

ISOLA USA Corp. Terms and Conditions of Sale

1. **CONTROLLING DOCUMENTS.** These terms and conditions of sale ("**Terms**") are incorporated into and part of the contract ("**Contract**") between ISOLA USA Corp. ("**Isola**") and customer ("**Customer**") that consists of: (a) these Terms; and (b) front side terms of the applicable Isola order confirmation ("**Order Confirmation**"), Isola invoice ("**Invoice**"), and the parties' current written agreement, if any, for the sale of laminate and pre-preg materials, other goods, and related services ("**Goods**"). If there is a conflict between these Terms and any Contract-related document, the terms of each apply in the following order of precedence: (a) parties' current written agreement; (b) Invoice; (c) Order Confirmation; and (d) these Terms.

2. **ACCEPTANCE.** Isola offers to sell and deliver Goods to Customer in accordance with the Contract terms. Acceptance of this offer is expressly limited to the Contract terms. Customer's receipt of Goods constitutes acceptance of the Contract. Isola hereby objects to and rejects any additional or different terms proposed by Customer including Customer's terms of purchase, purchase order terms, or other document. Order fulfillment does not constitute acceptance of Customer's terms and does not serve to modify or amend the Contract.

3. **DELIVERY DATE AND LOCATION.** Isola will deliver Goods to the address specified on Customer's purchase order ("**Delivery Location**"). Delivery dates communicated or acknowledged by Isola are approximate and may be changed by Isola. Isola may deliver the Goods in installments. Isola will use commercially reasonable efforts to: (a) meet delivery dates communicated or acknowledged by it on the condition Customer provides all necessary order and delivery information sufficiently prior to such delivery date; and (b) give as much notice as reasonably possible of any change. Isola will not be liable for, nor will Isola be in breach of its obligations to Customer, for any changed or missed delivery date.

4. **QUANTITY.** Isola's shipment of Goods varying not more than +/- 10% in quantity from that ordered will be considered fulfillment of the Order. Customer may not object to or reject Goods or any portion by reason of surplus or shortfall and will pay for Goods at the price stated in the Order Confirmation adjusted on a pro rata basis.

5. **TITLE AND SHIPPING TERMS.** Title to and risk of loss of Goods passes to Customer upon delivery of Goods to a carrier at Isola's shipping dock regardless of any agreement to the contrary, including any agreement to pay freight, express or other transportation, or insurance charges. Delivery of Goods from inside the U.S. will be FOB Isola's shipping dock (Incoterms 2010). Delivery of Goods from outside the U.S. will be FCA Isola's shipping dock (from the U.S. facility from which Goods are shipped).

6. **MODIFICATION.** Isola may modify its process or materials for Goods, including supplier(s) of such materials, provided

that such Goods continue to meet applicable Isola specifications. It is Customer's responsibility to test all Goods to determine suitability for Customer's needs.

7. **INSPECTION OF NONCONFORMING GOODS.**

(a) Goods are deemed accepted unless Customer gives Isola written notice of Nonconforming Goods and supporting documentation reasonably required by Isola within ten (10) business days of Customer's receipt of Goods ("**Inspection Period**"). "**Nonconforming Goods**" means: (i) product shipped is different than identified in Customer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents.

(b) If Customer timely notifies Isola of any Nonconforming Goods, then Isola, in its discretion, will either replace Nonconforming Goods, or credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Customer for such goods. Customer will ship, at its expense and risk of loss, Nonconforming Goods to the Isola facility from which they were shipped. If after receiving Customer's shipment Isola elects to replace Nonconforming Goods, Isola will ship to Customer the replaced Goods to the Delivery Location. Customer will bear shipping expense for the replaced Goods.

(c) **THE REMEDIES IN SECTION 7(B) ARE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES AND ISOLA'S SOLE LIABILITY FOR DELIVERY OF NONCONFORMING GOODS.**

8. **PRICE.** Prices are set forth in the price list Isola publishes to Customer, unless otherwise stated in Isola's Order Confirmation or Invoice ("**Price**"). Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Customer. Customer will be responsible for all such charges, costs, and taxes; provided that Customer will not be responsible for any taxes imposed on Isola's income, revenues, gross receipts, real or personal property, or other assets.

