

Terms and Conditions of Sale

1. Acceptance of Sales Contract and Terms and Conditions of Sale (“Conditions of Sale”).

These Conditions of Sale and any expressly identified exhibits constitute an integral part of the Sales Contract (this “Contract”) between the Parties relating to the sale and purchase of the Product. Acceptance of this Contract is expressly limited to Conditions of Sale and exhibits, and none of Buyer’s terms and conditions in acknowledging or accepting this Contract or in issuing Purchase Orders, shipping instructions or other documents shall apply to this Contract. Seller shall not be bound by any change in, addition to, or waiver of any of the provisions of this Contract unless approved in writing by an authorized representative of Seller. Buyer shall be bound by and deemed to have assented to the provisions of this Contract by acceptance of Product delivered under this Contract, even if Buyer does not execute this Contract. If there is any conflict among the terms specified in the main text of the Contract, , any provision of individual contract and Conditions of Sale, the order of controlling terms shall be as follows: (a) these Conditions of Sale; (b) the main text of this Contract; and (c) the individual contract. These Conditions of Sale may be amended by Seller from time to time and the then-latest version of these Conditions of Sale shall apply to each Sales Contract.

2. Change of Order.

- a) An individual contract shall be formed when Seller provides written acceptance of a Purchase Order issued by Buyer. Once accepted by Seller, no Purchase Order shall be modified or cancelled except upon the written agreement of both Parties. Buyer’s Purchase Orders or mutually agreed change orders shall be subject to all provisions of these Conditions of Sale, whether or not the Purchase Order or change order so states.
- b) In the event Buyer requests modification in the Contract or an individual contract, any such requested change must be received by Seller at least fourteen (14) days prior to the scheduled shipping date. Seller shall use reasonable efforts to meet such change request. Any additional cost involved in said request shall be paid by Buyer.
- c) Seller reserves the right, in its sole discretion and without incurring any liability to Buyer, to (i) alter the specifications for any Product; and (ii) discontinue the manufacture of any Product.

3. Shipment.

Buyer shall give Seller reasonable written notice of orders and desired shipment dates, and unless otherwise specified in this Contract,

4. Conformity to Contract.

- a) Buyer shall inspect all Products delivered hereunder to confirm that the Products conform to the specifications and quantity agreed upon in this Contract immediately after receipt thereof and shall provide Seller with prompt notice of any non-conformity with the specifications or quantity. The conditions of the inspection shall be mutually agreed upon between Seller and Buyer. If there is a shortfall or excess in quantity of any Products and Seller receives such notice within [three (3)] business days from the earlier of the date of shipment or the date of resale by Buyer, Seller shall compensate the Buyer the shortfall of the Products through a credit note, or take back the excess Products. If any Product does not conform to the specifications agreed upon in this Contract, and Seller receives such notice within (i) 90 days (however, in the case of non-conformity that can be detected immediately, within [three (3)] business days) from the earlier of the date of shipment or the date of resale by Buyer, and no later than (ii) the "Use By" date provided by Seller for the Products, such non-conforming Products shall be

replaced by Seller without additional cost to Buyer, or, at Seller's option, Seller shall refund the purchase price therefor. This remedy is Buyer's exclusive remedy for breach of warranty or non-conformity with this Contract. Excess Products and non-conforming Products must not be returned by Buyer until authorized in advance by Seller. Returned Products should, to the extent possible, be intact in the form shipped and retain Seller's identity.

- b) Quantities of Product shall be determined by reference to the individual contract or Seller's invoice weights, volumes and other measurement indicators established in good faith, unless shown to be erroneous.

5. Product Hazards, Handling and Safety.

- a) Buyer acknowledges that it has expertise and knowledge in the handling, processing, storage, transportation and sale of products into which the Product will be incorporated. Buyer also acknowledges receipt of Seller's safety data sheets for the Product and acknowledges that it has had the opportunity to obtain from Seller such additional data and explanations as Buyer considers necessary for it to establish and implement appropriate procedures and warnings to protect its employee, agents, direct and indirect customers, contractors and the environment from hazards associated with the handling, processing, blending, storage, and transportation of the Product alone and with Buyer's products containing the Product. If Buyer determines that it needs additional health, safety or environmental information about the Product, it will contract Seller and the Parties will attempt to resolve any uncertainties. Buyer agrees to undertake to become familiar with the characteristics, quality, hazards and precautions necessary for the safe handling and use of the Product, and shall take all steps necessary to inform, warn and familiarize its employees, agents, customers and contractors who may handle the Product of all hazards pertaining to and proper procedures for safe use and disposal of the Product, and the containers or equipment in which the Product may be handled, shipped or stored. Buyer also undertakes to label as appropriate any materials which it makes or resells which include the Product.
- b) As between the Parties, Buyer assumes full responsibility for and liability arising out of the handling, processing, blending, storage, transportation, and disposal of the Product after it takes delivery of the Product.

