

STANDARD TERMS AND CONDITIONS OF SALE

LONE STAR CHEMICAL, LLC

Effective: March 5, 2026

1. GENERAL; CONTRACT FORMATION

1.1 Formation and Acceptance

These Standard Terms and Conditions of Sale ("**Terms**") form an integral part of each sales order confirmation ("**Order Confirmation**") issued by Lone Star Chemical, LLC ("**Seller**") to the party identified as the buyer ("**Buyer**"). Together, the Terms and the Order Confirmation constitute the entire agreement between Seller and Buyer for the sale and purchase of the products described in the Order Confirmation (the "**Products**"). These Terms and the Order Confirmation are collectively referred to as the "**Agreement**" or "**Contract**."

Seller has agreed to sell Products **only** on the terms and conditions set forth in this Agreement and on no other terms. If Buyer issues any purchase order, acknowledgment, or other contract document in connection with this transaction, Seller expressly **rejects and refuses to accept** any provisions in Buyer's document that conflict with, add to, or subtract from the terms of this Agreement. Any such conflicting, additional, or different terms in Buyer's documents are hereby objected to and shall have no force or effect.

1.2 Acknowledgment and Acceptance

Buyer's acceptance of Products, delivery of a letter of credit to Seller, commencement of performance, payment for Products, or any other conduct by Buyer indicating acceptance shall constitute Buyer's definite and unconditional acceptance of and agreement to be bound by these Terms. No additional or different terms proposed by Buyer shall become part of this Agreement unless expressly accepted by Seller in a writing signed by an authorized officer of Seller.

1.3 Amendments

These Terms may be amended or modified only by a written instrument executed by authorized representatives of both Seller and Buyer. Written acknowledgment by Seller of Buyer's purchase order or other document shall not constitute agreement to any additional or different terms unless the acknowledgment expressly states Seller's acceptance of such terms.

1.4 Entire Agreement; Merger Clause

This Agreement constitutes the entire understanding between Seller and Buyer with respect to the subject matter and supersedes all prior or contemporaneous written or oral agreements, understandings, negotiations, and representations related to the Products or this transaction.

2. PRODUCT DESCRIPTIONS AND DUAL-LINE STRUCTURE

2.1 Product Categories

Seller distributes and sells two categories of Products:

(a) Third-Party Branded Products: Plastic resins, compounds, and materials sold under the original manufacturer's brand name, trade name, or trademark (including, without limitation, products manufactured by Chevron Phillips Chemical, Shell Polymers, ExxonMobil Chemical, LyondellBasell, and other suppliers identified in Schedule C attached hereto).

(b) Proprietary/White-Label Products: Plastic resins, compounds, and materials sold under Seller's proprietary brand name(s), trade name(s), or generic product designations as identified in Schedule D attached hereto.

2.2 Seller's Role as Distributor

With respect to Third-Party Branded Products, Seller is an **authorized distributor** only. Seller is not the manufacturer, producer, or agent of the manufacturer. Seller makes no representations or warranties regarding Third-Party Branded Products except as expressly set forth in Section 7 below.

2.3 Product Specifications

(a) Third-Party Branded Products: Product specifications are as published by the original manufacturer in the manufacturer's technical data sheets (TDS), safety data sheets (SDS), certificates of analysis (CoA), and other manufacturer documentation. Seller will provide copies of such documentation upon request. Manufacturer specifications control and govern conformance of Third-Party Branded Products.

(b) Proprietary/White-Label Products: Product specifications are as stated in Seller's written product specification sheets provided to Buyer or as set forth in the Order Confirmation. Where no specific written specification is stated, standard ASTM specifications for the applicable product type shall govern.

2.4 Product Substitution

If any specified Product becomes unavailable due to supply constraints, manufacturing discontinuation, allocation by the manufacturer, or other causes beyond Seller's reasonable control, Seller may, upon written notice to Buyer, substitute an equivalent grade or specification Product. If Buyer does not accept the substitution, Buyer may cancel the affected portion of the order without penalty. Seller shall have no liability for failure to deliver unavailable Products.

2.5 Discontinuation of Proprietary Products

Seller reserves the right to discontinue any Proprietary/White-Label Product upon ninety (90) days' prior written notice to Buyer. Seller shall fulfill all confirmed orders received prior to the discontinuation notice. Seller has no obligation to reformulate, reproduce, or restock discontinued Products.

3. PRICING, PAYMENT, AND CREDIT

3.1 Prices

Prices for Products are as stated in the Order Confirmation. All prices are in United States dollars unless otherwise specified. Prices are exclusive of all taxes, duties, tariffs, and governmental charges (see Section 10).

3.2 Price Adjustments for Proprietary Products

For Proprietary/White-Label Products, Seller reserves the right to adjust pricing upon thirty (30) days' prior written notice to Buyer. Price adjustments apply only to future orders placed after the effective date of the price change. Existing confirmed orders are not subject to retroactive price adjustments.

3.3 Credit Approval

Seller's obligation to perform, and Buyer's right to purchase Products, are at all times subject to the approval and continuing approval of Buyer's credit by Seller in Seller's sole discretion. Seller may withdraw, suspend, or modify credit terms at any time without prior notice.

3.4 Payment Terms

Payment terms are as stated in the Order Confirmation. Standard terms are net thirty (30) days from the invoice date unless otherwise specified. Buyer shall make payment in full in immediately available funds by wire transfer, ACH, or other payment method acceptable to Seller to the bank account designated by Seller no later than the due date.

3.5 Letter of Credit

If the Order Confirmation specifies payment by letter of credit, Buyer must establish a clean, irrevocable letter of credit acceptable to Seller at least ten (10) business days prior to the scheduled shipment date or transfer of title, whichever occurs first. The letter of credit must be confirmed and payable at the counters of a major United States bank on terms acceptable to Seller.

3.6 Late Payment; Interest; Credit Insurance Reporting

Without prejudice to any other remedy available to Seller, if any amount owed by Buyer is not paid when due, compound interest shall accrue on the unpaid amount from the due date until paid at the rate of **one and one-half percent (1.5%) per month** (18% per annum) or the maximum rate permitted by applicable law, whichever is less, **plus all reasonable attorneys' fees and collection costs** incurred by Seller in collecting the overdue amount.

Buyer acknowledges and agrees that Seller may carry accounts receivable insurance to protect against customer payment defaults. In the event of non-payment or delinquency by Buyer, Seller may be contractually required by its accounts receivable insurance carrier to report such non-payment, delinquency, or default to the insurance carrier, credit reporting agencies, or other third parties as required by the insurance policy or applicable law. Buyer consents to such reporting and waives any claim against Seller for such disclosure.

3.7 No Offset or Deduction; Counterclaim Limitations

All payments for Products shall be made without reduction, offset, deduction, counterclaim, recoupment, or adjustment of any kind. Buyer waives any right of setoff or recoupment against amounts owed to Seller.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY COUNTERCLAIM, CROSS-CLAIM, OR AFFIRMATIVE DEFENSE SEEKING DAMAGES ASSERTED BY BUYER AGAINST SELLER (WHETHER IN ARBITRATION, LITIGATION, OR OTHERWISE) SHALL BE LIMITED IN AMOUNT TO THE PURCHASE PRICE ACTUALLY PAID BY BUYER TO SELLER UNDER THE SPECIFIC ORDER CONFIRMATION GIVING RISE TO SUCH COUNTERCLAIM.

BUYER WAIVES ALL COUNTERCLAIM DAMAGE THEORIES AND CLAIMS THAT ARE NOT DIRECTLY RELATED TO THE PURCHASE, SALE, DELIVERY, QUALITY, OR SPECIFICATION CONFORMANCE OF THE PRODUCTS UNDER THE APPLICABLE ORDER CONFIRMATION.

