

CARBON FIBER RECYCLING, LLC
TERMS & CONDITIONS OF SALE

1. THESE TERMS CONTROL: The sale of products by Carbon Fiber Recycling, LLC ("Seller") to any customer or prospective customer of Seller ("Customer") shall be governed exclusively by these Terms and Conditions of Sale. BY CUSTOMER'S SIGNING OR ACCEPTANCE OF ANY CREDIT APPLICATION (as defined below), QUOTATION (as defined below), INVOICE ("INVOICE") OR ANY AGREEMENT WITH SELLER WHICH, IN EACH CASE, THESE TERMS & CONDITIONS OF SALE (THESE "TERMS") HAVE BEEN INCORPORATED (WHETHER BY ATTACHMENT OR BY REFERENCE), CUSTOMER CONFIRMS THAT THESE TERMS SHALL GOVERN ALL PURCHASES OF PRODUCTS OR MATERIALS PROVIDED TO CUSTOMER BY SELLER, INCLUDING ANY PRODUCTS OR MATERIALS PROVIDED TO CUSTOMER BY SELLER PURSUANT TO ANY PRODUCT SUPPLY AGREEMENT ENTERED INTO BY CUSTOMER AND SELLER IN CONNECTION HERewith OR ANY TIME HEREAFTER ("GOODS"). GOODS ARE EXPRESSLY SUBJECT TO THESE TERMS AND ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS SET FORTH IN A PURCHASE ORDER OR SIMILAR COMMUNICATION RECEIVED FROM CUSTOMER ARE OBJECTED TO AND SHALL NOT BE BINDING UPON SELLER UNLESS SPECIFICALLY AGREED TO IN WRITING BY AN AUTHORIZED CORPORATE OFFICER OF SELLER. NO EMPLOYEE OR AGENT OF SELLER HAS THE AUTHORITY TO MODIFY THESE TERMS VERBALLY. SELLER OBJECTS TO AND REJECTS ANY TERMS BETWEEN CUSTOMER AND ANY OTHER PARTY, AND NO SUCH TERMS, SHALL BE A PART OF OR INCORPORATED INTO THESE TERMS OR ANY PURCHASE ORDER UNLESS AGREED TO IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF SELLER.

2. CREDIT. At any time during the course of the business relationship between Customer and Seller, upon the request of Seller, Customer may be required to (i) complete a credit application ("Credit Application"), which will be provided to Customer by Seller, and (ii) receive confirmation of credit approval from Seller as a precondition to the sale of Goods to Customer. If at any time during the course of the business relationship between Customer and Seller, Seller, in its sole discretion, determines that Customer's credit becomes unsatisfactory or that Seller has reasonable grounds for insecurity, Seller reserves the right, upon notice to Customer, to demand adequate assurance of due performance from Customer and/or terminate any purchase order with no liability to Seller.

3. QUOTATIONS AND PRICING: Any quotations provided by Seller ("Quotations") expire thirty (30) days from the date of the Quotation unless otherwise noted on the quotation, even if Customer uses a quotation to submit a proposed order of Goods. Notwithstanding the foregoing, Customer agrees to pay the prices listed on the Invoice and to be responsible for additional applicable shipping and handling charges, taxes, duties, and charges for import and export licenses and certificates. Notwithstanding the foregoing, all prices quoted by Seller or indicated in the Invoice are subject to change without notice. In order to be corrected, any discrepancies in pricing or quantities of Goods from that set forth in an active Quotation must be reported by Customer within thirty (30) days of the date of the Invoice, and in the event Customer fails to report such discrepancy, the price in the Invoice shall govern.