6. Limitation of Liability.

Seller's total liability to Buyer for any claim relating to this Contract, other than for personal injury or death, shall not exceed the purchase price of the Product in respect of which such claim is made. Except in the case of personal injury or death, Buyer's exclusive remedy for Product which does not meet the specifications in all material respects or failure to deliver Product as required by this Contract shall be replacement of the quantity of Product in respect of which the claim is made. This shall constitute Seller's maximum liability even if Product has been handled, stored, processed or transported by Buyer or third parties. In no event shall Seller be liable for any lost profits or any indirect, consequential, special, incidental or contingent damages, or losses suffered or incurred by Buyer.

7. Indemnification.

Buyer shall indemnify and hold Seller harmless from and against any liability, loss, damage or expense (including reasonable attorneys' fees) incurred by Seller to the extent that the liability, loss, damage or expense results from Buyer's breach of any of its obligations under this Contract, including without limitation Buyer's failure to inform, warn and familiarize others of the hazards and appropriate procedures for the safe handling, use and disposal of the Product, except to the extent that the liability, loss, damage or expense results from the failure of the Product to meet the specifications in all material respects at the point of delivery to Buyer and is not reasonably

discoverable by Buyer or results from the material inaccuracy of the health and safety information provided by Seller concerning the Product.

8. Insurance.

Buyer shall, at its own expense, carry and maintain comprehensive general bodily injury liability insurance and broad form property damage liability insurance with companies in amounts and on terms satisfactory to Seller to support the indemnities in Section 7. This insurance shall be expressly endorsed to name Seller as an additional insured, shall provide that the insurance is primary coverage with respect to all insureds and shall contain a standard cross-liability endorsement or severability-of-interest clause. Buyer shall furnish Seller with evidence from Buyer's insurer reflecting coverage and naming Seller as an additional insured. Buyer's obligation to carry insurance does not otherwise limit, satisfy or derogate from Buyer's primary obligations under this Section 8.

9. Defaults or Delays.

If Buyer is in default of any of its obligations under this Contract, or Buyer fails to make any payment when due, or Seller becomes insecure with respect to Buyer's financial condition or ability to perform under this Contract, Seller may defer further deliveries until the default is remedied or until Buyer agrees to pay cash on delivery. In any such event, Seller may elect to extend this Contract for a period of time equal to that during which deliveries are deferred. These remedies are in addition and without prejudice to any other remedy granted to Seller by law or elsewhere in this Contract.

10. Force Majeure.

- a) Neither Seller nor Buyer shall be responsible or liable for any delay or failure to deliver or take delivery of any or all of the Product if occasioned by: act of God, fire, flood, embargo, explosion, accident, breakdown of machinery or equipment; shortage of or inability to obtain fuel, power, raw materials, equipment, transportation, or the Product itself without litigation and at usual prices or from usual sources; good faith compliance with any law, regulation, standard, order, rule or recommendation made by any governmental authority; strike or labor controversy (neither Seller nor Buyer shall be required to settle any labor matter against its own best judgment); any cause or circumstance beyond Seller's or Buyer's reasonable control; or any other cause or circumstance, whether similar or dissimilar to the forgoing ("Force Majeure"), which makes impracticable the production, transportation or delivery of the Product or any material used in or in connection with its production; and the quantities of Product not delivered due to any such cause or circumstance shall be removed from the contracted quantity. In no event shall Seller be obligated to sell Product, or to deliver from any plant or facility other than the shipping point specified herein to replace the quantities not delivered due to any such cause or circumstance
- b) The Party claiming Force Majeure shall take appropriate measures to minimize or remove the effects of Force Majeure and, within the shortest possible reasonable time, attempt to resume performance of the obligation affected by the event of Force Majeure. If the affected Party is unable to perform all or any material part of this Contract for more than six (6) months after the written notice in respect of the occurrence of an event of Force Majeure is received by the other Parties from such Party, any of the other Parties may terminate this Contract.