3.8 Security Interest

Buyer hereby grants to Seller a security interest in the Products and the proceeds thereof to secure payment of all amounts owed by Buyer to Seller. Seller may file financing statements or other documents necessary to perfect such security interest without Buyer's signature.

4. ORDERS, CANCELLATION, AND TERMINATION

4.1 Binding Orders

All orders are firm and binding upon Seller's issuance of an Order Confirmation. Orders may not be terminated, canceled, or modified by Buyer without Seller's prior written consent.

4.2 Buyer Cancellation

If Seller consents to cancellation by Buyer, Buyer shall pay Seller reasonable cancellation charges, restocking fees, and any costs incurred by Seller, including without limitation costs for raw materials purchased, manufacturing or packaging performed, transportation arranged, and lost profit.

4.3 Seller's Right to Cancel or Suspend

In the event of any of the following, Seller may, at its option and without liability: (a) cancel the order or any part thereof; (b) suspend or stop performance or delivery of Products; or (c) require payment on a cash-on-delivery (COD) or cash-in-advance basis:

- Buyer's failure to pay any amount when due under this Agreement or any other agreement with Seller;
- Buyer's failure to perform any material obligation under this Agreement;
- Receivership, bankruptcy, insolvency, or assignment for the benefit of creditors by Buyer;
- Buyer ceasing business operations;

- Seller's good-faith belief that payment of Buyer's obligations is insecure; or
- Any material adverse change in Buyer's financial condition.

4.4 Seller's Remedies Are Cumulative

Seller's remedies under this Agreement are cumulative. Exercise of any remedy shall not be construed as an election of remedies or waiver of any other remedy available at law or in equity. Seller may estimate its reasonable damages and may apply any down payment, deposit, or other amounts owed by Seller to Buyer to such damages, or may demand adequate assurance of Buyer's performance.

4.5 Partial Performance

Cancellation or termination of an order that has been partially performed does not excuse Buyer from the obligation to pay for Products already delivered or services already performed by Seller.

5. SHIPMENT, DELIVERY, TITLE, AND RISK OF LOSS

5.1 Delivery Terms

Delivery terms are as stated in the Order Confirmation. Unless otherwise specified, delivery shall be **FOB Seller's facility or warehouse** (Incoterms® 2020), meaning that title and risk of loss pass to Buyer when Products are delivered to the carrier at Seller's shipping point. When railcar direct delivery is arranged, the shipping point is when the railcar leaves the producer's railyard.

For international shipments, the applicable Incoterms® 2020 delivery term stated in the Order Confirmation shall govern the passage of title and risk of loss.

5.2 Title and Risk of Loss

Notwithstanding the stated delivery term, **title to and risk of loss of the Products shall pass from Seller to Buyer at the point of shipping** as specified in the applicable delivery term. After passage of title and risk of loss, Buyer bears all risk of damage, loss, or destruction of the Products, regardless of cause.

5.3 Delivery Dates

Delivery dates stated in the Order Confirmation are estimates only and are not guaranteed. Seller shall use commercially reasonable efforts to meet estimated delivery dates but shall not be liable for any delay in shipment or delivery.

5.4 Carrier Selection and Delay

Seller is not responsible for delays, shortages, damage, or loss caused by carriers or freight forwarders after title and risk of loss have passed to Buyer. Buyer is responsible for filing any claims against carriers for loss or damage during transit.

5.5 Installment Shipments

If Products are to be delivered in installments, each installment shall be considered a separate transaction. Delay in or failure of shipment or delivery of one installment shall not constitute a breach entitling Buyer to cancel or refuse performance with respect to other installments.

5.6 Buyer's Responsibilities

Buyer is responsible for:

- Securing all necessary import/export licenses, permits, and governmental approvals;
- Complying with all customs, import, and export regulations;
- Providing all freight, transit, and import documentation;
- Ensuring that receiving facilities are safe and suitable for delivery; and
- Arranging appropriate insurance coverage for Products after title passes.

Failure by Buyer to fulfill these responsibilities does not excuse or delay Buyer's payment obligations.

5.7 Refusal of Unsafe Deliveries

Seller may refuse to load, unload, transfer, or handle Products under any conditions Seller deems unsafe, including unsafe weather, equipment, facilities, personnel, or procedures. Seller may reject any trucks, rail cars, containers, or vessels presented for loading that would present an unsafe or potentially unsafe situation.

5.8 Packaging and Labeling of Proprietary Products

Proprietary/White-Label Products are shipped in Seller's standard packaging bearing Seller's labels, markings, or generic designations. **Buyer may not relabel, repackage, or alter any labeling or packaging without Seller's prior written consent.** Any unauthorized relabeling or repackaging violates Seller's intellectual property rights and may result in immediate termination of this Agreement.

6. QUANTITY AND QUALITY DETERMINATION; INSPECTION; RETURNS

6.1 Bulk Products

For bulk products, quantity and quality shall be determined by a mutually agreed independent inspector at the loading point using recognized ASTM test methods. The inspector's determination shall be final and binding on both parties as to specifications. Each party may have its representative observe all measurements, sampling, and testing. The cost of the independent inspector shall be shared equally by Seller and Buyer.

6.2 Packaged Products

For packaged Products, quantity and quality shall be as specified in the Order Confirmation and evidenced by Seller's packing list and invoice.

6.3 Inspection Upon Receipt; Notice Requirements

Buyer must inspect Products immediately upon receipt. **All claims for visible damage, shortage, mislabeling, or patent nonconformity must be submitted in writing within seventy-two (72) hours of delivery. Failure to provide written notice within 72 hours constitutes irrevocable acceptance and waiver of all claims for patent defects.**

For latent defects not reasonably discoverable upon visual inspection and that require laboratory testing to detect, Buyer must provide written notice within **thirty (30) days** of delivery, **provided that (i) Buyer can demonstrate that the defect was not discoverable through reasonable visual inspection, (ii) Buyer conducted testing promptly upon receipt, (iii) the Products have been segregated and remain in unaltered condition, and (iv) Buyer can provide traceability documentation (lot numbers, packaging, chain of custody).**

6.4 Third-Party Branded Products

For Third-Party Branded Products, Seller shall provide Buyer with copies of the manufacturer's Certificate of Analysis (CoA) and Safety Data Sheet (SDS) upon request. Seller makes no independent quality representation beyond the manufacturer's CoA.

6.5 Absolute Claims Waiver

ANY CLAIM NOT SUBMITTED WITHIN THE APPLICABLE TIME PERIOD IN SECTION 6.3 IS ABSOLUTELY, UNCONDITIONALLY, AND IRREVOCABLY WAIVED. IN NO EVENT SHALL ANY CLAIM BE MADE MORE THAN THIRTY (30) DAYS AFTER DELIVERY.

Buyer acknowledges that the 72-hour period for patent defects is reasonable given Buyer's sophistication, expertise in plastic resins and compounds, testing capabilities, and the nature of the plastics distribution industry. Buyer irrevocably waives any argument that such period is commercially unreasonable.

6.6 Return Policy (RMA Required; Unaltered Products Only)

(a) Authorization Required. Products may be returned **only** if Seller issues a written Return Material Authorization ("RMA") in advance. Seller has sole discretion whether to issue an RMA.

(b) Eligibility. Products are eligible for return **only** if:

- (i) Timely written notice was provided under Section 6.3;
- (ii) The Products are completely **unaltered, unprocessed, unopened, unblended, and in their original condition and packaging;**
- (iii) All original labels, lot numbers, seals, and manufacturer markings are intact and unaltered; and
- (iv) The Products have not been exposed to moisture, contamination, heat, or any condition that could affect their properties.

(c) Non-Returnable Products. The following Products are non-returnable under any circumstances: custom-blended products, special orders, made-to-order products, products

that have been opened or whose packaging has been breached, and products more than 30 days from delivery date.

(d) Return Shipping and Costs. Buyer bears all risk of loss and all costs for return shipment. Products must be returned freight prepaid to Seller's designated location.