4. PAYMENT: All orders will be payable in advance or C.O.D. until Seller has satisfactorily completed any investigation of Customer's credit required by Seller. In such event, if Customer's credit is approved, payment terms will be 30 days net from the date of the Invoice or upon such other terms approved by Seller in writing. If Customer fails to make any payment when due, Seller reserves the right to suspend performance on all other purchase orders. Customer agrees to pay a charge on all amounts past due at the rate of 1 ½% per month (18% per year) or the maximum lawful rate, whichever is less. Any waiver of a finance charge or any portion thereof shall not be deemed to be a waiver of any future finance charges. In the event of non-payment, Seller may turn over the right to collect any unpaid amounts to a third party for collection. Regardless, Customer agrees to pay all of Seller's costs to collect, including, but not limited to, reasonable attorney fees and court costs, if any, incurred by Seller to collect payment, and all applicable interest charges. Seller may apply payments to any outstanding invoices unless Customer provides specific payment direction.

5. TITLE AND RISK OF LOSS OR DAMAGE: As to Goods to be delivered directly by Seller, title and risk of loss or damage passes to Customer upon delivery at the place Customer receives possession, and unless otherwise stated in the applicable Invoice, all shipping charges shall be payable by Customer. All other sales of Goods are F.O.B., point of shipment, and Customer takes title and assumes responsibility for risk of loss or damage at the point of shipment for such sales.

6. ASSIGNMENT: Customer's rights and responsibilities under these Terms may not be assigned by Customer without the express written consent of Seller, which may be withheld in Seller's sole and absolute discretion.

7. REJECTION OR RETURN OF GOODS: Goods shall be deemed accepted by Customer (and cannot thereafter be returned), if Customer fails to object to or reject the Goods in writing to Seller within fifteen (15) days after the Goods are received by Customer. Notwithstanding the foregoing, Customer may only reject and return Goods if (a) the Goods do not conform with applicable specifications provided by Seller, (b) the Goods are unused by the Customer and applicable packaging is unopened, and (c) Customer has received prior written approval from Seller. If approval to return particular Goods is granted by Seller, Seller will accept the return of such Goods and will provide Customer either an exchange or a refund of the purchase price for such Goods; provided, however, returned Goods are subject to a 15% restocking charge, which may be increased or decreased, in Seller's sole and absolute discretion, depending on the reason for such return. Any Goods which are either (i) special ordered by Customer, including, without limitation, precision-cut carbon fiber, or (ii) which are inspected by Customer prior to shipment and are delivered to Customer in the same condition as when inspected, may not be returned, and any such Goods which are returned to Seller are subject to a cancellation fee of 100% of the purchase price of the Goods.

8. CANCELLATION: Customer may cancel any purchase of Goods prior to shipment of the Goods, provided, however, that (a) such cancellation shall be subject to reasonable and proper cancellation fees, and (b) with respect to any Goods which are special-ordered, including, without limitation, precision-cut carbon fiber, such cancellation shall be subject to a cancellation fee equal to 100% of the purchase price of that portion of the Goods which have been produced by Seller for such special-order as of the date of such cancellation. No cancellation shall be effective until Seller has received the applicable cancellation fees.

9. CHANGE IN CUSTOMER'S FINANCIAL CONDITION: Seller reserves the right to cancel any agreement to provide Goods to Customer or to require full or partial payment in advance, without liability to Seller, in the event of: (i) insolvency of Customer; (ii)

the filing of a petition in bankruptcy by or against Customer; (iii) the appointment of a receiver or trustee for Customer; (iv) the execution by Customer of an assignment for benefit of creditors; (v) a past due payment on any previous shipment of Goods to Customer by Seller; or (vi) Seller, in its sole discretion, determines that Customer's financial condition has adversely changed. Seller reserves the right to cancel Customer's credit at any time for any reason.

10. CUSTOMER'S USE, PLANS AND SPECIFICATIONS: Seller does not guarantee that the Goods it sells conform to any of Customer's plans, specifications, or intended use. Customer is solely responsible for verifying Seller's interpretations of any such plans and specifications, and it is Customer's sole responsibility to assure that Goods will be acceptable for Customer's intended use. When Seller offers substitute Goods, Customer is solely responsible for confirming the acceptability of such Goods for such proposal. Furthermore, without limiting the generality of any other provision contained herein, Customer acknowledges that Seller makes no warranty that the sizing (i.e. the interfacial adhesion bonding between the filaments and other compounds) applicable to the Goods is acceptable or conforms to Customer's intended or anticipated use of the Goods.

