

ADDITIONAL TERMS AND CONDITIONS OF SALES

LTS Research Laboratories, Inc.
Rev. 205/BII-VIII, 08/01/2016

1. **PLACEMENT OF ORDERS.** All orders shall be received by Seller no later than the 15th business day preceding the quotation. Buyers may purchase the materials via our web-intranet and orders can be placed via web-interface or email or fax.
2. **PRICES** - All prices are subject to adjustment to reflect the Seller's prices on the date of shipment. All prices, whether on the Buyer's forms, correspondence, etc. or which are related to our price quotations, are subject to the above adjustment unless specifically agreed to the contrary in writing by an authorized officer of the Seller. Precious or semi-precious prices are based on markets as published by The Wall Street Journal or London metal bulletin. Prices are F.O.B. the Seller's plant unless otherwise specified by the Seller.
3. **QUANTITIES** - The Seller's acceptance of orders is based on the Buyer accepting over-runs not exceeding ten percent of the quantity ordered unless expressly agreed upon otherwise in writing.
4. **SPECIFICATION CHANGES** - Specification changes made subsequent to placing an order are subject to price revisions and to any adjustments necessary to cover material procured and labor expended prior to the receipt of the revised specifications.
5. **INDEPENDENT ANALYSIS** - Independent analysis can be performed at customers' request at additional cost as follows:
 - A. ICP -OES –
Sample Prep.: \$245/sample
For comp. of 4 elements: \$185/sample
For comp. of 5 elements: \$215/sample
 - B. GDMS - \$745/sample
 - C. XRD - \$220/sample
 - D. XRF- \$220/sample
 - E. EDXA- \$550/sample
 - F. EBSD- \$1600/sample
 - G. XPS- \$750/sample
 - H. IGA analysis (Nitrogen & Oxygen)- \$590.00
 - I. LECO gas analysis – \$400.00/sample

SAMPLE PREPARATION COST MAY APPLY

THESE PRICES MAY CHANGE DEPENDING ON THE EXACT NUMBER OF LOCATIONS (UNITS) REQUIRED.
6. **CANCELLATIONS** - The Sellers will put forth best effort to produce the ordered merchandise. However, Sellers reserve the right to cancel the order if the production is not scientifically achievable, compound or composition is not possible to make. Cancellations shall be by mutual agreement, based on any adjustment necessary to cover The Seller's labor expended and material procured, refined, processed, or partially processed.
7. **TAXES/FEES/LICENSES** - the Buyer shall reimburse the Seller for all taxes, excises, or other charges that the Seller may be required to pay to any Government (National, State, or Municipal) upon the sale, production, export or transportation of the products sold hereunder. Materials of strategic importance may require export license. All sales are subject to obtaining export licenses. Domestic-bound hazardous materials, as defined by the U.S. Department of Transportation (DOT), are subject to a handling charge of \$17.00 per item. International-bound hazardous materials, as defined by the International Air Transport Association (IATA), are subject to a handling charge of up to \$40.00 per item.
8. **CREDIT.** Each delivery of material is subject to cash or credit arrangement made by Buyer with Seller. If Buyer does not comply with such terms, or if Seller believes Buyer's Credit standing is impaired, Seller may withhold deliveries until Buyer makes satisfactory cash or credit arrangement of payment of all outstanding balances. If goods have already been delivered, Seller may withhold all future deliveries until Buyer makes satisfactory security arrangement for payment of all outstanding balances. If Buyer fails to make cash or credit arrangements satisfactory to Seller, or to comply with such arrangements, Seller may demand in writing that Buyer provide written assurances that Buyer's able to make payment under the terms of this contract. If Buyer does not provide assurances to Seller within 15 days of receiving Seller's demand, Seller may terminate the contract without liability and without waiving any other remedies it may have against Buyer.
9. **DELAY IN PAYMENT** - If payment of The Seller's invoice is made after the net due date, The Seller reserves the right to charge 5% per month on the unpaid balance. In case of multiple delays in payment, Seller reserves the right to convert the a/c to a prepaid, COD or guaranteed via major credit card a/c.
10. **DELIVERY** - The shipping date stated herein is estimated and The Seller does not guarantee shipment on or by such date, although the Seller will make every reasonable effort to make delivery by such date or within a reasonable time thereafter. The Seller shall not be liable for any reasonable delay in the delivery or shipment of products or for any damage suffered by the Buyer by reason of such delay. Furthermore, The Seller shall not be liable for any delay in the delivery or shipment of products or for any damage suffered by the Buyer by reason of such delay, when such delay is directly or indirectly caused by or in any manner arises from fires, flood, accidents, riots, war, government interferences, strikes, shortage of labor or materials, inadequate transportation facilities, or any other cause or causes beyond its reasonable control.
11. **PRODUCTION STANDARDS** - Except in the particulars specified by the Buyer and expressly agreed to in writing by The Seller, the product furnished hereunder shall be produced in accordance with The Seller's standard practices. All products, however, including those produced to meet exact specifications shall be subject to trade practices, tolerances, and variations. Best effort basis production materials cannot be canceled or returned by the buyer. Properties of these materials such as appearance, density, and purity cannot be guaranteed. Delivery time is subject to change.
12. **WARRANTIES** - Seller warrants that (a) all materials supplied under this contract will conform to the description stated on the front side hereof, or to written product specification agreed upon by the parties; and (b) upon payment of the purchase price, Buyer will receive good title to all such material free from any liens, encumbrances or lawful security interests. Except for the foregoing warranties and the patent warranty contained in the following paragraph, SELLER MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED. SELLER EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. Seller, upon request, may furnish to Buyer such technical advice it may be able to supply with reference to the use by Buyer of any material delivered hereunder. Seller, however, assumes no obligation or liability for the advice given or the result obtained. Buyer agrees to fully determine the suitability of Seller's material in Buyer's formulations prior to adopting them on a commercial scale.

