IMG hereby reserves and the Client hereby grants to IMG a purchase money security interest in the Products.
- 7.3 Until payment for the Products has been completed, the Client may not sell, transfer, convey, pledge, hypothecate or otherwise use the goods as security for any borrowing or for any other purposes. A violation of this provision shall result in on immediate default of the Client's obligations under this agreement.
- 7.4 Client agrees not to alter or obliterate signs of identification of Products sold to Client by IMG and its packaging, unless required the Client's country, state, or provincial law.

8. ACCEPTANCE OF GOODS

- 8.1 If specified and agreed to in writing by the parties, inspection of the Products shall be carried out of the expense of the Client and in the presence of the Client and/or the Client's representative. The results of such inspection shall be set forth in a written report produced by the Client and signed by both parties. Such inspection must be carried out by

the Client within fifteen days of notification from IMG of the availability of the Products for inspection.

9. EXCLUSIVE WARRANTIES AND EXPRESS WAIVER OF ANY TORT OR CONTRACTUAL REMEDY

- 9.1 IMG warrants the Products to be free from defects in workmanship and/or materials for a period of one (1) year from the date on which such Products are delivered to the Client, its agent, or designated carrier. This warranty does not extend to Products, parts or components not directly manufactured by IMG, although IMG will, to the extent possible, pass to the Client the benefit of any guarantee or warranty given to IMG in respect of such parts or components. No Products may be returned without the express written approval of IMG after a determination by IMG that such Products are defective because of poor workmanship or defective materials.
- 9.2 IMG shall replace or repair, at its option, any defective Products or portions thereof.
- 9.3 In the event that IMG determines in its sole discretion that the defect is attributable to any cause other than poor workmanship or defective materials (including, but not limited to, misuse or abusive operation of the Products), then IMG shall have no obligation whatsoever with respect to repair or replacement of the defective Products and the warranty described herein shall be void and of no force and effect.
- 9.4 EXCEPT AS NOTED IN PARAGRAPHS 9.1, 9.2, AND 9.3, THE PARTIES AGREE THAT THERE IS NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTIES BY IMG, EITHER EXPRESSED OR IMPLIED, OR ANY AFFIRMATION OF FACT OR REPRESENTATION WHICH EXTENDS BEYOND THE DESCRIPTION OF THE FACE HEREOF.
- 9.5 THE MAXIMUM DAMAGES RECOVERABLE UNDER ANY LEGAL THEORY WHATSOEVER, IN THE EVENT OF BREACH OF ANY WARRANTY BY IMG, EXPRESSED OR IMPLIED, OR OF THIS AGREEMENT OR UNDER ANY CIRCUMSTANCES SHALL BE LIMITED TO THE PURCHASE PRICE OF THE PRODUCTS. CLIENT AGREES THAT NO OTHER REMEDY, (INCLUDING BUT NOT LIMITED TO, INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR LOST PROFITS, LOST SALES, OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL LOSS) SHALL BE AVAILABLE TO IT UNDER ANY CIRCUMSTANCES,

10. LIMITATION ON DAMAGES RECOVERABLE FOR WARRANTY, TORT OR CONTRACT ACTIONS OF ANY NATURE. There is a limitation on damages recoverable regardless if the action against IMG proceeds in warranty, contract, or tort pursuant to Paragraph 9 above. IMG shall not be liable for delay in delivery for any cause beyond its reasonable control, nor shall such

delay entitle the Client to cancel any order or refuse to accept delivery. IMG shall not be liable for failure or delay in delivery or other performance hereunder if such failure is due in whole *or* in part to strikes, fires, accidents, wars, rebellions, civil commotion or public strike, acts of any government, whether legal or otherwise, acts of treats of terrorism, force majeure, inability to secure or obtain or delay in securing or obtaining transportation, machinery, materials, or sufficient qualified labor, or any other causes, whether similar or dissimilar to those enumerated, beyond the reasonable control of IMG.

11. RISK OF LOSS. All risks (including, but not limited to, risk of loss and damage), charges, and expenses respecting ordered Products shall be automatically transferred and passed from IMG to Distributor once the Products cross the door threshold or loading dock ramp at the designated Ex Works facility, on their way to a carrier.