(e) Inspection and Rejection. Seller reserves the right to inspect all returned Products. If Seller determines that returned Products do not meet the requirements of this Section, Seller may refuse the return and re-ship the Products to Buyer at Buyer's expense. The original invoice remains due and payable.

(f) Restocking Fee. Seller may charge a restocking fee of up to twenty-five percent (25%) of the purchase price for accepted returns.

7. WARRANTY DISCLAIMER

7.1 Conspicuous Notice

THE WARRANTY PROVISIONS SET FORTH IN THIS SECTION 7 ARE CONSPICUOUS, MATERIAL TERMS OF THIS AGREEMENT. BUYER ACKNOWLEDGES HAVING READ AND UNDERSTOOD THESE PROVISIONS.

7.2 Limited Warranty (Specification Conformance Only)

SELLER'S SOLE AND EXCLUSIVE WARRANTY IS THAT THE PRODUCTS WILL CONFORM TO THE SPECIFICATION EXPRESSLY STATED IN THE ORDER CONFIRMATION AT THE TIME OF DELIVERY. THIS IS SELLER'S ONLY WARRANTY.

FOR THIRD-PARTY BRANDED PRODUCTS, THE APPLICABLE SPECIFICATION IS THE MANUFACTURER'S PUBLISHED SPECIFICATION (TDS/COA). FOR PROPRIETARY/WHITE-LABEL PRODUCTS, THE APPLICABLE SPECIFICATION IS SELLER'S WRITTEN PRODUCT SPECIFICATION OR, IF NONE IS PROVIDED, THE APPLICABLE ASTM SPECIFICATION.

BUYER'S SOLE AND EXCLUSIVE REMEDY FOR NONCONFORMANCE TO THE SPECIFICATION WARRANTY IS, AT SELLER'S SOLE ELECTION: (A) FOR THIRD-PARTY BRANDED PRODUCTS, SELLER'S GOOD-FAITH EFFORT TO PURSUE A WARRANTY CLAIM AGAINST THE MANUFACTURER ON BUYER'S BEHALF; OR (B) REPLACEMENT OF THE NONCONFORMING PRODUCTS IN ACCORDANCE WITH THE APPLICABLE DELIVERY TERM; OR (C) REFUND OF THE PURCHASE PRICE ACTUALLY PAID BY BUYER FOR THE NONCONFORMING PRODUCTS AND ACTUALLY RECEIVED BY SELLER.

7.3 ABSOLUTE DISCLAIMER OF ALL OTHER WARRANTIES

EXCEPT FOR THE LIMITED WARRANTY IN SECTION 7.2, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, AND BUYER HEREBY WAIVES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS, IMPLIED, ORAL, OR WRITTEN, INCLUDING WITHOUT LIMITATION:

(A) ANY IMPLIED WARRANTY OF MERCHANTABILITY;

(B) ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE;

(C) ANY WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE;

(D) ANY WARRANTY OF TITLE OR NON-INFRINGEMENT (EXCEPT SELLER'S WARRANTY THAT IT HAS THE RIGHT TO SELL THE PRODUCTS);

(E) ANY WARRANTY ARISING FROM DESCRIPTION, SAMPLE, OR MODEL; AND

(F) ANY WARRANTY REGARDING PRODUCT PERFORMANCE, SUITABILITY FOR ANY APPLICATION, COMPATIBILITY WITH OTHER MATERIALS, PROCESSABILITY, OR RESULTS TO BE OBTAINED.

ALL PRODUCTS ARE SOLD "AS IS" AND "WITH ALL FAULTS" EXCEPT AS EXPRESSLY SET FORTH IN SECTION 7.2.

NO ORAL OR WRITTEN STATEMENT, TECHNICAL DATA SHEET, SAFETY DATA SHEET, PRODUCT LITERATURE, SALES MATERIAL, MARKETING COMMUNICATION, OR OTHER INFORMATION SHALL CREATE ANY WARRANTY BEYOND SECTION 7.2.

7.4 Sophisticated Buyer Acknowledgment

BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT:

(A) BUYER IS A SOPHISTICATED COMMERCIAL BUYER WITH KNOWLEDGE OF AND EXPERIENCE WITH PLASTIC RESINS, COMPOUNDS, AND RELATED PRODUCTS;

(B) BUYER HAS NOT RELIED UPON ANY REPRESENTATIONS, STATEMENTS, OR ADVICE BY SELLER REGARDING THE PRODUCTS, THEIR CHARACTERISTICS, PERFORMANCE, OR SUITABILITY FOR ANY PURPOSE;

(C) BUYER HAS NOT RELIED UPON SELLER'S SKILL OR JUDGMENT IN SELECTING OR FURNISHING THE PRODUCTS;

(D) BUYER HAS RELIED SOLELY UPON BUYER'S OWN JUDGMENT, INVESTIGATION, TESTING, AND EVALUATION OF THE PRODUCTS; AND

(E) BUYER IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE PRODUCTS FOR BUYER'S INTENDED APPLICATION AND END USE.

7.5 Hazardous Materials Acknowledgment

Buyer acknowledges that the Products may constitute or be classified as hazardous materials under various federal, state, and local laws and regulations. Buyer warrants that Buyer and its employees, agents, and contractors are familiar with the hazards associated with the Products, the applicable Safety Data Sheets (SDS), and all regulatory requirements for the safe handling, storage, transportation, use, and disposal of the Products.

If Buyer believes that any SDS, technical data sheet, or other information provided by Seller is inaccurate or insufficient, Buyer shall immediately notify Seller in writing and provide Seller a reasonable opportunity to supplement or correct the information.

7.6 No Authority to Extend Warranties

No employee, agent, representative, or distributor of Seller is authorized to make any representation, warranty, or guarantee concerning the Products beyond those expressly stated in this Section 7 unless made in a writing signed by an authorized officer of Seller.

8. LIMITATION OF LIABILITY

8.1 Conspicuous Notice

THE LIABILITY LIMITATIONS SET FORTH IN THIS SECTION 8 ARE CONSPICUOUS, MATERIAL TERMS OF THIS AGREEMENT. BUYER ACKNOWLEDGES HAVING READ AND UNDERSTOOD THESE PROVISIONS.

8.2 Exclusive Remedy

BUYER'S EXCLUSIVE REMEDY FOR ANY NONCONFORMANCE OR DEFECT IN THE PRODUCTS IS AS SET FORTH IN SECTION 7.2 ABOVE. SELLER'S LIABILITY FOR ANY NONCONFORMANCE OR DEFECT IS EXPRESSLY LIMITED, AT SELLER'S SOLE ELECTION, TO: (A) REPLACEMENT OF THE NONCONFORMING PRODUCTS IN ACCORDANCE WITH THE APPLICABLE DELIVERY TERM; OR (B) REFUND OF THE PURCHASE PRICE ACTUALLY PAID BY BUYER FOR THE NONCONFORMING PRODUCTS AND ACTUALLY RECEIVED BY SELLER.

8.3 Cap on Total Liability

SELLER'S TOTAL LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE PRODUCTS, OR ANY TRANSACTION BETWEEN SELLER AND BUYER, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY, CONTRIBUTION, OR ANY OTHER LEGAL THEORY, SHALL NOT EXCEED THE PURCHASE PRICE ACTUALLY PAID BY BUYER TO SELLER FOR THE SPECIFIC PRODUCTS GIVING RISE TO THE CLAIM.

THIS LIMITATION OF LIABILITY APPLIES EVEN IF THE PRODUCTS HAVE BEEN INCORPORATED INTO OTHER PRODUCTS, USED IN MANUFACTURING PROCESSES, SOLD TO DOWNSTREAM CUSTOMERS, OR PLACED INTO END-USE APPLICATIONS.