13. BUYER'S REMEDIES - Buyer's exclusive remedy against Seller for any claim hereunder shall be, at Seller's option, either (a) recovery of a dollar amount which does not exceed the purchase price of the materials claim relates to; or (b) replacement of the materials. the remedy provided in the preceding sentence shall be Buyer's exclusive remedy, regardless of whether Buyer's claim is in contract, tort (including negligence or gross negligence, whether sole or concurrent), or otherwise, so long as the claim in connection with this contract. In no event shall the Seller be liable for special, indirect, incidental or consequential damages arising out of this transaction, including without limitation lost profits, environmental damages and attorney's fees. Transportation charges for the return shall be paid by the Seller unless authorized in advance by Seller. Buyer understands and agrees that Seller has no control over the use of any materials sold under this contract. Moreover, the value of materials sold under this contract may be substantially less than the value of final products in which Buyer uses such materials. Therefore, buyer bears all responsibility for, and agrees to indemnify, defend, and hold Seller harmless from, all liability and costs with (a) the handling, possession, use or disposal of such materials; and (b) the development, testing, application, performance or resale of any of Buyer's products made from any of such materials. The provider of this paragraph shall survive the termination of this contract.
14. MATERIAL SAFETY DATA SHEET. Seller will provide Buyer with a material safety data sheet with information concerning the material and precautions to be taken in the material's storage and handling. Buyer shall be responsible for knowing all such precautions disclosed in the material safety data sheet, and for conveying such information to persons who may be exposed to the material.
15. INSPECTION. Promptly upon receipt of all materials delivered under this contract, Buyer shall inspect such materials for any damage or shortage. All claims for shortage or non delivery and any claim for damage or defect which would reasonably be discoverable in the course of such investigation shall be waived unless Buyer notifies Seller in writing within ten (10) days after receiving the material to which the claim relates.
16. RETURN. A 15% restocking fee will be applied if any unused material is returned in their original packaging with proper RMA paper work.
17. MODIFICATION. No terms and conditions, other than those stated herein, and no agreement or understanding, oral or written, in any way purporting to modify these terms or conditions, whether contained in the Buyer's purchase or shipping release forms, or elsewhere, shall be binding on the Seller unless made in writing and signed by its authorized representative. **IF THESE TERMS AND CONDITIONS ARE NOT ACCEPTABLE, BUYER MUST SO NOTIFY THE SELLER AT ONCE.**
18. RECLAIM AND/OR REFINING SERVICES - The Seller reserves the right to reject reclaim and/or refining materials in the event that said materials are deemed to be hazardous or otherwise unsuitable for the Seller's facility. In the event of unstable market conditions, The Seller reserves the right to return material as payment to the Buyer of reclaim and/or refining services.
19. CONSIGNMENT ACCOUNT LIQUIDATIONS -LTS Inc. reserves the right to pay consignment account customers who wish to liquidate all or a portion of their consignment account within ten business days. This time frame allows LTS Inc. to properly position material for liquidation. LTS Inc. will endeavor to offer the best prevailing market available during volatile market conditions. In the event of volatile market conditions, LTS Inc. reserves the right to return material as payment to consignment account customers.