9. **PAYMENT TERMS.** Customer will pay all invoiced amounts due to Isola in U.S. dollars by wire transfer or check within thirty (30) days of the Invoice date, unless otherwise agreed to by the parties. Late payments are subject to the lesser of a rate of 1.5% per month or highest rate permissible under applicable law, calculated daily, and compounded monthly. Customer will reimburse Isola for costs incurred in collecting any late payments, including attorneys' fees. In addition to other remedies available, Isola may suspend delivery of any Goods if Customer fails to pay any amounts when due and such failure continues for ten (10) business days following written notice. Customer will not withhold payment of any amounts due by reason of any set-off of any claim or dispute with Isola.

10. **LIMITED WARRANTY.**

(a) Isola warrants Goods will comply with the specifications set forth in the IPC standard referenced in the applicable Isola data sheet in all material respects (i) for a period of six (6) months from the date of shipment for laminates, and (ii) for a period of three (3) months from the date of shipment for pre-pregs.

(b) The warranty in Section 10(a) does not apply to: (i) samples or Goods designated as experimental or for development purposes; (ii) Goods used, sold, or distributed by Customer despite failing its tests; (iii) any product obtained from an unauthorized third party; or (iv) any defects caused by: (x) neglect, misuse, or mistreatment by an entity other than Isola, including improper storage, installation, or testing; (y) alteration or modification in any way by an entity other than Isola; or (z) Customer's design, specifications, or instructions for Goods. Customer bears the burden of proof in any investigation relating to the above sentence. Warranty claims may only be made by Customer and are not assignable to third parties. Testing and other quality control techniques are used to the extent Isola deems necessary and are solely at Isola's discretion.

(c) If Isola determines that Goods returned to the address specified by Isola within the applicable warranty period do not conform to the warranty in Section 10(a), then Isola, in its discretion, will either repair or replace Goods, or credit Customer's account for Goods. Any returned Goods must have a returned materials authorization number issued by Isola. If Isola elects to repair or replace the Goods, Isola will have a reasonable time to repair Goods or provide replacements. Repaired Goods will be warranted for the remainder of the original warranty period. Replaced Goods will be warranted for a new full warranty period.

(d) Isola may provide technical, applications, or design advice, quality characterization, reliability data, or other services. These services do not expand or otherwise alter Isola's limited warranty set forth above.

(e) EXCEPT AS SET FORTH ABOVE, GOODS ARE PROVIDED "AS IS." ISOLA DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, STATUTORY OR OTHERWISE, REGARDING THE GOODS, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. THE REMEDIES IN SECTION 10(C) ARE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES AND ISOLA'S SOLE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY IN SECTION 10(A).

11. INTELLECTUAL PROPERTY INDEMNIFICATION.

(a) Isola will pay damages, liabilities, or costs finally awarded against Customer or agreed to by Isola as settlement or compromise, and will defend Customer against any claim, suit, or proceeding brought against Customer that is based on an allegation that Goods sold to Customer directly infringe a valid United States or Canadian patent, copyright, or trade secret ("**Claim**"); provided Customer: (i) promptly notifies Isola of the Claim, including copies of all

notices and other information relating to the Claim; (ii) gives Isola all evidence, assistance, and authority that Isola deems necessary to defend or settle the Claim; (iii) gives Isola sole control of the defense, including the right to select counsel and settle the Claim without Customer's consent; and (iv) does not make any admission, compromise, or representation as to the merits or defense of the Claim, or accept or settle any Claim.

(b) If Customer's use of Goods subject to the Claim is enjoined, Isola may, in its discretion, either: (i) get a license for Customer to continue using the Goods; (ii) replace or modify Goods with non-infringing Goods; or (iii) subject to Customer's return of Goods at Isola's request, refund Customer's purchase price and shipping costs of Goods and prospectively cease to indemnify Customer with regard to such Goods. If Isola elects either options in clauses (i) or (ii) above, Isola's indemnity obligation will be entirely fulfilled as to that individual Claim, except for any damages, liabilities, or costs incurred by Customer prior to Isola taking such action. If Isola elects option in clause (iii) above, Isola's indemnity obligation will be entirely fulfilled, regardless of any additional claims.

