

Porous Metal Filters, Inc. (PMF) Sales Terms & Conditions

GENERAL – These terms and conditions represent the complete agreement of the parties and shall be binding upon Porous Metal Filters, Inc. (“PMF”), unless made in writing and signed and approved by an officer of PMF. No modification of any terms shall occur by PMF’s shipment of goods following receipt of Buyer’s purchase order, shipping request or similar forms containing printed terms and conditions additional to or in conflict with PMF’s terms. A written acceptance of order will be provided at Buyer’s request. Shipment of goods without written price verification does not constitute acceptance of the price contained in the order.

1. **PAYMENT TERMS** – With approved credit, payment terms are Net 30, with a carrying charge of 1.25% per month for payments received after 30 days. PMF reserves the right to require advance payment for goods if the financial condition of Buyer so warrants as determined by PMF. If Buyer fails to make payment in accordance with terms of this agreement, or fails to comply with any provisions hereof, PMF may, at its option (and in addition to other any other remedies available to it at law), cancel any unshipped portion of this order. Buyer will still remain liable for all unpaid accounts.
2. **TAXES** – Prices do not include taxes. Taxes are paid by Buyer upon invoice unless Buyer provides a valid exemption certificate acceptable to the controlling taxing authority or unless PMF is forbidden by law from collection of said taxes.
3. **PACKAGING** – Buyer must submit special packaging request at time of quotation. Unless provided prior to quotation, PMF will comply with standard packing requirements for the method of transportation selected. The cost of all special packaging, loading or bracing requested by Buyer will be paid for by Buyer.
4. **TRANSPORTATION** – Unless provided, PMF will use its judgment in determining carrier and routing. In any case, PMF will not be liable for any delays or excessive transportation charges resulting from its selection. In certain cases, PMF receives discounts from freight carriers and at its discretion can pass along discounts to the Buyer, but PMF can also elect to charge the list price for carrier’s service. PMF is in no way obligated to pass along discounts it has earned from carriers. PMF may also add a handling fee for the cost of handling shipments. Buyer can elect to send shipments freight collect but this must be specified in the order.
5. **PRICE** – Prices, including any transportation charges, are subject to change without notice unless specifically designated as firm for a specific period pursuant to a written quote or written sales contract. All prices and deliveries are FOB shipping point unless otherwise agreed in writing.
6. **QUOTATION** – PMF can provide quotations verbal, or in writing via e-mail, fax or U.S. Mail. Price and delivery are subject to prior sale on all quotations.
7. **RETURN OF PRODUCTS** – If quality is disputed, Buyer agrees to contact PMF immediately. PMF will decide if goods can be returned, and Buyer’s claim is valid. Buyer must have a valid RMA number from PMF to return any goods. Any and all goods returned without a valid RMA number will be returned to Buyer at Buyer’s expense and Buyer agrees to pay PMF’s original invoice and any subsequent invoices related improper returns in full. Buyer has ten (10) days from the date of receipt of shipment to request an RMA number. Orders cannot be canceled except upon the written approval of PMF.
8. **SUBSTITUTION** – PMF reserves the right, without prior notification, to substitute an alternative product of like kind, quality and function. If Buyer cannot accept a substitute, Buyer must specifically declare that no substitution is allowed when the Buyer requests a quote, or places an order.
9. **TITLE AND RISK OF LOSS** – Delivery to carrier shall constitute delivery to Buyer. Risk of loss or damage shall pass to Buyer at this time. Any claim of Buyer relative to damage during shipping or delivery should be made directly to the carrier. Any claims by Buyer against PMF for shortage or damage occurring prior to such delivery to carrier must be made within five (5) days after receipt of the goods and accompanied by original transportation bill signed by carrier and Buyer noting that carrier received the goods from PMF in the condition claimed. Photos of damage and notes must be made on Bill of Lading describing damage. Notwithstanding passage of the risk of loss to Buyer, title and right of possession to the goods sold hereunder shall remain with PMF until all payments hereunder, including deterred payments evidenced by notes or otherwise, interest, carrying charges, and attorneys’ fees, shall have been made.
10. **FORCE MAJEURE** – PMF shall not be liable for failure to perform its obligations resulting directly or indirectly from or contributed to by Force Majeure events, including, but not limited to, acts of God; acts of Buyer, civil or military authority, including wage and price controls; fires; war; riot; delays in transportation; lack of or inability to obtain raw materials (including energy sources), components, labor, fuel or supplies; or other circumstances beyond PMF’s reasonable control, whether similar or dissimilar to the foregoing. During any such period of shortage of raw materials, PMF may, at its own discretion, elect to allocate its supply of such raw materials among its various users thereof in any manner which PMF deems fair and reasonable. In no event shall PMF be liable for any special or consequential damages for any delay due to any cause whether under PMF’s control or not.
11. **ATTORNEY’S FEES** – In the event suit or other proceedings shall be brought for the recovery of the purchase price, or any unpaid balance, or the breach by Buyer of any term herein, Buyer shall reimburse PMF, in addition to any damages recoverable by law, PMF’s reasonable attorney’s fees, court costs and costs of collection incurred as a result of such suit or other proceedings.
12. **LIABILITY** – PMF shall not be responsible, obligated, or liable for any injury or damage resulting from an application or use of its products, either singularly or in combination with other products, arising out of acceptance of this order. PMF shall have no liability for errors in quantity delivered unless claim is made by Buyer within five (5) days after receipt of shipment. If such timely claim is made by Buyer, and the claim is deemed valid by PMF, PMF may fulfill its responsibility by either shipping the quantity necessary to make good the deficiency, or credit Buyer with the invoice price of the deficiency.
13. **WARRANTY** – All goods sold by PMF are warranted to Buyer to be free from defects in material and workmanship, and manufactured in accordance with industry standards. The foregoing warranty is non-assignable and excludes all other warranties not expressly set forth herein, whether express or implied by operation of law or otherwise including but not limited to any implied warranties of merchantability or fitness for a particular purpose. No agent, employee, or representative of PMF has any authority to bind PMF to any representation,