11. DELIVERY: All contract dates and timelines begin upon receipt by Seller of a purchase order and the payment of any required upfront payment. Notwithstanding anything else to the contrary, delivery dates given in advance of actual shipment are approximate and not guaranteed, and Seller shall not be liable for any penalty or damages for late delivery. If Goods are held or stored beyond the delivery date for the convenience of Customer, such Goods shall be so stored at the risk and expense of Customer.

12. EXCUSABLE DELAYS: Notwithstanding anything else to the contrary, Seller shall have no liability if its performance is delayed or prevented by causes beyond its reasonable control, including, without limitation, acts of nature, epidemics, pandemics, labor disputes, government priorities, transportation delays, insolvency or inability to perform by any manufacturer, vendor, or other third party that provides products to Seller for resale to Customer or other customers ("Vendor"), or any other commercial impracticability. In the event of any such delay, the date of delivery or performance shall be extended for a period equal to the time lost by reason of delay.

13. WARRANTIES, DISCLAIMERS, AND LIMITATIONS: (a) LIMITED WARRANTY: Seller warrants that all Goods sold shall conform with specifications provided by Seller in writing, provided, however, that Seller's limited warranty will not extend to expired or defective sizing (i.e. the interfacial adhesion bonding between the filaments and other compounds) associated with any Goods. Seller also warrants that the Goods shall, upon payment in full by Customer for the Goods, be free and clear of any security interests or liens. Customer's exclusive remedy for breach of such warranties with respect to any Goods shall be limited to Seller's repair or replacement of such defective Goods. Seller shall have no responsibility for reimbursing repair or replacement costs incurred by Customer in connection with defective Goods, unless Seller has first given Customer written authorization to incur such charges. Unless written authorization has been provided by Seller, the limited warranty provided in this Section 13 applies only to Goods properly stored and maintained and does not apply to any Goods which are misused or neglected (including, without limitation, Goods which have been exposed to the elements), or which have been used, altered or modified. This warranty does not apply to any Goods not manufactured by Seller, and Customer's sole warranty with respect to such Goods shall be that of Seller's vendor providing such Goods ("Vendor"), if any.

(b) VENDOR'S WARRANTIES: Seller shall assign to Customer any Vendor's warranties or remedies provided to Seller by such Vendor.

(c) INTELLECTUAL PROPERTY INFRINGEMENT: SELLER DISCLAIMS ANY AND ALL WARRANTIES OR INDEMNIFICATIONS AGAINST INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS. SELLER SHALL, IF GIVEN PROMPT NOTICE BY CUSTOMER OF ANY CLAIM OF INTELLECTUAL PROPERTY INFRINGEMENT WITH RESPECT TO ANY GOODS SOLD HEREUNDER, REQUEST THE APPLICABLE VENDOR TO GRANT FOR CUSTOMER SUCH WARRANTY OR INDEMNITY RIGHTS AS SUCH VENDOR MAY CUSTOMARILY GIVE WITH RESPECT TO SUCH GOODS.

(d) LIMITATIONS: OTHER THAN THE LIMITED WARRANTY PROVIDED ABOVE, SELLER PROVIDES CUSTOMER WITH NO OTHER WARRANTY WITH RESPECT TO THE GOODS, WHETHER WRITTEN OR ORAL, EXPRESS, IMPLIED OR BY STATUTE. SELLER SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY AND ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