11. Confidential or Proprietary Information.

- a) Any and all technical and other knowledge or information obtained or learned by Seller as a result of this Buyer/Seller relationship and all technical and other information furnished by Seller or jointly developed by Buyer and Seller (collectively, "Confidential Information") shall remain Seller's property and Buyer shall maintain in confidence and safeguard all Confidential

Information. Buyer agrees to use any Confidential Information only for conducting business with Seller in a manner contemplated by this Contract.

- b) Buyer shall restrict disclosures of any Confidential Information to only those Buyer employees who have a need to know and shall bind such employees to obligations of confidentiality consistent with this Contract. Upon completion or termination of this Contract or upon request of Seller, Buyer shall promptly return all materials incorporating any such Confidential Information and any copies thereof.

12. Compliance with Laws.

Buyer shall comply fully with all applicable legal requirements and, if requested, shall furnish evidence satisfactory to Seller of such compliance.

13. Trade Compliance.

Seller is subject to United States export control laws. In this capacity Seller is prohibited from directly or indirectly exporting and selling the Products, or allowing third parties to directly or indirectly sell and export the Products, into certain embargoed countries and to certain restricted or denied customers under the export control laws of the United States. Prohibited transactions include any transaction in which the Products, or any technical information concerning the Products, are shipped to or through an embargoed country or which involve a restricted or denied customer. Buyer shall not directly or indirectly, sell or export the Products or any technical information concerning the Products to any person, entity or country which is embargoed, restricted or denied under the laws of the United States, nor sell or otherwise transfer the Products or such technical information to any customer under circumstances where it has knowledge or reason to believe that the Products or technical information will be sold or exported to any such embargoed, restricted or denied person, entity or country. Without limiting the generality of the foregoing, Buyer shall not directly or indirectly, sell or export the Products or any technical information concerning the Products to Cuba, Iran, North Korea, Syria, Sudan, or the Crimea region of Ukraine, nor sell or otherwise transfer the Products or technical information to any customer under circumstances where it has knowledge or reason to believe that the Products or information will be sold or exported to Cuba, Iran, North Korea, Syria, Sudan, or the Crimea region of Ukraine.

14. Amendments.

This Contract may be amended only by a writing executed by each of the Parties.

15. Expenses.

All costs and expenses (including legal fees) incurred by a Party in connection with the preparation of this Contract and Exhibits shall be for the account of that Party.

16. Assignment; Binding Effect.

This Contract and the rights and obligations hereunder shall not be assignable or transferable by the other Party without the prior written consent of Seller. This Contract shall be binding upon each of the Parties and their respective successors.

17. Waiver and Remedies.

Any waiver by a Party to this Contract of any condition, part, term, or provision of this Contract shall not be binding unless in writing and shall not be construed as a waiver of any condition, part, term, or provision of this Contract, nor shall such waiver be construed as such a waiver of such condition, part, term or provision respecting any future event or circumstance. The remedies of any Party hereunder shall be cumulative, and any waiver or forbearance by a Party in seeking a remedy for any breach by another shall not be deemed to be a waiver of any other right or remedy.

18. Severability.

Wherever possible, the terms of this Contract shall be construed and interpreted to be valid and enforceable under applicable law. If any provision of this Contract or any other agreement or document contemplated hereby shall be determined to be invalid or unenforceable, such provision shall be invalid or unenforceable only to the minimum extent required, and the Parties shall promptly attempt in good faith to agree on a legally enforceable modification that gives effect to the commercial objectives of the invalid or unenforceable provision, and every other provision shall remain in full force and effect.

19. Applicable Law

This Contract shall be governed and construed by Japanese law. Where disputes arising from the Contract cannot be settled to the satisfaction of both parties via amicable means, either party may submit the dispute to arbitration under the Rules of Arbitration of the International Chamber of Commerce (the "ICC Rules") by three arbitrators appointed in accordance with such rules then in effect. The arbitration tribunal shall consist of three arbitrators. Each party shall nominate a co-arbitrator and the two co-arbitrators shall jointly nominate a third arbitrator who shall act as the presiding arbitrator. The arbitration shall take place in Tokyo, Japan. The arbitration shall be conducted in English. The award made by the arbitration tribunal shall be accepted as final and binding upon both parties hereto.