General Conditions of Sales

1. Applicable Conditions
In consideration of the mutual promises evidenced by the purchase order (“Order”), invoice, signed agreement or other document to which these General Conditions of Sale (“General Conditions”) are attached, these General Conditions shall apply to all sales and deliveries of goods by Chemometec, Inc., a California corporation (“Seller”), to the purchaser of those goods (“Buyer”), wherever located or made. Seller’s General Conditions of Sale supersede any and all Buyer terms and conditions however imposed, whether in an Order issued by Buyer to Seller or other document or publication. Seller shall not be bound by any conflicting term or condition of sale unless authorized representatives of both parties separately agree to any such alternate term or condition in a mutually signed writing that is not a form document provided by Buyer. Buyer’s acceptance of the goods delivered by Seller, Buyer confirms its acceptance of these General Conditions.

2. Offers and Orders
Buyer shall have 30 days after the issuance date to accept any offers submitted by Seller to Buyer. No subsequent Orders made by Buyer shall be binding on Seller unless and until confirmed by Seller in writing or by form or complied therewith by Seller’s shipment of the subject goods and submission of an invoice to Buyer. Orders shall, at a minimum, include i) the Order number; ii) the type and quantity of the goods to be purchased; iii) the requested delivery place if different from Seller’s standard delivery method and location, and delivery date(s); and iv) any other information or requests required by these General Conditions.

3. Invoicing and Payment
Until 30 days before the agreed delivery date, prices remain subject to alteration by Seller. If Seller raises a price, Buyer may withdraw from the unfulfilled part of the contract upon written notice to Seller delivered within 14 days after being informed of the increase unless a price increase is due to higher transport charges. Incidental expenses, such as bank charges incurred in remittance and charges for release of shipping documents are charged to Buyer. Buyer may offset or withhold payment on any disputed shipment only if Seller has acknowledged the dispute in writing or the dispute has been finally decided by a court with jurisdiction over the dispute.

If not otherwise agreed in writing, Buyer shall pay Seller within 30 days after either the date of Seller’s invoice or delivery of the ordered goods, whichever occurs first. If Buyer fails to pay the invoice in full by the due date, Seller may charge Buyer interest on the unpaid amount at the rate of 10% per year or the highest legal rate, whichever is lower, from the due date until payment is made in full. If Buyer fails to pay or is late in paying, or if Seller has reasonable doubts as to Buyer’s solvency or credit rating, then Seller, without prejudice to its remaining rights, may require payment in advance for deliveries not yet effected, and require immediate payment of all Seller claims arising from the parties’ previous transactions.

4. Deliveries and Acceptance
Seller shall be relieved from its obligations to supply goods to Buyer for as long as Buyer is in arrears with any outstanding payments. Delivery shall be made EXW Works Bohemia, NY 11716, USA, whereupon all risks related to the goods delivered will transfer to Buyer. If the delivery date is exceeded due to Seller’s fault, Buyer, then after the expiration of a reasonable extension of the delivery time by Buyer in writing, Buyer shall be entitled to withdraw from the contract or to be reimbursed by Seller for any amounts paid to Seller for such delivery. Claims for damages by Buyer on the grounds of late delivery or non-delivery are limited to an amount equal to the invoice value of the quantity of goods delayed or not delivered, unless caused by Seller’s willful misconduct or gross negligence or any applicable law makes Seller strictly liable for Buyer’s damages. Any deliveries affected by a Force Majeure event shall relieve the party affected thereby from its obligation to supply or accept delivery of the goods, as applicable, for the duration and to the extent of the Force Majeure event; provided that if a Force Majeure event delays delivery or acceptance by more than one month, then each party, as its sole remedy and upon prompt written notice to the other party, shall be entitled to withdraw from the contract with respect to the affected quantities of goods. “Force Majeure” means any Act of God, war, insurrection, terrorist act, unforeseen breakdown, delayed delivery or non-delivery by Seller’s suppliers; shortage of labor, power or raw materials; strikes, riots, lock-outs, difficulties in providing means of transport, transportation delays, government or other official regulations or restriction, disaster, pandemic or epidemic, and/or any other event beyond the reasonable control of the affected party that makes performance impracticable or impossible, shall relieve the party affected thereby from its obligation to supply or accept delivery of the goods, as applicable, for the duration, and to the extent, of such event. If delivery or acceptance is delayed for more than one month due to any cause, either party, as its sole remedy and upon written notice to the other party, shall be entitled to withdraw from the contract with respect to the quantities of goods affected thereby and Seller will repay the full amount of any deposit within 30 days after the termination notice is delivered. Force Majeure events shall constitute grounds for relief only if their effect on the performance of the contract could not be foreseen at the time of formation of the contract.