12. MODIFICATIONS, INTEGRATION, AND NO AGENCY

- 12.1 This Agreement constitutes the entire agreement of the parties with respect to the terms and conditions of the sale of the goods specified herein.
- 12.2 This Agreement supersedes any other agreement representation or statement made by IMG prior to the date these terms and conditions are issued to the Client.
- 12.3 No modification of this Agreement shall be binding upon the parties unless in writing and signed by the party to be bound.
- 12.4 The requirement that any modification will be in writing cannot be waived unless the waiver of this requirement is in writing.
- 12.5 Any terms and provisions contained in any document(s) of the Client which are inconsistent with the terms and provisions hereof shall not be binding on IMG and shall not be considered applicable to the sale or delivery of the Products.
- 12.6 No Agency: No employee or representative of IMG, other than its officers, has any authority to bind IMG to any affirmation, representation or warranty concerning the goods sold under this Agreement and unless on affirmation, representation or warranty made by on agent, employee, or representative is specifically included within this Agreement, it has not formed a part of the basis of this bargain and shall not in any way be enforceable or actionable.

13. WAIVER. Waiver by IMG of a breach by the Client of any provision of this Agreement shall not be deemed a waiver of future compliance with the Agreement or the provision breached.

14. ASSIGNMENT. No right or interest in this Agreement shall be assigned by the Client without the written consent of IMG, and no delegation of any obligation by the Client shall be made without the written permission of IMG.

Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

15. CONTROLLING LAW. The validity and interpretation of this Agreement shall be governed by the laws of the State of Georgia, U.S.A, excluding its conflicts of law rules and expressly excluding the U.N. Convention on Contracts for the International Sale of Goods (CISG).

16. EXCLUSIVE JURISDICTION. In the event of any legal action, the Client, to the extent it may be lawfully do so, hereby submits to the exclusive jurisdiction of any state or federal court located in Forsyth County, Georgia. The Client further submits to the exclusive jurisdiction of all Georgia courts from which an appeal may be taken from the aforesaid courts. The parties hereby expressly waive any objections based on personal jurisdiction or venue in any of these Georgia courts.

17. SEVERABILITY CLAUSE. If any paragraph of this Agreement or part thereof is determined to be invalid, all remaining paragraphs of this Agreement and all terms not invalidated shall be considered severable from the invalidated provision.

18. ARBITRATION.

- 18.1 The parties hereby agree that any dispute concerning, relating or referring to this Agreement shall be resolved exclusively by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect (the "Rules"). The dispute shall be submitted to a tribunal of three (3) arbitrators, which arbitrators shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement and recommended by the American Arbitration Association.
- 18.2 The party desiring arbitration shall so notify the other party and the American Arbitration Association in writing in accordance with the aforesaid Rules, and such notices shall be accompanied by the name of the arbitrator selected by the party serving the notice. A second arbitrator shall be chosen by the other party, and a neutral arbitrator shall be chosen by the two (2) arbitrators selected by the parties. If a party fails to select an arbitrator and to advise the other party of its selection within seven (7) calendar days after receipt of such party's notice of intent to arbitrate, a second arbitrator shall be selected by the American Arbitration Association in accordance with the Rules. If the two (2) arbitrators so chosen cannot agree upon a neutral arbitrator within seven (7) calendar days after the appointment of the second arbitrator, a third arbitrator shall be selected by the American Arbitration Association in accordance with the Rules.
- 18.3 The parties mutually promise and agree that after either party has filed a notice of intent to arbitrate any dispute under this Agreement and before

the hearing thereof, they shall make discovery and disclosure of all matters relevant to the subject matter of such dispute, to the extent and in the manner provided by the U.S. Federal Rules of Civil Procedure. Any questions that may arise with respect to the fulfillment of or the failure to fulfill this obligation shall be referred to an arbitrator who is an attorney for his or her determination, which shall be final and conclusive.

- 18.4 All administrative fees and other expenses of arbitration shall be borne equally by the parties unless the arbitrators in the award assess such expenses or any part thereof against either of the parties.
- 18.5 Judgment upon the award rendered may be entered in any court having jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- 18.6 All mediation and arbitration proceedings shall be held in Atlanta, Georgia, USA, and the proceedings shall be governed by the laws of the State of Georgia, USA.