

Standard Terms and Conditions of Sale

1. Description of Parties- (a) Seller means Taiyo America, Inc. (b) Buyer means the person representing a legal entity that buys goods in good faith. A party means a person, seller or buyer, who has engaged in a transaction or made an agreement.

2. Description of Goods- Goods are described on Page 1 of this document.

3. Definition of Responsible Care- Responsible Care (<http://www.ccpa.ca/english/who/rc/content.html>) is a new ethic for the safe and environmentally sound management of chemicals throughout their life cycle.

4. Acceptance- Buyer's placement of this order shall create a contract subject to and expressly limited by these terms and conditions. Acceptance may only be made on the exact terms and conditions hereof and if Buyer proposes additional or different terms, such response shall constitute a counteroffer. The terms of this contract shall supersede any conflicting terms contained on buyers purchase order or any document or instrument submitted by buyer.

5. Prices, Taxes and Payment - All prices are firm unless otherwise agreed to in writing. Seller reserves the right to change the prices and specifications of its goods at any time without notice. Any tax, duty, customs or other fee of any nature imposed upon this transaction by any federal, state or local governmental authority shall be paid by Buyer in addition to the price quoted or invoiced. In the event Seller is required to prepay any such tax, Buyer will reimburse Seller. Terms of sale shall be C.O.D. unless at Seller's discretion credit terms are granted. Sales terms shall be stated on the invoice and any credit terms shall be from the date Seller ships the goods. If payment is not received within the terms stated in the invoice, the Seller may assess a finance charge of up to 1 ½% per month on the past due balance. In addition Seller reserves the right to require C.O.D. payment terms from any Buyer whose account is overdue for a period of more than 60 days or who has an unsatisfactory credit or payment record. Seller may also hold shipments or refuse to sell to any buyer until overdue accounts are paid in full.

6. Delivery and shipment - Seller will make every effort to ship the goods or provide the services hereunder in accordance with the requested delivery date (in-house date), provided, that Seller accepts no liability for any losses or for general, special or consequential damages arising out of delays in delivery. Seller's Standard Agreement for Shipment of all Goods shall be F.O.B. Seller's manufacturing facility in Carson City, Nevada. Transfer of title for goods shall occur when they leave Seller's point of distribution, at which time risk of loss shall pass to Buyer. Buyer shall pay all shipment costs and if prepaid by Seller the amount thereof shall be reimbursed to Seller. Buyer shall designate freight carrier and method. In the event Seller chooses freight carrier and method, Buyer will indemnify and hold harmless Seller for any losses or for general, special or consequential damages arising out of delays in delivery. Except for goods shipped F.O.B. destination, Buyer bears the risk of all loss or damage to goods in transit, and shall make any claim for damage or loss during shipment directly with the carrier.

7. Inspection - Buyer shall be responsible for inspecting all goods shipped hereunder prior to acceptance, provided, that if, Buyer shall not have given Seller written notice of rejection within 15 days following shipment to Buyer, the goods shall be deemed to have been accepted by Buyer.

8. Disclaimer of Express and Implied Warranties - Goods shall be covered by Seller's applicable standard warranty. NO OTHER EXPRESS OR IMPLIED WARRANTY IS MADE WITH RESPECT TO THE GOODS. SELLER EXPRESSLY EXCLUDES THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF

FITNESS FOR A PARTICULAR PURPOSE. Buyer's remedies under Seller's warranty shall be limited to replacement of the good that failed to conform to Seller's warranty. Seller shall not be liable for any consequential damages or economic loss or property damage incurred by Buyer.

9. Agents, etc. - No agent, employee or other representative has the right to modify or expand Seller's standard warranty applicable to the Goods or to make any representations as to the Goods other than those set forth in Seller's product literature and any such affirmation, representation or warranty, if made, should not be relied upon by Buyer and shall not form a part of this contract.

10. Returned Goods - Goods shipped under this agreement may not be returned without the express prior authorization of Seller. If return is authorized, Seller will provide Buyer a Return Material Authorization Number (RMA No.) All returns of goods may be subject to a 25% restocking charge. To request a Return Material Authorization number, Buyer shall call Seller's Customer Service at (775) 885-9959.

11. Technical Advice - Seller may, at Buyer's request, furnish technical assistance, advice and information with respect to the Goods if and to the extent that such advice, assistance and information are conveniently available. It is expressly agreed that there is no obligation to provide such information which is provided without charge at the Buyer's risk and which is provided subject to the disclaimers set forth in paragraph 8 above. Upon request, Seller will provide Technical Data Sheets, Process Guides and Material Safety Data Sheets on all goods.

12. Modifications, Waiver, Termination - This contract may be modified and any breach hereunder may be waived only by a written, signed agreement between all parties of interest.

13. Indemnification- Buyer will indemnify, defend and hold harmless the Seller from and against all liability, loss, claims, damages, and expenses, including reasonable attorney's fees which may result from: 1) accident, injury, or damage either to person or property or from death of any persons by reason of any act or omission on the part of the Seller except to the extent that the accident, injury, damage or death is due solely and directly to the negligence of the Seller; and 2) Buyer's handling, packaging, labeling, storage, treatment, removal, transportation, and disposal of any waste material made under any current or future federal, state or local environmental laws. Buyer will exercise responsible care and will use Seller's goods in accordance with Seller's technical literature and guidance.

14. Confidentiality- Buyer shall not without first obtaining written permission, in any manner disclose the details or specifications of this agreement.

15. Governing Law - This contract shall be governed by and construed in accordance with the laws (other than those relating to conflict of laws questions) of the State of Nevada.

16. Arbitration - Any and all disputes or controversies arising under, out of or in connection with this contract or the sale or performance of the Goods shall be resolved by final and binding arbitration in Carson City, Nevada in accordance with Nevada Arbitration Rules. The arbitrators shall have no power to add to, subtract from or modify any of the terms or conditions of this contract. Any award rendered in such arbitration may be enforced by either party in either the courts of the State of Nevada or in the U.S. District Court, District of Nevada, to whose jurisdiction for such purposes Taiyo America, Inc. and Buyer each hereby irrevocably consents and submits.