20. FORCE MAJEURE. Either party may reduce or suspend deliveries in the event of labor trouble, strike, lockout or injunction, or upon any event beyond the reasonable control of such party (including without limitation shortage of any raw material or intermediate upon which the manufacture of the material is dependent), provided such event makes it impracticable to manufacture, transport, accept or use a shipment of the material. If it is impracticable for Seller to supply the total demand for the material because of such event, Seller may allocate its available supply of the material among itself and its customers in a manner it determines to be equitable. During such an allocation, Seller will not be obligated to purchaser material from other sources to satisfy its obligations under this contract. Either party may suspend deliveries under this paragraph without liability, but this contract shall otherwise remain in effect. If deliveries are suspended due to force majeure for three (3) consecutive months, either party may cancel this contract upon 30 days' written notice.
21. GOVERNING LAW. The parties agree to exclude the application of the U.N. Convention on Contracts for the International Sales of Goods, 1980. The parties also agree this contract shall be governed by the domestic law of the Commonwealth of Pennsylvania, except with respect to its choice of law provisions.
22. ARBITRATION OF DISPUTES. Any controversy or claim is arising out of this contract or the breach thereof, may at Seller's option, be referred to non-binding mediation under rules of Seller's choice. If mediation does result in settlement of the dispute, (or if Seller does not elect to pursue mediation), Seller shall have the right to refer the dispute to binding arbitration under rules of its choice, or to commence litigation.
23. WAIVER. Either party's failure to insist upon strict performance of any of the terms of this contract will not be construed as a waiver or relinquishment, to any extent, of the right to assert or rely upon such terms, or any other terms, on any future occasion.
24. SEVERABILITY. The invalidity of any provision of this contract will not affect the validity of the remaining provision, and this contract will be construed as if the invalid provision had been omitted.
25. ENTIRE AGREEMENT; MODIFICATION. This contract, including the order form on the reverse side and any attachments, constitutes the full understanding of the parties and is a complete and exclusive statement of the terms of their agreement. If there is a conflict between the printed terms and conditions of this form and the terms and conditions on the reverse side or any attachments, the terms and conditions on the reverse side or on the attachment will govern. Any modification of this contract or waiver of its terms must be made in writing and signed by the party claimed to be bound by the modification. No modification of this contract shall be effected by the acknowledgment or acceptance of purchase orders, shipping instruction form, or any other documents containing terms or conditions different from or in addition to those in this contract, all such different or additional terms being hereby objected. BY ORDERING FOR SHIPMENT ANY MATERIAL UNDER THIS CONTRACT, BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED HEREIN. LTS TERMS AND CONDITIONS ARE FINAL AND SUPERSEEDS BUYER'S TERMS AND CONDITIONS AT ANY POINT EXECUTING THE SALES CONTRACT.