5. Shipment and Risk
Shipment and delivery shall be EX Works Seller’s business address, 3920 Veterans Memorial Highway, Bohemia, NY 11716, USA, unless expressly agreed otherwise in a signed writing. Where a trade term has not been agreed upon between the parties, it shall be interpreted in accordance with INCOTERMS 2020, or such subsequent INCOTERMS as are in force at the formation of the contract.

6. Complaints
Buyer will promptly inspect the goods delivered. Within 14 days after delivery of the goods, Buyer shall notify Seller of any defective goods or goods that fail to conform to Seller’s product specifications. If Buyer fails to perform such inspection or to report any discoverable defects to Seller within 14 days after receipt of the goods, then the goods shall be considered approved with any then-existing defects. Any complaints must contain the date of the Order and invoice, and the dispatch number. Goods may not be returned except with Seller’s express, written consent. For properly noticed, Seller-confirmed defects, Seller, at its reasonable discretion, may to i) reduce the price, ii) remedy the defect, iii) exchange the goods, or iv) accept a return of the defective goods and refund the purchase price. If Seller does not elect one of the aforementioned remedies within 60 days after Buyer notifies Seller of the defect and Seller confirms the defect in writing, then Buyer may elect one of these remedies upon written notice thereof to Seller. The remedies provided in this Section for defective goods are Buyer’s sole remedies against Seller for product defects, except to the extent the law requires alternate remedies. Buyer waives and relinquishes its right to obtain indirect, incidental, consequential and compensatory damages, and/or to make other claims that do not directly pertain to the goods themselves. If, by agreement, the goods are sold as sub-standard or second standard (not first quality), Buyer accepts the goods AS-IS, WHERE-IS, with all faults and Seller shall have no liability whatsoever for the goods unless the delivered material varies from the contractual quality sold as sub-standard or second quality.

Unless otherwise expressly agreed, Buyer shall bear the cost and risk of loss of or damage to defective goods during their shipment to Seller, and during shipment to Buyer of repaired or replaced goods. Any defective goods that Seller replaces shall become Seller’s property.

7. Remedies - Withdrawal from Contract
Buyer shall be entitled to claim reimbursement or to withdraw from the contract with Seller only when, and to such an extent, as expressly stated in these General Conditions. Buyer shall have no
General Conditions of Sales

other or further rights or remedies with respect to the goods except those set forth in this agreement, and Seller shall have no other or further duties with respect to the goods and shall be exempt from any other or further liability whatsoever, whether any Seller or third-party claim is based in contract, tort, strict liability or otherwise, unless due to Seller’s willful misconduct or gross negligence, or unless Seller is strictly liable therefor.

8. Products Liability
California law shall apply to any product liability claims by Buyer or any third party. Except as required to the contrary by California statutory law, Seller shall only be liable for damage to property and injuries to persons directly caused by defects in the goods delivered to the extent that any such defect is due to Seller’s errors or omissions and could not have been prevented by Buyer’s inspection of or Buyer’s proper, unmodified use of the applicable goods. Buyer shall indemnify, defend and hold harmless Seller to the extent Seller incurs liability to any third party for damage or injuries related to Buyer’s use or modification of the goods. Specifically, Seller shall not be liable for direct, indirect, incidental, special or consequential loss or damage to Buyer, its successors or assigns, or any third party that is caused by the goods and due to Buyer’s or its successor’s or assign’s misuse of the goods, modification of the goods, negligence or intentional misconduct, including loss or damage (a) to any movable or immovable property while the goods are in Buyer’s possession, or (b) to products manufactured by Buyer or to products from which Buyer’s products form a part, or for loss or damage to any property. Except where Seller is subject to strict liability (whereupon Seller shall be liable only to the extent of such strict liability), Seller shall not be liable for indirect, incidental, special or consequential losses, lost profit or other losses or damage to Buyer, its employees or agents, or to any third party.

In no event shall Seller be liable for any product liability that is not covered under Seller’s product liability insurance policy.

If a third party raises a claim for loss or damage related to the goods purchased by Buyer against either party to the Order, the notified party shall promptly notify the other party in writing thereof.

9. Reservation of Proprietary Rights
The delivered goods shall become Buyer’s property only after Buyer has paid for the goods in full and has performed all of its obligations to Seller related to such goods; provided that all risks of ownership of the goods shall be transferred to Buyer at the point of delivery, and thereupon, Seller shall have the right to file a UCC-1 or other lien on the goods until Buyer pays Seller in full for them. Notwithstanding anything to the contrary herein, all intellectual property rights in the goods manufactured by Seller, including without limitation, patents, trademarks, utility models, copyrights and know-how used or subsisting in connection with Seller’s goods are and shall remain Seller’s exclusive property.