(c) Isola has no liability or obligation under this Section 11 where liability arises or results from: (i) Customer's willful acts, or any settlement or compromise incurred or made by Customer without Isola's prior written consent; (ii) the combination, operation, or use of Goods with materials, methods or processes, products, systems, or technologies not furnished by Isola; (iii) Customer's use of Goods in a manner or for an application other than for which the Goods were designed or intended, regardless of whether Isola was aware of or had been notified of such use; (iv) Customer's modification of Goods; or (v) Isola's compliance with Customer's design, instructions, or specifications. Claims set forth in (i) through (v) above are individually and collectively referred to as "**Other Claims.**" Customer will indemnify Isola against any damages, liabilities, or costs finally awarded against Isola or agreed to by Customer as settlement or compromise, and will defend any claim, suit, or proceeding brought against Isola insofar as it is based on an allegation arising from Other Claims.

(d) THE FOREGOING STATES CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES AND ISOLA'S SOLE LIABILITY FOR INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT.

12. LIMIT OF LIABILITY.

(a) IN NO EVENT WILL ISOLA BE LIABLE FOR ANY SPECIAL, COLLATERAL, INDIRECT, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, LIABILITIES, COSTS, OR EXPENSE OF ANY KIND IN CONNECTION WITH THIS CONTRACT OR USE OF GOODS, REGARDLESS OF WHETHER ISOLA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE. EXCLUDED DAMAGES INCLUDE, BUT ARE NOT LIMITED TO, COST OF REMOVAL OR REINSTALLATION, ANCILLARY COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, RETESTING, LABOR COSTS, LOSS OF GOODWILL,

LOSS OF PROFITS, LOSS OF SAVINGS, OR BUSINESS INTERRUPTION. NO CLAIM, SUIT, OR ACTION WILL BE BROUGHT AGAINST ISOLA MORE THAN TWO YEARS AFTER THE RELATED CAUSE OF ACTION HAS OCCURRED.

(b) IN NO EVENT WILL ISOLA'S AGGREGATE LIABILITY FROM ANY WARRANTY, INDEMNITY, OR OTHER OBLIGATION ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT OR USE OF GOODS EXCEED THE TOTAL AMOUNT PAID TO ISOLA FOR THE PARTICULAR GOODS SOLD UNDER THIS CONTRACT WITH RESPECT TO WHICH LOSSES OR DAMAGES ARE CLAIMED.

(c) CUSTOMER UNDERSTANDS AND AGREES THAT THE FOREGOING LIMITATIONS ARE ESSENTIAL ELEMENTS OF THIS CONTRACT AND THAT IN THE ABSENCE OF SUCH LIMITATIONS THE MATERIAL AND ECONOMIC TERMS OF THIS CONTRACT WOULD BE SUBSTANTIALLY DIFFERENT.

(d) NOTHING IN THIS AGREEMENT EXCLUDES OR LIMITS THE LIABILITY OF EITHER PARTY FOR DEATH OR PERSONAL INJURY ARISING FROM NEGLIGENCE OR ANY OTHER LIABILITY NOT EXCLUDABLE BY LAW.

13. COMPLIANCE WITH LAW. Customer has and will maintain in effect all licenses, permissions, authorizations, consents, and permits needed to carry out its obligations under this Contract. Customer has and will comply with applicable laws, regulations, and ordinances, including export and import laws of all countries involved in the sale of Goods or any resale of Goods by Customer. Customer assumes all responsibility for shipments of Goods requiring any government import clearance. Isola may terminate this Contract if any governmental authority imposes antidumping or countervailing duties or other penalties on Goods.

14. PROPER BUSINESS PRACTICES. Customer will comply with applicable laws concerning improper or illegal payments and gifts or gratuities, including the U.S. Foreign Corrupt Practices Act, UK Bribery Act, and other similar applicable state, local, or foreign laws. If Customer, its agents, or its representatives breach this Section 14 then Isola may terminate Customer's order without liability of any kind and recover from Customer any loss resulting from such termination.