8.4 Exclusion of Consequential Damages

IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION:

(A) LOST PROFITS, LOST REVENUE, OR LOST SAVINGS;

(B) LOSS OF DATA OR LOSS OF GOODWILL;

(C) BUSINESS INTERRUPTION OR DOWNTIME;

(D) COST OF SUBSTITUTE PRODUCTS OR SERVICES;

**(E) CLAIMS OF BUYER'S CUSTOMERS OR DOWNSTREAM PURCHASERS;
OR**

(F) ANY OTHER INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE,

EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE.

8.5 Applicability to All Claims

THE LIMITATIONS AND EXCLUSIONS IN THIS SECTION 8 APPLY TO ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PRODUCTS, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), INDEMNITY, CONTRIBUTION, VIOLATION OF STATUTE, OR ANY OTHER LEGAL OR EQUITABLE THEORY.

8.6 Proprietary Product Formulation Claims

WITH RESPECT TO PROPRIETARY/WHITE-LABEL PRODUCTS, THE LIABILITY CAP IN SECTION 8.3 APPLIES REGARDLESS OF WHETHER THE CLAIM ARISES FROM PRODUCT FORMULATION, PRODUCT DESIGN, LABELING, MARKETING, OR DOWNSTREAM USE OF THE PRODUCTS, EXCEPT THAT THIS LIMITATION SHALL NOT APPLY TO CLAIMS ARISING SOLELY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

8.7 LIMITATION ON COUNTERCLAIM DAMAGES; WAIVER OF EXTRA-CONTRACTUAL CLAIMS

IN ANY DISPUTE IN WHICH SELLER ASSERTS A CLAIM AGAINST BUYER (INCLUDING WITHOUT LIMITATION A CLAIM FOR NONPAYMENT OR BREACH), BUYER'S DAMAGES, IF ANY, ON ANY COUNTERCLAIM SHALL NOT EXCEED THE AMOUNT ACTUALLY PAID BY BUYER TO SELLER UNDER THE SPECIFIC ORDER CONFIRMATION GIVING RISE TO THE DISPUTE.

BUYER EXPRESSLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ANY COUNTERCLAIM DAMAGE THEORY THAT IS NOT DIRECTLY RELATED TO THE GOODS TRANSACTION AT ISSUE, INCLUDING WITHOUT LIMITATION CLAIMS FOR:

(A) TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIPS OR CONTRACTS;

(B) LOSS OF BUSINESS OPPORTUNITIES OR PROSPECTIVE ECONOMIC ADVANTAGE;

(C) DAMAGE TO BUSINESS REPUTATION, GOODWILL, OR CUSTOMER RELATIONSHIPS;

(D) EMOTIONAL DISTRESS, MENTAL ANGUISH, OR PERSONAL INJURY NOT DIRECTLY CAUSED BY THE PRODUCTS;

(E) VIOLATIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT (DTPA);

(F) FRAUD, FRAUDULENT INDUCEMENT, OR NEGLIGENT MISREPRESENTATION (EXCEPT TO THE EXTENT SUCH CLAIMS RELATE SOLELY TO THE SPECIFICATION CONFORMANCE WARRANTY IN SECTION 7.2);

(G) EXEMPLARY, PUNITIVE, OR MULTIPLIED DAMAGES; AND

(H) ANY CLAIM UNDER ANY THEORY NOT ARISING DIRECTLY FROM THE SPECIFIC ORDER CONFIRMATION AT ISSUE.

BUYER ACKNOWLEDGES THAT THIS LIMITATION IS A MATERIAL INDUCEMENT FOR SELLER TO EXTEND CREDIT TERMS, IS CONSPICUOUS AND REASONABLE, AND IS VOLUNTARILY AGREED TO BY BUYER AS A SOPHISTICATED COMMERCIAL PARTY.

9. BUYER INDEMNIFICATION

9.1 Conspicuous Notice and Express Negligence Acknowledgment

THE INDEMNIFICATION PROVISIONS SET FORTH IN THIS SECTION 9 ARE CONSPICUOUS, MATERIAL TERMS OF THIS AGREEMENT.

BUYER AND SELLER AGREE AND EXPRESSLY ACKNOWLEDGE THAT:

(A) THESE INDEMNIFICATION PROVISIONS ARE CONSPICUOUS AND COMPLY WITH THE TEXAS EXPRESS NEGLIGENCE TEST;

(B) BUYER AND SELLER CLEARLY AND UNEQUIVOCALLY INTEND FOR BUYER TO INDEMNIFY SELLER FOR CLAIMS ARISING FROM OR RELATED TO SELLER'S ORDINARY NEGLIGENCE, WHETHER SUCH NEGLIGENCE IS ACTIVE, PASSIVE, JOINT, CONCURRENT, OR SOLE;

(C) BUYER AND SELLER INTEND TO TRANSFER THE RISK OF LOSS FOR SELLER'S ORDINARY NEGLIGENCE TO BUYER AS SET FORTH HEREIN; AND

(D) THE INDEMNIFICATION OBLIGATIONS DO NOT EXTEND TO CLAIMS ARISING SOLELY FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

9.2 Indemnification After Passage of Title

BUYER AGREES TO RELEASE, INDEMNIFY, DEFEND, AND HOLD HARMLESS SELLER AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS, AFFILIATES, AND SUCCESSORS (COLLECTIVELY, THE "SELLER INDEMNITEES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, SUITS, ACTIONS, JUDGMENTS, PENALTIES, FINES, LIABILITIES, LOSSES, DAMAGES (INCLUDING INCIDENTAL AND CONSEQUENTIAL DAMAGES), COSTS, AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) THAT ARISE OUT OF, RESULT FROM, OR RELATE TO THE PRODUCTS AFTER TITLE AND RISK OF LOSS TO THE PRODUCTS HAVE PASSED TO BUYER, INCLUDING WITHOUT LIMITATION:

(A) PERSONAL INJURY (INCLUDING ILLNESS AND DISEASE) TO OR DEATH OF ANY PERSON (INCLUDING EMPLOYEES OR CUSTOMERS OF BUYER);

(B) DAMAGE TO OR DESTRUCTION OF ANY PROPERTY;

(C) ENVIRONMENTAL CONTAMINATION, POLLUTION, OR HAZARDOUS MATERIALS RELEASES;

(D) HANDLING, STORAGE, TRANSPORTATION, USE, PROCESSING, OR DISPOSAL OF THE PRODUCTS;

(E) CLAIMS BY BUYER'S CUSTOMERS, DOWNSTREAM PURCHASERS, OR END USERS; AND

(F) VIOLATION OF ANY LAW, REGULATION, OR GOVERNMENTAL ORDER.

9.3 Coverage of Seller's Ordinary Negligence

THE INDEMNIFICATION OBLIGATIONS IN SECTION 9.2 EXPRESSLY INCLUDE CLAIMS BASED UPON OR RESULTING FROM THE ORDINARY NEGLIGENCE OF SELLER OR ANY SELLER INDEMNITEE, WHETHER SUCH NEGLIGENCE IS ACTIVE, PASSIVE, JOINT, CONCURRENT, OR SOLE, BUT SPECIFICALLY EXCLUDING CLAIMS ARISING SOLELY FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER.

9.4 Defense of Claims

BUYER SHALL, AT ITS SOLE EXPENSE AND ON BEHALF OF SELLER AND THE SELLER INDEMNITEES, HANDLE AND/OR DEFEND ANY CLAIM, ACTION, OR LITIGATION COVERED BY THIS INDEMNIFICATION. SELLER RESERVES THE RIGHT TO PARTICIPATE IN THE DEFENSE OF ANY SUCH CLAIM WITH LEGAL COUNSEL OF ITS OWN CHOOSING AT BUYER'S EXPENSE. BUYER SHALL NOT SETTLE ANY CLAIM WITHOUT SELLER'S PRIOR WRITTEN CONSENT.