14. LIMITATIONS OF LIABILITY: UNLESS APPLICABLE LAW OTHERWISE REQUIRES, SELLER'S TOTAL LIABILITY TO CUSTOMER, CUSTOMER'S CUSTOMERS OR TO ANY OTHER PERSON, RELATING TO ANY PURCHASES GOVERNED BY THESE TERMS, FROM THE USE OF GOODS FURNISHED BY SELLER TO CUSTOMER, OR FROM ANY ADVICE, INFORMATION OR ASSISTANCE PROVIDED BY SELLER (BY ANY METHOD, INCLUDING A WEB SITE), IS LIMITED TO THE PRICE OF THE GOODS GIVING RISE TO THE CLAIM. SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PENAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LABOR COSTS, LOSS OF EFFICIENCY, LOSS OF PROFITS OR REVENUES, LOSS OF USE OF THE GOODS OR ANY ASSOCIATED GOODS, DAMAGE TO ASSOCIATED GOODS, LATENESS OR DELAYS IN DELIVERY, UNAVAILABILITY OF GOODS, COST OF CAPITAL, COST OF SUBSTITUTE GOODS, FACILITIES OR SERVICES, DOWNTIME, OR CLAIMS FROM CUSTOMER'S CUSTOMERS OR OTHER THIRD PARTIES. NEITHER SHALL SELLER BE LIABLE FOR THE ATTORNEYS' FEES OF CUSTOMER IN ANY ACTION TO ENFORCE THESE TERMS OR ANY OTHER AGREEMENT BETWEEN SELLER AND CUSTOMER. IF SELLER FURNISHES CUSTOMER WITH ADVICE OR OTHER ASSISTANCE WHICH CONCERNS ANY GOODS SUPPLIED HEREUNDER, OR ANY SYSTEM OR EQUIPMENT IN WHICH ANY SUCH GOODS MAY BE INSTALLED, AND WHICH IS NOT REQUIRED PURSUANT TO THESE TERMS, THE FURNISHING OF SUCH ADVICE OR ASSISTANCE WILL NOT SUBJECT SELLER TO ANY LIABILITY, WHETHER BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER A.

15. CUSTOMER'S USE OF GOODS: Notwithstanding anything else herein to the contrary, Seller does not make any warranty with respect to, and shall not be liable for any deficiencies in the quality or quantity of finished products produced by Customer. .

16. COMPLIANCE WITH U.S. TRADE CONTROL LAWS. Customer agrees to comply with all export control and economic sanction laws, rules and regulations of the United States, including, without limitation, those laws, rules and regulations administered by the U.S. Department of the Treasury, Office of Foreign Assets Control ("OFAC"); the International

Traffic in Arms Regulations ("ITAR") administered by the U.S. Department of State, Directorate of Defense Trade Controls ("DDTC"); and the Export Administration Regulations ("EAR"), administered by the U.S. Department of Commerce, Bureau of Industry and Security ("BIS"), as all such laws, rules and regulations may be in effect from time to time. Without limiting the generality of the foregoing, Customer agrees (a) that it will not directly or indirectly export, sell or ship Goods into any countries or regions for which such is prohibited under trade sanctions or embargo programs administered by the United States, as such list of countries or regions is amended from time to time, which such list may currently include the following: Cuba, North Korea, Iran, Sudan, Syria, Belarus, Burma, China, Eritrea, Venezuela, Crimea and covered regions of Ukraine, and (b) that it will not directly or indirectly export, sell or ship Goods to parties (individuals, entities or governmental regimes) which have been identified by the United States under export control or sanctions laws and specified in various lists maintained by various government agencies of the United States, as such lists are amended from time to time, including, without limitation, the Specially Designated Nationals (SDN) and Foreign Sanctions Evaders (FSE) Lists maintained by the U.S. Department of the Treasury and the Entity List, Unverified List and Denied Persons List maintained by the U.S. Department of Commerce. The United States maintains a database known as the U.S. Government Consolidated Screening List available for download at: www.export.gov/article?id=Consolidated-Screening-List. Customer agrees that it will not sell or deliver any Goods to any of the individuals or entities identified on the U.S. Government Consolidated Screening List, as such list is amended from time to time. Furthermore, Customer shall not name Seller as shipper or exporter of record in connection with the export of any Goods purchased from Seller.

17. PAYMENT RESTRICTIONS: Except as approved in writing from Seller in advance, such approval to be given and conditioned by Seller in its sole and absolute discretion, Seller will not accept third-party payments. Seller accepts only (i) cash, (ii) checks imprinted with Customer's name; (iii) wire transfers originated in Customer's account; (iv) if approved by Seller in advance, letters of credit with Customer as account party; and (iv) other certified funds acceptable to Seller provided such funds are verifiably paid by Customer. Payment must be made by a single instrument in the amount indicated on the Invoice.

