

1. **Scope and Acceptance.** These General Terms and Conditions of Sale ("Terms") exclusively govern the sale of products or services ("Products") by ModuCoatings LLC and/or its affiliates (collectively, "Seller") to any buyer entity, including its subsidiaries, divisions, and affiliates ("Buyer"). An issuance of a purchase order, acceptance of an offer, receipt of delivery, or payment, whichever occurs first, constitutes Buyer's acceptance of these Terms. Any additional, different, or conflicting terms proposed by Buyer are rejected and shall not become part of the Terms unless expressly agreed to in writing by Seller.
2. **Orders and Credit.** All orders are subject to Seller's acceptance and credit approval. Seller may suspend or cancel any order if Buyer's creditworthiness becomes unsatisfactory.
3. **Prices, Taxes, and Payment.** Prices for Products are those in effect at the time of shipment, unless otherwise agreed in writing. Seller may change prices at any time without notice. Unless agreed otherwise, Buyer shall bear all freight, insurance, and handling costs. Buyer is responsible for all applicable taxes, duties, tariffs, and governmental charges, except those based on Seller's income. Seller may require payment in advance, a deposit, or a letter of credit. Payment is due on receipt, but in no case later than 30 days from the invoice date. Delinquent accounts may result in suspended shipments and accelerated obligations. Buyer expressly waives any right of set-off, deduction, or counterclaim. Past due amounts will accrue interest at 1.5% per month or the highest rate allowed by law. Buyer shall reimburse Seller for all collection costs, including attorney fees.
4. **Forecasts and Allocation.** Seller makes no guarantees as to the accuracy of any forecasts or capacity estimates provided. In the event of shortages, Seller may allocate inventory in its sole discretion. Seller is not required to source substitute goods.
5. **Confidentiality and IP.** All technical specifications of materials supplied by Seller are confidential and remain Seller's property. Buyer may not disclose, reverse engineer, or use such materials except as authorized. All intellectual property developed by Seller related to the Products is owned exclusively by Seller.
6. **Product Changes.** Seller may, without notice, modify Products to improve functionality or conform with regulations. Buyer bears the risk of any change requested by Buyer.
7. **Packaging and Delivery.** Buyer shall not alter Product packaging. Products ship F.O.B. Seller's facility. Risk of loss transfers to Buyer upon delivery to carrier. Compliance with import/export requirements is Buyer's responsibility. Partial shipments are allowed and constitute separate transactions.
8. **Call-When-Ready and Will Call Orders.** Seller will contact Buyer when an order is ready to ship. If no shipping instructions are received after three business days (excluding holidays), Seller reserves the right to ship such order, at Buyer's expense, via the carrier of Seller's choice. If a Buyer requires Seller to hold a shipment beyond three business days timeframe, a fee of \$1,000 will apply unless otherwise agreed in writing. Any delays caused by Buyer-specified carriers who do not schedule a pickup will be the Buyer's responsibility.
9. **Security Interest.** Seller retains a purchase money security interest in all Products until paid in full. Buyer agrees to cooperate in perfecting Seller's interest, including signing documents if needed. Seller also reserves all lien and bond rights and may request information from Buyer to protect those rights.
10. **Inspection and Acceptance.** Buyer must inspect Products upon receipt and notify Seller of defects within 10 days. Failure to do so constitutes irrevocable acceptance. Rejected goods must be returned promptly at Buyer's expense.
11. **Compliance and Safety.** Buyer is responsible for proper installation, use, and compliance with applicable laws and industry standards. Buyer shall not use or resell Products in violation of any law.
12. **Warranty and Limitations.** Seller warrants that Products will be free from material defects in workmanship and materials for 60 days from the delivery date. This warranty is void if the Products are misused or not installed per Seller instructions. Seller warrants that all services will be performed in a professional and workmanlike manner consistent with industry standards. Seller's sole obligation, and Buyer's exclusive remedy, for any breach of warranty is repair or replacement of a Product or re-performance of a service or, at Seller's option, a refund of the applicable purchase price. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SELLER DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Seller's liability shall not exceed the purchase price of the affected Products. Seller is not liable for indirect, incidental, consequential, or punitive damages.
13. **Indemnification.** Buyer shall defend and indemnify Seller against claims, damages, and expenses arising from: (a) Buyer's breach of these Terms; (b) Unauthorized use or disclosure of Seller's technical data; (c) Patent infringement due to Buyer's use of the Products; (d) Buyer's modification or misuse of the Products; and/or (e) Buyer's negligence.
14. **Cancellation.** Seller may cancel any pending order prior to shipment, provided it promptly notifies Buyer, and shall not be liable for any damages arising therefrom. Buyer may not cancel any order once production has commenced, which shall be deemed to occur upon issuance of a production work order by Seller. Any Buyer-requested cancellations prior to production may be subject to restocking or cancellation fees.
15. **Governing Law and Dispute Resolution.** These Terms are governed by the laws of the State of Texas. All disputes shall be resolved exclusively in the state or federal courts located in Harris County, Texas, unless enforcement of a lien requires action elsewhere. Before filing suit, the parties shall attempt to resolve disputes through good faith negotiations. Alternative dispute resolution methods are encouraged but not required.
16. **Assignment.** Buyer may not assign its rights or obligations without Seller's prior written consent.
17. **Force Majeure.** Seller is not liable for delays due to events beyond its control, including natural disasters, strikes, supply chain disruptions, or government actions.
18. **Miscellaneous.** No changes to these Terms are valid unless in writing and signed by Seller's authorized representative. If any provision is invalid or unenforceable, the remainder will remain in effect. Invalid provisions may be modified to the extent enforceable. These Terms constitute the full agreement between the parties and supersede all prior discussions or writings. Buyer acknowledges it has not relied on any representation or promise not stated herein.