9.5 Prohibited End-Use Indemnification

BUYER WARRANTS THAT THE PRODUCTS WILL NOT, DIRECTLY OR INDIRECTLY, BE USED BY BUYER OR BY ANY THIRD PARTY IN ANY OF THE PROHIBITED BUSINESS RISK CATEGORIES SET FORTH IN SCHEDULE A OR IN ANY OF THE RESTRICTED USE CATEGORIES SET FORTH IN SCHEDULE B WITHOUT SELLER'S PRIOR WRITTEN APPROVAL FOR EACH SPECIFIC PRODUCT AND APPLICATION.

BUYER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE SELLER INDEMNITEES FROM ANY AND ALL CLAIMS ARISING FROM OR RELATED TO BUYER'S USE OR SALE OF PRODUCTS IN VIOLATION OF THE PROHIBITED OR RESTRICTED USE PROVISIONS IN SCHEDULES A AND B.

9.6 White-Label Rebranding Indemnification

IF BUYER APPLIES ITS OWN BRAND NAME, LABELING, OR PACKAGING TO ANY PROPRIETARY/WHITE-LABEL PRODUCTS PURCHASED FROM SELLER (WHETHER AUTHORIZED OR UNAUTHORIZED), BUYER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE SELLER INDEMNITEES FROM ALL CLAIMS ARISING FROM OR RELATED TO:

(A) BUYER'S REBRANDING, RELABELING, REPACKAGING, OR MARKETING OF THE PRODUCTS;

(B) ANY REPRESENTATIONS, WARRANTIES, OR GUARANTEES MADE BY BUYER TO BUYER'S CUSTOMERS;

(C) CLAIMS BY BUYER'S CUSTOMERS OR DOWNSTREAM PURCHASERS RELATED TO THE REBRANDED PRODUCTS; AND

(D) ANY PRODUCT LIABILITY, PERSONAL INJURY, PROPERTY DAMAGE, OR OTHER CLAIMS RELATED TO THE REBRANDED PRODUCTS.

10. TAXES

10.1 Buyer's Responsibility for Taxes

In addition to the purchase price, Buyer shall pay all sales taxes, use taxes, value-added taxes, excise taxes, and any other taxes, duties, tariffs, or governmental charges levied upon or related to the sale, transportation, storage, delivery, import, export, or use of the Products, excluding only Seller's income taxes and franchise taxes.

10.2 Tax Collection by Seller

If Seller is required by law to collect any such taxes, Buyer shall pay such taxes to Seller or reimburse Seller for such taxes. If Seller pays any taxes on Buyer's behalf, Buyer shall reimburse Seller upon demand.

10.3 Tax Exemptions

If Buyer claims exemption from any sales or use tax, Buyer must provide Seller with a valid, completed tax exemption certificate (such as a Texas Sales and Use Tax Exemption Certificate) acceptable to the applicable taxing authority prior to the first shipment. If Buyer's claimed exemption is later determined to be invalid, Buyer shall indemnify and hold Seller harmless from any tax liability, penalties, interest, and costs arising from Buyer's invalid exemption claim.

10.4 Texas Manufacturing Exemption

For sales within Texas, if Buyer claims a manufacturing exemption under Texas Tax Code § 151.318 or any similar exemption, Buyer must self-certify eligibility and provide appropriate documentation to Seller. Buyer bears full responsibility for the validity of any claimed manufacturing exemption.

11. RESTRICTED AND PROHIBITED END USES

11.1 Prohibited End Uses

Buyer shall not, and shall not knowingly permit any third party to, use the Products in any application set forth in **Schedule A – Prohibited End Uses** attached hereto and incorporated by reference. Prohibited end uses include, without limitation:

- Weapons, munitions, missiles, or other military applications;
- Chemical or biological weapons or precursors;
- Nuclear energy or nuclear weapons applications;
- Medical implants or FDA Class III medical devices;

- Aerospace structural components;
- Safety-critical automotive systems (airbags, seatbelts, brake systems, steering systems, pedal systems); and
- Other applications set forth in Schedule A.

11.2 Restricted End Uses Requiring Approval

Buyer shall not use the Products in any application set forth in **Schedule B – Restricted End Uses** attached hereto and incorporated by reference without obtaining Seller's prior written approval for each specific Product and application. Restricted end uses requiring approval include, without limitation:

- FDA food-contact applications;
- Medical devices (FDA Class I and II);
- Pharmaceutical packaging (direct contact with drugs);
- Potable water contact applications;
- Baby and child safety products for the North American market;
- California Proposition 65 applications;
- REACH/SVHC applications in European Union markets; and
- Other applications set forth in Schedule B.

11.3 Regulatory Compliance for White-Label Products

For Proprietary/White-Label Products, Buyer bears sole responsibility for verifying that the Products meet all regulatory requirements applicable to Buyer's intended end use. Seller makes no representation that Proprietary/White-Label Products comply with any specific regulatory requirements beyond Seller's written product specifications.

11.4 Buyer's Warranty

Buyer warrants that Buyer will comply with all restrictions set forth in this Section 11 and in Schedules A and B. Buyer shall immediately notify Seller in writing if Buyer learns of any use of the Products in a prohibited or unapproved restricted application.

12. COMPLIANCE WITH LAWS; ANTI-CORRUPTION

12.1 General Compliance

Buyer shall comply with all applicable federal, state, local, and foreign laws, rules, regulations, and orders relating to this Agreement, the Products, and Buyer's business operations, including without limitation laws relating to:

- Exports, imports, and international trade sanctions;

- Environmental protection and hazardous materials;
- Workplace safety (OSHA);
- Transportation (DOT);
- Chemical management and reporting (EPA, TSCA, EPCRA);
- Product safety and consumer protection; and
- Anti-corruption and anti-bribery.

12.2 Export Controls and Sanctions

Buyer shall comply with all applicable export control laws and regulations, including the U.S. Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR), and Office of Foreign Assets Control (OFAC) sanctions programs. Buyer shall not export, re-export, transship, or divert any Products to any country, entity, or person subject to U.S. trade sanctions or embargoes, including without limitation Iran, Syria, Sudan, Cuba, North Korea, Venezuela, Russia, or the Crimea region of Ukraine, or any other sanctioned jurisdiction or entity.

12.3 Anti-Corruption Representations

Buyer represents and warrants that:

(a) Buyer has not, directly or indirectly, in connection with the purchase or resale of Products, made, offered, promised, or authorized any payment of anything of value (including any facilitating payment):

- To any employee, official, or representative of any government, government-owned or controlled entity, political party, or international organization, in order to obtain, retain, or direct business, obtain any improper advantage, or influence any governmental action; or
- To any agent, representative, intermediary, or employee of another company without that company's knowledge and consent, with the intent to influence the recipient's actions with respect to his or her company's affairs or to gain any improper advantage.

(b) Buyer will not make, offer, promise, or authorize any such payment in the future in connection with this Agreement or the Products.

(c) Buyer has not been and is not currently under investigation for, charged with, or convicted of any violation of anti-corruption or anti-bribery laws.

12.4 Safety Data Sheets and GHS Compliance

Seller shall provide Buyer with applicable Safety Data Sheets (SDS) in accordance with the OSHA Hazard Communication Standard and the Globally Harmonized System (GHS).

Buyer acknowledges receipt of applicable SDS and agrees to:

- Maintain SDS in accordance with applicable law;

- Provide SDS to Buyer's employees, customers, and downstream purchasers; and
- Comply with all GHS labeling and hazard communication requirements.

12.5 Indemnification for Non-Compliance

Buyer shall indemnify, defend, and hold harmless Seller from and against all costs, claims, damages, penalties, fines, attorneys' fees, settlements, and liabilities arising out of or resulting from Buyer's violation of any law, regulation, or obligation under this Section 12.