18. GOVERNING LAW: These Terms and all disputes related to it shall be governed by the laws of the State of Tennessee United States of America, without giving effect to its conflict of law rules.

19. JURISDICTION AND VENUE: Customer hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of Tennessee and to the jurisdiction of the United States District Court for the Eastern District of Tennessee, for the purpose of any suit, action, or other proceeding related to, arising out of or based upon these Terms or in any way related to, arising out of or involving sale of Goods hereunder. The parties hereby consent to service of process by registered mail at the address to which notice is to be given. The exclusive venue for any proceeding under these Terms shall be solely in any state court in Knox County, Tennessee, or the Federal District Court for the Eastern District of Tennessee.

20. WAIVER OF JURY TRIAL: CUSTOMER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM RELATED DIRECTLY OR INDIRECTLY TO (A) THIS AGREEMENT OR ANY INVOICE FROM SELLER TO CUSTOMER, (B) THE TRANSACTIONS CONTEMPLATED HEREBY, OR (C) ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (ORAL OR WRITTEN), OR ACTIONS OF ANY PARTY HERETO. THE WAIVER MADE HEREUNDER IS MADE KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY FOR SUBSTANTIAL CONSIDERATION AND AS AN INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

21. GENERAL: Any representation, affirmation of fact and course of dealing, promise or condition in connection therewith or usage of trade not contained herein, shall not be binding on Seller. If any provision hereof shall be unenforceable, invalid or void for any reason, such provision shall be automatically voided and shall not be part of these Terms and the enforceability or validity of the remaining provisions of these Terms shall not be affected thereby. To the extent not contrary to applicable law, Customer waives any and all requirements or rights with regard to notice, demand, and presentment.

ATTORNEY'S FEES. If at any time Seller shall bring any suit or other proceeding in an attempt to enforce the obligations of Customer under these Terms or any other agreement between Seller and Customer and/or any rights arising thereunder, Seller shall be entitled to recover, in addition to any other damages or relief, all reasonable attorneys' fees, court costs, and expenses incurred by Seller in connection with such suit or other proceeding.

22. NOTICES: All notices, requests, payments, instructions, or other documents to be given hereunder shall be in writing or by written telecommunication, and shall be deemed to have been duly given if (i) delivered personally (effective upon delivery), (ii) mailed by registered or certified mail, return receipt requested, postage prepaid (effective five business days after dispatch), (iii) sent by a reputable, established courier service that guarantees next business day delivery (effective the next business day), or (iv) sent by facsimile or electronic mail (effective upon the first business day after receipt of the facsimile or electronic mail in complete, readable form). Notices to Customer shall be addressed as provided on Customer's Credit Application, if applicable, or to the address shown on the latest purchase order from Customer, and notices to Seller shall be addressed to: 161 Giles Industrial Dr, Tazewell, TN 37879, Attn: Customer Notice Department (or as may be otherwise indicated, from time to time, to Customer by Seller).

23. AGREEMENT AND ACCEPTANCE. SELLER MAY REVISE AND POST UPDATES TO THESE TERMS AND CONDITIONS OF SALE FROM TIME TO TIME, AND ALL PURCHASE ORDERS WILL BE SUBJECT TO THE MOST RECENTLY POSTED VERSION OF THESE TERMS AND CONDITIONS. CUSTOMER SHALL BE DEEMED TO HAVE ACCEPTED THESE TERMS AND CONDITIONS OF SALE (AS SUCH MAY BE SUBSEQUENTLY REVISED) WITH EACH PURCHASE ORDER ISSUED BY CUSTOMER, UNLESS SELLER AND CUSTOMER HAVE ENTERED INTO A SEPARATE, WRITTEN, MASTER PURCHASING AGREEMENT OR OTHER CONTRACT WHICH GOVERNS THE PURCHASE OF GOODS.