15. TERMINATION. In addition to any remedies provided under these Terms, Isola may terminate this Contract with immediate effect upon written notice to Customer if Customer: (a) fails to pay amounts due for ten (10) business days after Customer's receipt of Isola's written notice of nonpayment; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors. If Isola terminates this Contract, Isola may suspend further deliveries, and will be entitled to cancellation charges for finished Goods and work in

progress, which Isola started to reasonably meet the delivery schedule, as well as to any quantity price adjustments reflecting volume pricing quoted for quantities ordered but cancelled due to Customer's default, and all costs, direct and indirect, incurred or committed, plus prorated anticipated profits. Continued shipment after Customer's default will not constitute a waiver of Isola's rights or remedies.

16. CONFIDENTIAL INFORMATION. All Isola non-public, confidential, or proprietary information, including specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Isola to Customer, whether disclosed orally or in written, electronic, or other form or media, and whether or not marked, designated, or otherwise identified as "confidential," in connection with this Contract is confidential, solely for the use of performing this Contract, and may not be disclosed or copied without Isola's prior written consent. Upon Isola's request, Customer will promptly return all documents and other materials received from Isola. Isola will be entitled to injunctive relief for any violation of this Section 16. This Section 16 does not apply to information that is: (a) in the public domain; (b) known to Customer at the time of disclosure; or (c) rightfully obtained by Isola on a non-confidential basis from a third party. In the event of a conflict between this Section 16 and the terms of a stand-alone non-disclosure agreement to which Customer and Isola are parties, the terms of the stand-alone agreement will control.

17. GOVERNMENT CONTRACTS. If Goods are to be used in the performance of a U.S. government contract or subcontract for which mandatory passdown clauses are applicable to Isola or the Goods, Customer must notify Isola prior to Isola's performance so that Isola may determine whether to perform. If Isola is notified of such clauses after beginning performance, Isola may cancel the applicable order. Isola will have no liability for such cancellation.

18. FORCE MAJEURE. Except for payment obligations for delivered Goods, neither party will be liable for any failure or delay in performance due to acts or circumstances beyond the party's reasonable control including acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, terrorist threats or acts, riot, or other civil unrest, lock-outs, strikes or other labor disputes (whether or not relating to either party's workforce), restraints or delays affecting carriers, inability or delay in obtaining supplies of adequate or suitable materials, or telecommunication breakdown or power outage.

19. ASSIGNMENT. Customer will not assign any of its rights or delegate any of its obligations under this Contract without Isola's prior written consent. Any purported assignment or delegation in violation of this Section 19 is null and void. No assignment or delegation relieves Customer of any of its obligations hereunder.

20. RELATIONSHIP OF THE PARTIES. The relationship between the parties is that of independent contractors.

Nothing in this Contract will be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party is authorized to contract for or bind the other party in any manner whatsoever.

21. GOVERNING LAW AND JURISDICTION. All matters arising out of or relating to this Contract will be governed by and construed in accordance with the laws of the State of Arizona, excluding conflict of law principles that would cause the laws of any jurisdiction other than the State of Arizona to apply. All international conventions relating to the international sale of goods are excluded. Any legal suit, action, or proceeding arising out of or relating to the Goods will be instituted in the federal courts of the U.S. or courts of the State of Arizona located in Maricopa County, and each party irrevocably submits to the exclusive jurisdiction of such courts. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE THE RIGHT TO TRIAL BY JURY.

22. NOTICES. All notices will be in writing and addressed to the parties at the addresses set forth on the face of Isola's Order Confirmation or to such other address that may be designated by the receiving party in writing. All Notices will be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Contract, a Notice is effective only upon receipt of the receiving party and if the party giving the Notice has complied with the requirements of this Section 22.

23. SEVERABILITY. If any term or provision of this Contract is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction.

24. SURVIVAL. Provisions of this Contract which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Contract including Sections 10 (Limited Warranty), 11 (IP Indemnification), 12 (Limit of Liability), 13 (Compliance with Laws), 15 (Termination), 16 (Confidential Information), 19 (Assignment), 21 (Governing Law), 22 (Notices), 23 (Severability), and 24 (Survival) of these Terms.

25. ENTIRE AGREEMENT. The Contract constitutes the entire agreement of the parties concerning its subject matter, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, on that subject matter. No failure or delay by Isola to exercise any rights or remedy arising from the Contract will constitute a waiver of Isola's respective rights. No modification or waiver of any provisions of the Contract is effective unless explicitly set forth in writing signed by an authorized Isola representative.