

**SENTINEL MANAGEMENT, INC.**  
**AN OHIO CORPORATION DOING BUSINESS AS "SEMCO CARBON"**

**TERMS OF SALE**

All sales by SENTINEL MANAGEMENT, INC., an Ohio corporation doing business as "Semco Carbon" ("Semco") are expressly limited to and made conditional upon the terms and conditions herein. Any of the Buyer's terms, in addition to or different from those contained herein, whether added to this form or contained in any purchase order, acknowledgment, or confirmation prepared or submitted by Buyer, are hereby objected to, and are of no effect. Buyer's ordering or accepting any goods or services referenced on the Quotation submitted by Semco (the "Quotation"), or Buyer's making payment under any invoice related thereto, will be deemed acceptance of these Terms of Sale.

1. Payment. All payments shall be in legal tender of the United States of America. In the event Buyer fails to make payment in full within the time period set forth on this Invoice, or within the time period expressly agreed upon in writing by the parties, such failure to pay on time constitutes a material breach of contract by Buyer, and permits Semco to suspend further delivery under any purchase order or other contract between Buyer and Semco. If Semco must take legal action or file an arbitration to collect any amounts due hereunder, Buyer shall pay all court costs and/or arbitration costs and fees (including reasonable attorney's fees) incurred by Semco in bringing and prosecuting such action.
2. Prices. The prices set forth on the reverse side hereof are not discountable unless expressly stated on the Quotation.
3. Taxes. All prices are quoted exclusive of taxes. All taxes applicable to any order placed hereunder (including but not limited to Ohio or other applicable sales or use taxes) are additional and, to the extent legally permissible, will be paid by Buyer.
4. Shipping. All prices are f.o.b. Semco's facility. All freight and shipping costs shall be the responsibility of Buyer. Upon delivery of any goods sold hereunder to a common carrier, or to Buyer or Buyer's agents or representatives, risk of loss or damage to such goods will pass to Buyer, and Semco shall have no further liability therefore.
5. Finance Charge. A finance charge of the lesser of: (a) \_\_\_% per month; (b) \_\_\_% ANNUAL PERCENTAGE RATE; or (c) the highest rate permitted by law, shall be charged on all amounts unpaid [30] days after the date of invoice.
6. Force Majeure. Semco shall not be deemed to be in default of any of its obligations hereunder due to any delays caused by acts of God, fires, floods, strikes, work stoppages, equipment failure, accidents, governmental controls or regulations, shortages of labor or materials, or any other cause beyond its reasonable control.
7. Inspection and Claims. It is Buyer's obligation to inspect all goods upon receipt. All claims of any nature shall be barred unless notice thereof is given to Semco at its address set forth on the Quotation, in writing by certified or registered mail, postmarked within ten (10) days

after receipt of the goods, and the goods relating to such claims are held intact and properly protected, unless instructed otherwise by Semco, pending inspection by Semco's authorized inspector. FAILURE TO NOTIFY SEMCO OF ANY NON-CONFORMANCE WITHIN 10 DAYS OF RECEIPT OF ANY GOODS SHALL CONSTITUTE ACCEPTANCE OF SUCH GOODS AND WAIVER OF ALL CLAIMS WITH RESPECT TO ANY NON-CONFORMANCE.

8. Buyer's Insolvency. Semco will have the unrestricted right to cancel, withhold, or delay its performance or delivery hereunder in the event of the happening of any of the following or any other comparable events, in which event Semco will have no liability for any losses or damages claimed by Buyer: (a) Buyer's insolvency or commission of an act of bankruptcy; (b) commencement of proceedings by, for or against Buyer under any law relating to bankruptcy or the relief of debtors; (c) the appointment of a receiver or trustee for Buyer; (d) the execution by Buyer of an assignment for the benefit of the creditors; and (e) the determination by Semco, in its sole judgment, that Buyer's financial condition is such as to endanger its performance hereunder.
9. Limited Warranty. Semco warrants that any goods sold pursuant hereto shall comply with the written specifications set forth or referenced on the Quotation. THE AFORESAID IS THE ONLY WARRANTY GIVEN BY SEMCO. THERE ARE NO OTHER REPRESENTATIONS OF WARRANTIES GIVEN BY SEMCO, EXPRESS, IMPLIED, OR STATUTORY. THERE ARE NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE THAT APPLY TO ANY GOODS SOLD HEREUNDER, WHICH WARRANTIES ARE HEREBY SPECIFICALLY EXCLUDED.
10. **Limitation of Remedy**. BUYER'S EXCLUSIVE REMEDIES WITH RESPECT TO ANY GOODS FURNISHED BY VENDOR HEREUNDER THAT ARE FOUND TO BE DEFECTIVE OR OTHERWISE NOT IN CONFORMITY WITH ANY WARRANTY OR THIS CONTRACT SHALL BE LIMITED TO, AT SEMCO'S SOLE OPTION: (A) REPAIR OR REPLACEMENT OF ANY DEFECTIVE OR NON-CONFORMING GOODS; (B) A CREDIT TO BUYER'S ACCOUNT FOR SO MUCH OF THE PURCHASE PRICE AS RELATES TO ANY DEFECTIVE OR NON-CONFORMING GOODS; OR (C) A REFUND TO BUYER OF THE PURCHASE PRICE FOR ANY DEFECTIVE OR NON-CONFORMING GOODS.
11. **Limitation of Liability**. SEMCO'S LIABILITY WITH RESPECT TO ANY BREACH HEREUNDER OR RELATING TO ANY GOODS SOLD PURSUANT HERETO, SHALL BE LIMITED TO THE AMOUNT PAID BY BUYER FOR ANY DEFECTIVE OR NON-CONFORMING GOODS. UNDER NO CIRCUMSTANCES SHALL SEMCO BE LIABLE FOR ANY SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR ANY CLAIMS FOR LOST PROFITS EVEN IF SEMCO HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.
12. Complete Agreement. These Terms and Conditions constitutes the entire and only agreement between the parties hereto and any negotiations, representations, affirmations of fact, and courses of prior dealings, promises or conditions in connection therewith if not expressly incorporated herein shall not be binding upon Semco. No waiver, alteration or modification of any of the provisions hereof shall be binding unless in writing and signed by a specifically authorized representative of Semco.

13. Arbitration. Any dispute arising between the parties hereto shall be resolved by arbitration in Cleveland, Ohio, in accordance with the Rules of the American Arbitration Association, and the award of the arbitrator(s) shall be final and binding upon the parties. Notwithstanding the foregoing, Semco may institute an action for collection of any amount due from Buyer hereunder in any court of competent jurisdiction, in which case Buyer hereby consents to the personal jurisdiction and venue of the federal and state courts located in Ohio.
14. Limitation of Action. In no event may any claim by Buyer arising from or relating to any agreement, order or sale of any goods or services referenced herein be brought more than one year after the date of delivery or the date such claim arose, whichever shall be earlier.
15. Non waiver. No waiver or failure to enforce compliance with the terms hereof by Semco shall constitute a waiver of Semco's rights to thereafter insist upon strict compliance with the terms and conditions set forth herein.
16. Controlling Law. Any contract arising hereunder or relating hereto shall be deemed made in the State of Ohio, without regard to its conflict or choice of law provisions. This Invoice and any dispute arising from the goods or services referenced herein shall be governed by the laws of the State of Ohio.
17. Headings. The headings used in this Agreement are solely for the convenience of the parties and shall have no force or effect upon the interpretation of any provision hereof.