Buyer shall cooperate with any measures that Seller may take to protect Seller’s proprietary rights in the delivered goods. If a third party should assert or substantiate rights in the goods, Buyer shall inform Seller immediately.

10. Restrictions on Buyer’s Use of the Goods
Seller’s goods are intended for research purposes only and shall not be used for any other purposes. Any use of the goods purchased from Seller and/or any modification of such goods for commercial purposes is strictly prohibited, unless Seller has given its prior, duly authorized, written consent to the specific use. Seller shall not be liable for Buyer’s or any third party’s alteration, use or care of Seller’s goods in a manner that is not in compliance with Seller’s instructions for use and care of such goods.

11. Trademarks
Many of the goods supplied carry a trademark. Buyer must obtain the express, written consent of the trademark holder before Buyer or any third party causes those goods to be repacked, re-decanted or further processed, mixed with other substances or otherwise combined with any other product. At no time may Seller’s trademark be modified or removed from any of its goods.

12. Applicable Law and Jurisdiction
These General Conditions and all sales and deliveries made by Seller shall be governed by the laws of the State of California, without giving effect to choice of law rules. Any disputes arising from these General Conditions or from sales and deliveries made hereunder, which cannot be resolved amicably within 30 days after arising, shall be subject to the exclusive jurisdiction of the district court of Sacramento County, California.

13. Limited Warranty
Buyer warrants the performance of purchased goods (for Seller’s intended use for such goods) for 24 months after delivery unless otherwise agreed in writing between Buyer and Seller. Subject to Sections 7 and 8 above, this 24-month warranty covers defects in materials, design and workmanship, in which situations Seller will replace defective parts upon notice and proof of defect as set forth in Section 6 above. Seller shall have no liability for ordinary wear and tear. The warranty period for repaired parts and replaced goods is 24 months from the date of the applicable repair or replacement. This warranty will be discontinued and void should Buyer combine or modify the delivered goods without Seller’s explicit and written approval.

THE EXPRESS WARRANTIES IN THIS AGREEMENT REPLACE ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, AND ALL OTHER OBLIGATIONS OR LIABILITIES OF SELLER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, TO THE FULL EXTENT POSSIBLE UNDER APPLICABLE LAW. ALL OTHER WARRANTIES ARE DISCLAIMED AND EXCLUDED BY SELLER. THE REMEDIES CONTAINED IN THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE REMEDIES OF BUYER, ITS SUCCESSORS AND ASSIGNS, FOR ANY CLAIMS HEREUNDER OR IN RELATION TO THE GOODS, WHETHER IN CONTRACT, TORT, OR OTHERWISE. THIS LIMITATION APPLIES TO ALL GOODS, SERVICES, AND INTELLECTUAL PROPERTY DURING AND AFTER ANY APPLICABLE WARRANTY PERIOD: SELLER SHALL NOT BE RESPONSIBLE FOR ANY DEFECT OR INJURY CAUSED BY MISUSE OF THE GOODS, INCLUDING ANY USE OF THE GOODS OTHER THAN AS SPECIFIED IN THE INSTRUCTION MANUAL THEREOF. IN NO EVENT WILL SELLER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUE, RE-ESTABLISHMENT COSTS, PACKING, FREIGHT, CUSTOMS DUTIES, LOSS OF USE OF THE GOODS, OR COST OF SUBSTITUTED GOODS, PARTS OR SERVICES (EXCEPT AS PROVIDED TO THE CONTRARY HEREIN) THAT ARISE OUT OF PERFORMANCE OR FAILURE TO PERFORM ANY OBLIGATION UNDER THIS AGREEMENT, OR OUT OF NEGLIGENCE IN THE COURSE OF SUCH PERFORMANCE, WHETHER THE CLAIM FOR DAMAGES IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE. ANY ACTION FOR AN ALLEGED BREACH OF ANY CONTRACT OF SALE OR OF THE ABOVE-STATED WARRANTY WITH RESPECT TO GOODS SOLD BY SELLER TO BUYER MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES. FURTHERMORE, THIS WARRANTY DOES NOT COVER DEFECTS OR BREAKDOWNS FROM NATURAL WEAR AND TEAR, IMPROPER INSTALLATION, HANDLING OR STORAGE, UNINTENDED USE, LACK OF REASONABLE MAINTENANCE OR OPERATION BY BUYER OR BUYER’S AGENT OR REPRESENTATIVE.

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