13. INTELLECTUAL PROPERTY (WHITE-LABEL PRODUCTS)

13.1 Ownership of Intellectual Property

All trademarks, trade names, service marks, logos, trade dress, branding, and other intellectual property used in connection with Proprietary/White-Label Products (collectively, "**Seller's IP**") are and shall remain the exclusive property of Seller. Nothing in this Agreement grants Buyer any ownership interest, license, or right to use Seller's IP except as expressly authorized in writing by Seller.

13.2 Restrictions on Use of Seller's IP

Buyer shall not:

- Use Seller's IP in any advertising, marketing, promotional materials, or other communications without Seller's prior written consent;
- Register or attempt to register any trademark, trade name, domain name, or other identifier that is confusingly similar to Seller's IP;
- Challenge, contest, or oppose Seller's ownership of or rights in Seller's IP; or
- Assist any third party in any of the foregoing activities.

13.3 Prohibition on Alteration of Labeling

Buyer shall not alter, remove, obscure, or modify any labels, markings, SDS documentation, barcodes, lot numbers, or other identifying information on Products or Product packaging without Seller's prior written consent.

13.4 Rebranding by Buyer

If Buyer applies its own brand name, labeling, or packaging to Proprietary/White-Label Products (whether with or without Seller's authorization), Buyer assumes **full product liability** for all claims arising from the rebranded Products. Buyer's indemnification obligations under Section 9.6 apply to all rebranded Products.

13.5 Confidentiality of Formulations

Seller retains all proprietary rights in product formulations, specifications, ingredient lists, and manufacturing processes for Proprietary/White-Label Products. Buyer has no right to:

- Reverse-engineer, decompile, or disassemble Products;
- Have Products tested or analyzed by third parties for the purpose of determining formulation or composition;
- Disclose or share Seller's formulations or specifications with third parties; or
- Use Seller's formulations or specifications to develop competing products.

Buyer's confidentiality obligations under Section 16 apply to all proprietary formulation and specification information.

13.6 Unauthorized Use Is Material Breach

Any unauthorized use of Seller's IP, unauthorized rebranding, or violation of this Section 13 constitutes a material breach of this Agreement and entitles Seller to immediate termination, injunctive relief, and all other remedies available at law or in equity.

14. FORCE MAJEURE; EXCUSE OF PERFORMANCE

14.1 Excusable Delays

Seller's delay in shipment, delivery, or other performance (specifically **excluding Buyer's obligation to pay amounts due** or comply with Seller's credit terms), in whole or in part, is excused if performance is hindered, delayed, or prevented by any of the following events or conditions beyond Seller's reasonable control ("**Force Majeure Event**"):

- Fire, explosion, hurricane, flood, earthquake, tornado, or other acts of God;
- Perils of the sea or other maritime casualties;
- Labor dispute, strike, lockout, or labor shortage;
- Failure or shortage of usual sources of raw materials or components;
- Allocation, curtailment, or interruption of supply by manufacturers or suppliers;
- Breakdown, failure, or damage to plant, equipment, or transportation facilities;
- Cyberattack, ransomware, or other disruption to information systems;
- War (whether declared or undeclared), riots, civil commotion, terrorism, or sabotage;
- Delay of carriers due to breakdown, congestion, or adverse weather;
- Embargoes, blockades, or government seizure;
- Any foreign or domestic government regulation, order, decree, or directive (whether or not later determined to be invalid);
- Import or export restrictions or sanctions;
- Pandemic, epidemic, or public health emergency;

- Supply chain disruption, port congestion, or container shortage;
- Raw material allocation by manufacturers; or
- Any other contingency beyond Seller's reasonable control.

14.2 Notice and Suspension

Seller shall provide Buyer with prompt written notice of any Force Majeure Event. Upon such notice, Seller's performance obligations under the affected Order(s) shall be suspended for the duration of the Force Majeure Event.

14.3 Termination for Extended Force Majeure

If a Force Majeure Event continues for an uninterrupted period of sixty (60) days or longer from the date of Seller's written notice, Buyer may terminate the affected Order upon three (3) days' prior written notice to Seller. Termination does not excuse Buyer from paying for Products already delivered.

14.4 Seller's Options

In the event of a Force Majeure Event, Seller may, at its option:

- (a) Cancel the affected Order or any portion thereof by providing written notice to Buyer;
- (b) Ship remaining quantities in one or more installments after the Force Majeure Event has ended (but not beyond sixty (60) days after the end of the Force Majeure Event); or
- (c) Allocate available Products among Seller's customers on such basis as Seller deems fair and reasonable.

14.5 No Obligation to Procure Substitute Supply

Seller is **not** obligated to obtain Products from any source other than Seller's usual and customary suppliers or to procure substitute or replacement Products from alternative sources. Seller may decline to procure Products on terms Seller deems unreasonable or commercially impracticable.

14.6 No Liability for Force Majeure

Seller shall not be liable for any delay, failure to perform, or non-performance caused by a Force Majeure Event. Seller's obligations shall be suspended only for the duration of the Force Majeure Event.

15. ASSIGNMENT

15.1 Prohibition on Assignment by Buyer

Buyer shall not assign, transfer, delegate, or otherwise convey this Agreement or any of Buyer's rights, interests, or obligations under this Agreement, in whole or in part, whether voluntarily, involuntarily, by operation of law, or otherwise, without Seller's prior written

consent. Any attempted assignment, transfer, or delegation in violation of this Section is null and void.

15.2 Assignment by Seller

Seller may assign, transfer, or delegate this Agreement or any of Seller's rights or obligations hereunder to any affiliate, subsidiary, parent company, or successor entity upon providing written notice to Buyer. No consent by Buyer is required.

15.3 No Third-Party Beneficiaries

Nothing in this Agreement is intended to or shall be deemed to create any right in any creditor, downstream purchaser, end user, or other person or entity not a party to this Agreement. This Agreement is not a contract for the benefit of any third party.

16. CONFIDENTIALITY

16.1 Confidential Information

Each party shall keep confidential and shall not disclose to any third party:

- The terms and conditions of this Agreement and any Order Confirmation;
- Pricing, payment terms, and commercial terms;
- Product specifications, formulations, and technical information (for Proprietary/White-Label Products);
- Any other information designated as confidential by the disclosing party.

16.2 Permitted Disclosures

A party may disclose confidential information:

- To the extent required by court order, subpoena, arbitration order, or applicable law (provided the disclosing party gives the other party prompt notice to allow for a protective order);
- To the extent reasonably necessary to perform obligations under this Agreement;
- To the party's employees, agents, attorneys, and advisors who have a legitimate need to know and who are bound by confidentiality obligations;
- To accounts receivable insurance carriers as permitted under Section 3.6; or
- If the information is or becomes publicly available through no breach by the disclosing party.

16.3 Survival for White-Label Products

For Proprietary/White-Label Products, Buyer's confidentiality obligations with respect to product formulations, specifications, and supplier identity shall survive termination or expiration of this Agreement for a period of **five (5) years**.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 Governing Law

This Agreement and all disputes arising out of or related to this Agreement, the Products, or the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the **State of Texas**, without regard to its conflicts of law principles.

17.2 Exclusion of CISG

The United Nations Convention on Contracts for the International Sale of Goods (CISG) of Vienna, dated April 11, 1980, is expressly **excluded** and shall not apply to this Agreement.

17.3 Binding Arbitration; Denton County; Single Arbitrator

Any dispute, claim, or controversy arising out of or relating to this Agreement, any Order Confirmation, the Products, or the transactions contemplated hereby (including the formation, interpretation, performance, breach, or termination of this Agreement), shall be resolved exclusively by **binding arbitration** administered in **Denton County, Texas**. For the avoidance of doubt,

The arbitration shall be conducted before a **single arbitrator** mutually agreed upon by the parties within fifteen (15) days of written demand for arbitration. If the parties cannot agree, the arbitrator shall be appointed by the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules.

