1. <u>CONTROLLING DOCUMENTS</u>. 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. <u>ACCEPTANCE</u>. 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. Any confirmatory action by the Customer or acceptance 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, ALLOCATION AND CANCELLATION.

(a) Isola will deliver Goods to the address specified Customer's purchase order ("Delivery on 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: (i) 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 (ii) 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.

(b) If, for any reason, Isola is unable to supply the total demand of Goods ordered, Isola will provide written notice and may allocate its available supply of the Goods among any or all purchasers or users (including Isola and its affiliates) or make partial shipments on such basis as it may deem fair and practical without liability for any failure of performance which may result therefrom ("**Order Allocation Supply**").

(c) Isola reserves the right to cancel any order for Goods owing to (i) its inability to perform due to a Force Majeure Event (as defined below); (ii) any of the events giving rise to termination in Section 15; or (iii) any other reason that Isola finds it impossible, despite its best efforts, to perform hereunder.

(d) Once Isola issues an Order Confirmation, Customer may not cancel such order without Isola's written consent.

4. <u>QUANTITY</u>. 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 ratabasis.

5. <u>TITLE AND SHIPPING TERMS</u>. 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 2020). 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. <u>MODIFICATION</u>. 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.