affirmation, or warranty concerning the goods and any such representation, affirmation, or warranty shall not be deemed to have become a part of the basis of this agreement and shall be unenforceable. Any claimed defect in material or workmanship shall be deemed waived by Buyer unless submitted to PMF in writing within five (5) days from the date the goods are received by Buyer. PMF shall not be liable under the foregoing warranty if any loss or damage is caused by improper application or use of the goods.

14. **REMEDIES AND LIMITATION OF LIABILITY** – PMF shall not be liable for any incidental or consequential losses, damages, or expenses arising directly or indirectly from the sale, handling or use of the goods, or from any other cause relating thereto. PMF's liability, in any case, including for claims of breach of warranty or negligence is exclusively limited, at PMF's option, to the replacement of goods not complying with this agreement, the repayment of, or crediting Buyer with, an amount equal to the purchase price of such goods, or repairing or arranging for repair of the goods. The remedies contained in this paragraph constitute the sole recourse of Buyer against PMF for breach herein, whether of warranty or otherwise. As long as PMF makes a good faith effort to rectify any breach, the remedies provided for herein shall be deemed satisfied.

15. **SELECTION** – Buyer represents that the goods sold hereunder are fit for their actual or intended use and that Buyer placed no reliance on PMF's skill or judgment in selecting suitable goods or materials or in the design of suitable goods and materials.

16. **INDEMNITY** – Buyer agrees to indemnify, reimburse and save and hold PMF, its respective stockholders, officers, directors, attorneys, agents, members, managers and employees (collectively, "**Indemnified Parties**") harmless from, of and against any and all claims, losses, liabilities (including, but not limited to, strict liability in tort), obligations, demand, suits, judgments, settlements, causes of action, legal proceedings, penalties, fines and other sanctions and costs and expenses, including, but not limited to, legal and investigative fees and expenses incurred in connection therewith, which may result in any manner out of claims against PMF for Buyer's or Buyer's customer's use, sale or handling of the goods.

17. **GOVERNING LAW AND JURISDICTION, DISPUTE RESOLUTION** – All Orders shall be governed by and construed in accordance with the laws of the State of Texas, including the Texas Uniform Commercial Code. Any judicial proceeding arising out of this agreement shall be adjudicated in a Texas state court of competent jurisdiction with venue of the action being situated in Harris County, Texas. By entering into this agreement, Buyer hereby submits itself to the jurisdiction of the state courts of Harris County, Texas.

18. **SEVERABILITY** – If any one or more of the provisions contained in this agreement shall be declared invalid, illegal or unenforceable in any respect under the applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired, and in such case the parties hereto oblige themselves to reach the purpose of the invalid provisions by a new, valid and legal stipulation.