(a) THE PARTIES EXPRESSLY AGREE THAT ALL GATEWAY QUESTIONS OF ARBITRABILITY — INCLUDING WITHOUT LIMITATION THE EXISTENCE, SCOPE, VALIDITY, ENFORCEABILITY, REVOCABILITY, OR UNCONSCIONABILITY OF THIS ARBITRATION AGREEMENT, OR WHETHER A PARTICULAR DISPUTE IS SUBJECT TO ARBITRATION — SHALL BE DECIDED EXCLUSIVELY BY THE ARBITRATOR AND NOT BY ANY COURT. This delegation applies to all challenges to the arbitration agreement itself, whether brought as a standalone claim or as an affirmative defense, including any claim that this arbitration agreement is procedurally or substantively unconscionable. The parties expressly agree that *Rent-A-Center, West, Inc. v. Jackson*, 561 U.S. 63 (2010), and its progeny govern this delegation, and that any challenge to this Agreement as a whole (as opposed to a specific, discrete challenge to this delegation clause itself) shall be resolved by the arbitrator.

(b) The only gateway issue that may be decided by a court of competent jurisdiction is a specific, isolated challenge to the validity or enforceability of this Section 17.3 delegation clause itself — and only to the extent required under law. Any such court proceeding shall be filed exclusively in Denton County, Texas, and shall not stay or delay the arbitration of all other claims.

(c) Mutual Obligation; Rejection of Unconscionability Challenges.

THE PARTIES SPECIFICALLY ACKNOWLEDGE AND AGREE THAT:

(i) THE OBLIGATION TO ARBITRATE IS FULLY MUTUAL — SELLER IS EQUALLY BOUND TO ARBITRATE ALL CLAIMS AGAINST BUYER AS BUYER IS BOUND TO ARBITRATE ALL CLAIMS AGAINST SELLER;

(ii) THIS ARBITRATION AGREEMENT IS NOT UNCONSCIONABLE, WHETHER PROCEDURALLY OR SUBSTANTIVELY, BECAUSE:

- **BUYER IS A SOPHISTICATED COMMERCIAL ENTITY, NOT A CONSUMER, WITH FULL OPPORTUNITY TO REVIEW AND NEGOTIATE THESE TERMS;**
- **BUYER HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL PRIOR TO ACCEPTING THESE TERMS;**
- **THE ARBITRATION TERMS — INCLUDING SINGLE ARBITRATOR, EXPEDITED PROCEDURES, DENTON COUNTY VENUE, AND EXPERT RESTRICTIONS — APPLY EQUALLY TO BOTH PARTIES;**
- **THE ARBITRATION PROCESS IS FASTER AND LESS EXPENSIVE THAN LITIGATION, BENEFITING BOTH PARTIES; AND**
- **BUYER VOLUNTARILY AGREED TO THESE TERMS AS A CONDITION OF OBTAINING CREDIT AND PURCHASING PRODUCTS FROM SELLER.**

(iii) BUYER EXPRESSLY, KNOWINGLY, AND VOLUNTARILY WAIVES ANY CLAIM OR ARGUMENT THAT THIS ARBITRATION AGREEMENT, OR ANY PROVISION THEREOF, IS PROCEDURALLY OR SUBSTANTIVELY UNCONSCIONABLE UNDER TEXAS LAW OR ANY OTHER APPLICABLE LAW.

(d) Severability of Arbitration Agreement.

If any provision of this Section 17 is found to be unenforceable by a court or arbitrator, such provision shall be severed and the remainder of this Section 17 shall remain in full force and effect. In no event shall a finding of unenforceability as to any individual provision invalidate the parties' mutual obligation to resolve disputes through binding arbitration.

(e) No Class Arbitration.

THE PARTIES EXPRESSLY WAIVE ANY RIGHT TO ARBITRATE ON A CLASS, COLLECTIVE, OR REPRESENTATIVE BASIS. ALL ARBITRATIONS SHALL BE CONDUCTED SOLELY ON AN INDIVIDUAL BASIS BETWEEN SELLER AND BUYER WITH RESPECT TO THE SPECIFIC ORDER CONFIRMATION AT ISSUE. THE ARBITRATOR HAS NO AUTHORITY TO CONSOLIDATE CLAIMS OR CONDUCT CLASS ARBITRATION.

17.4 Expedited Procedures and Limited Discovery

The arbitration shall proceed on an **expedited basis** under the following timeline (subject to extension by the arbitrator only upon showing of good cause):

- (a) The responding party shall file its response within fourteen (14) days of receipt of the demand for arbitration;
- (b) Document exchange shall be completed within thirty (30) days of the arbitrator's appointment and shall be limited to documents directly relevant and material to the disputed claims;
- (c) **No depositions** shall be permitted except upon arbitrator approval circumstances;
- (d) **No interrogatories or requests for admission** shall be permitted, except pursuant to arbitrator approval;
- (e) The evidentiary hearing shall commence no later than sixty (60) days after the arbitrator's appointment; and
- (f) The arbitrator shall render a final written award within thirty (30) days following the close of the hearing.

17.5 Expert Witness Restrictions

(a) **Default to Arbitrator-Appointed Experts.** The arbitrator shall be the sole party authorized to retain and appoint independent expert witnesses on technical, scientific, or industry matters. **Neither party may independently retain or present testimony from expert witnesses without the prior written authorization of the arbitrator.** Any arbitrator-appointed expert shall be neutral and shall serve at the shared expense of both parties (subject to final cost allocation in the arbitrator's award).

(b) **Party Request for Independent Expert.** A party may request permission to retain its own expert witness by demonstrating to the arbitrator that: (i) expert testimony is necessary for the fair resolution of a material issue; (ii) the issue is highly technical and outside the arbitrator's expertise; and (iii) the arbitrator-appointed expert process would be insufficient for the specific issue presented. The arbitrator has sole discretion whether to grant such permission.

(c) **Fact Witnesses Not Restricted.** This Section does not restrict any party's right to present fact witnesses, including employees with personal knowledge of relevant facts.

17.6 Governing Arbitration Rules and Confidentiality

Except as modified by this Agreement, the arbitration shall be governed by the AAA Commercial Arbitration Rules in effect at the time of the demand. To the extent of any conflict between this Agreement and the AAA Rules, this Agreement controls.

All aspects of the arbitration, including the existence of the proceeding, submissions, evidence, and the award, shall be confidential and may not be disclosed except as required by law or to enforce the award.

17.7 Incorporation of Federal Arbitration Act

The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1–16. The substantive law governing the merits shall be Texas law as set forth in Section 17.1.

17.8 Limited Judicial Relief

Notwithstanding the arbitration requirement, either party may seek temporary restraining orders or preliminary injunctions from any court of competent jurisdiction in Denton County, Texas, to prevent irreparable harm pending arbitration. Seeking such emergency relief does not waive the right to arbitrate the underlying dispute.

17.9 Award; Confirmation; Prevailing Party Fees

The arbitrator shall issue a reasoned written award. Judgment on the award may be entered in any court of competent jurisdiction.

The prevailing party in the arbitration shall be entitled to recover its reasonable attorneys' fees, arbitration costs, and expert fees (if any), as determined by the arbitrator.

17.10 Waiver of Jury Trial

TO THE FULLEST EXTENT PERMITTED BY LAW, BUYER AND SELLER EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LAWSUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS WAIVER APPLIES TO ANY DISPUTE NOT SUBJECT TO ARBITRATION UNDER SECTION 17.3.

18. MISCELLANEOUS PROVISIONS

18.1 Severability

If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction or arbitrator, such determination shall not affect the validity, legality, or enforceability of the remaining provisions, which shall remain in full force and effect. The invalid, illegal, or unenforceable provision shall be reformed to the minimum extent necessary to make it valid and enforceable while preserving the parties' original intent.

18.2 No Waiver

No failure or delay by either party in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power preclude any further exercise thereof or the exercise of any other right, remedy, or power. All waivers must be in writing and signed by the party against whom the waiver is asserted.

18.3 Notices

All notices, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed given:

- Upon personal delivery;
- One (1) business day after deposit with a reputable overnight courier service (e.g., FedEx, UPS);
- Upon confirmed receipt if sent by email to the email address set forth in the Order Confirmation; or
- Three (3) business days after deposit in the U.S. mail, postage prepaid, certified or registered mail, return receipt requested.

Notices shall be sent to the addresses set forth in the Order Confirmation or to such other address as a party may designate by written notice.

18.4 Amendment

This Agreement may be amended, modified, or supplemented only by a written instrument executed by authorized representatives of both Seller and Buyer. No oral modification or amendment is effective.

18.5 Headings

Section and subsection headings in this Agreement are for convenience only and shall not affect the interpretation of any provision.

18.6 Survival

The following provisions shall survive termination or expiration of this Agreement: Sections 7 (Warranty Disclaimer), 8 (Limitation of Liability), 9 (Buyer Indemnification), 10 (Taxes), 12 (Compliance), 13 (Intellectual Property), 16 (Confidentiality), 17 (Governing Law and Arbitration), and 18 (Miscellaneous).

18.8 Relationship of Parties

Seller and Buyer are independent contractors. Nothing in this Agreement creates or shall be deemed to create a partnership, joint venture, agency, franchise, employment, or fiduciary relationship between the parties.

[END OF TERMS AND CONDITIONS]

SCHEDULE A – PROHIBITED END USES

Products purchased under this Agreement **shall not** be used in any of the following applications without Seller's express prior written approval:

1. Military and Weapons Applications

- Weapons, munitions, missiles, rocket systems, or delivery systems
- Military aircraft, naval vessels, or ground combat vehicles
- Chemical or biological weapons or precursors
- Nuclear weapons or nuclear energy applications
- Explosive devices or components

2. Aerospace Structural Applications

- Structural components of aircraft
- Aerospace fasteners, fittings, or load-bearing components
- Aircraft fuel systems or fuel tanks

3. Safety-Critical Automotive Systems

- Airbag unit housings or airbag components
- Seatbelt systems and mechanisms
- Brake systems and mechanisms
- Steering systems and mechanisms
- Pedals (brake, accelerator, clutch)

4. Medical Implants and Class III Devices

- Medical devices intended for permanent implantation into the human body
- Life-sustaining medical devices
- FDA Class III medical devices
- European Union Class III medical devices
- Canadian Class IV medical devices
- Any part or component of the above

5. Flammability-Regulated Applications

- Building and construction products with flammability requirements (unless specific UL or other certification is provided)
- Industrial applications with flammability requirements

- Products subject to flame resistance standards (UL 94, ASTM E84, etc.) without testing and certification

6. Tobacco-Related Products

- Tobacco products or tobacco-related applications

Buyer acknowledges that use of Products in any Prohibited End Use constitutes a material breach of this Agreement and subjects Buyer to immediate termination, indemnification obligations, and all other remedies available to Seller.

SCHEDULE B – RESTRICTED END USES REQUIRING PRIOR WRITTEN APPROVAL

Products purchased under this Agreement **may not** be used in any of the following applications without obtaining Seller's express prior written approval in writing for each specific Product and application:

1. FDA Regulated Applications

- Food-contact applications regulated by the U.S. Food and Drug Administration (21 CFR)
- Food packaging materials (direct or indirect contact)
- Products requiring FDA letters of compliance or no-objection letters

2. Medical Devices (Class I and II)

- FDA Class I medical devices
- FDA Class II medical devices
- European Union Class I and II medical devices
- Canadian Class I, II, and III medical devices
- Medical device packaging (primary packaging in contact with liquid or gaseous medical devices)

3. Pharmaceutical Packaging

- Pharmaceutical immediate packaging (direct contact with active pharmaceutical ingredients or dosage forms)
- Pharmaceutical containers, closures, and delivery systems
- Containers for drugs intended for inhalation, injection, intravenous administration, nasal spray, or ophthalmic administration

4. Potable Water Applications

- Potable water piping, fittings, or containers
- Water treatment equipment in contact with drinking water
- Products requiring NSF/ANSI 61 certification

5. Baby and Child Products (North America)

- Baby car seats sold in North America
- Infant feeding bottles or nipples
- Toys or children's products subject to CPSC regulations
- Products subject to phthalate restrictions (CPSIA)

6. California Proposition 65 Applications

- Products sold in California that may result in exposure to chemicals listed under Proposition 65
- Applications requiring Proposition 65 warning labels

7. European Union REACH and SVHC Applications

- Applications subject to EU REACH regulation (EC 1907/2006)
- Products containing Substances of Very High Concern (SVHC) on the REACH Candidate List
- Products subject to EU RoHS Directive

8. Reproductive Health Applications

- Devices or products that promote or interfere with human reproduction

9. Pipe Applications (Polybutene-1 Resins)

- Pipes and fittings for plumbing or heating systems made with Polybutene-1 (PB-1) resins for sale in North America

Approval Process: Buyer must submit a written request to Seller describing the specific Product, application, regulatory requirements, and end use. Seller will review the request and provide written approval or denial within a reasonable time. Approval is product- and application-specific and does not constitute a blanket authorization.

Buyer acknowledges that use of Products in any Restricted End Use without prior written approval constitutes a material breach of this Agreement.

SCHEDULE C – THIRD-PARTY BRANDED PRODUCTS

The following is a non-exhaustive list of third-party manufacturers whose branded products Seller is authorized to distribute. This list is subject to change without notice.

Authorized Manufacturer Brands:

- Chevron Phillips Chemical Company LP (including Marlex®, K-Resin®, and Ryton® brands)
- Shell Polymers (polyethylene resins)
- ExxonMobil Chemical Company (including Paxon®, Enable®, and Exceed® brands)
- LyondellBasell Industries (including Lupolen®, Purell®, and Hostalen® brands)
- SABIC (including Lexan®, Noryl®, and Ultem® brands)
- INEOS Olefins & Polymers (polyethylene and polypropylene resins)
- Dow Chemical Company (including Elite®, Affinity®, and Versify® brands)
- NOVA Chemicals Corporation (SCLAIR®, SURPASS®, and NOVAPOL® brands)
- Total Petrochemicals & Refining USA, Inc.
- Braskem America (polypropylene resins)
- Formosa Plastics Corporation USA
- Westlake Chemical Corporation
- Bayport Polymers, LLC (Bayport)

Note: Seller is an independent distributor and is not an agent, representative, or affiliate of the manufacturers listed above. Manufacturer names and brand names are the property of their respective owners.

SCHEDULE D – PROPRIETARY AND WHITE-LABEL PRODUCT LINE

Seller's Proprietary and White-Label Products include products sold under Seller's own brand names, trade names, or generic designations. Specific product information, specifications, and technical data sheets, is available from Seller upon request.

Example Proprietary Product Categories:

- Polyethylene compounds (HDPE, LDPE, LLDPE)
- Polypropylene compounds (homopolymer, copolymer, impact-modified)
- Custom color concentrates and masterbatches
- Specialty compounded resins
- Recycled and post-consumer resin (PCR) blends
- Private-label generic resins

Product Specifications: For each Proprietary/White-Label Product, Seller provides written product specification sheets that define the applicable specifications. These specification sheets are available from Seller and form the basis for Seller's warranty under Section 7.2.

Proprietary Formulations: All formulations, ingredient lists, and manufacturing processes for Proprietary/White-Label Products are confidential and proprietary to Seller and are protected under Section 13.

ACKNOWLEDGMENT

By accepting delivery of Products or making payment for Products, Buyer acknowledges having received, read, and agreed to be bound by these Standard Terms and Conditions of Sale, including all Schedules attached hereto.

LONE STAR CHEMICAL, LLC
130 Old Town Blvd. North

Argyle, TX 76226
940-240-0012
ap@lonestarchemical.com
www.lonestarchemical.com

Effective Date: March 5, 2026