



## **FutureFuel Chemical Company ("FutureFuel") General Terms and Conditions of Purchase and Sale**

(1) Acceptance. Delivery or receipt of this order constitutes acceptance of these general terms and conditions. Acceptance of the terms of this order by either the buyer or seller is expressly limited to the terms set forth in this order, and any additional or different terms proposed by a party other than FutureFuel are rejected unless expressly agreed to in writing by FutureFuel. This order and the rights and obligations of the parties hereunder are to be governed by and construed and interpreted in accordance with the laws of the State of Arkansas applicable to contracts made and to be performed wholly within Arkansas, without regard to choice or conflict of laws rules. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not in any way apply to, or govern this agreement.

(2) Time is of the essence on this order, if delivery is not made in the quantity or quantities and at the time or times specified, Buyer shall have the right, at its option, to cancel the entire order or that part of same not so delivered. If Buyer accepts delayed delivery the time of payment shall be extended accordingly.

(3) No charge will be allowed for packing, crating, freight, express, or other carrier's charges, or cartage, unless designated on this order.

(4) Seller warrants for a period of 12 months following start of use or 18 months from receipt, whichever occurs first, that the goods and services described herein will be free of defects in workmanship, design, materials, and title, and notwithstanding anything herein to the contrary, will conform to all applicable proposals, specifications, instructions, drawings, data, descriptions, and samples, and will be of good and merchantable quality and fit and sufficient for the purpose intended.

Buyer shall have the right, at its option, to reject or revoke acceptance of any goods and services which do not conform to these warranties or to the specifications. In case of such rejection or revocation of acceptance, transportation of the rejected goods, both to and from Buyer, shall be at the expense of Seller, said rejected goods are not to be replaced except upon specific instruction from Buyer, and Buyer shall have the right at its option to cancel the remainder, if any, of the order, by notice to Seller at the time notice is given of rejection or revocation of acceptance. Seller shall be liable to Buyer for all damages proximately caused by breach of any of the foregoing warranties, including incidental damages but excluding special or consequential damages.

(5) Buyer reserves the right to return for full credit any excess over quantity called for in any order or orders. Seller to bear the cost of transportation both ways.

(6) Seller agrees to indemnify, defend and save harmless Buyer, its parent and customers, against all damages, lost profits, or claims therefore, and all costs, fees and expenses resulting from any claims for infringement of patent, copyright, or other intellectual property based upon the purchase or resale by the Buyer of the goods and services described herein, whether or not such goods and services are in accordance with Buyer's specifications, drawings, and/or samples.

Buyer shall have the option at its own expense to participate in the defense of any suit against Buyer on account of any claims from any of the causes above set out in this Condition (6).

(7) Seller shall not be held responsible for failure or delay in shipping nor Buyer for failure or delay in accepting goods and services described herein if such failure or delay is due to force majeure. The term "force majeure" includes, by way of example and not in limitation, fire, acts of god, adverse weather, navigational accidents, strikes, grievances or actions by or among workers, lock-outs or other labor disturbances, accidents, actions of any government or by any person purporting to represent a government, shortage, interruption or curtailment of crude oil, acts of terrorists or other causes not reasonably within the control of the affected party and which such party by the exercise of reasonable diligence could not have prevented or overcome. The affected party must give written notice to the other party of such force majeure event within 48 hours after receiving notice of the occurrence of the force majeure event relied upon. Force majeure specifically excludes increases or decreases in market prices or the availability of alternate supplies or markets at the same or different prices.

In such event, both parties will be relieved of liability and will suffer no prejudice for failure to perform their obligations hereunder during such period, except for the obligations to make payment for any and all orders received prior to the



occurrence of such force majeure event. In the event of any such excused interference with shipments Buyer shall have the option either to reduce the quantity provided for in the order accordingly or to exercise its right of cancellation under Condition (2).

(8) No exercise by Buyer of its rights hereunder shall constitute a waiver of any rights it may have for breach of contract. Buyer's waiver of or failure to enforce its rights on account of Seller's failure or delay in performing any obligation of Seller hereunder, or on account of Seller's breach of contract in any respect, shall not constitute a waiver of any subsequent failure, delay or breach.

(9) Seller represents that prices charged under this order will not exceed those permitted by statute or applicable governmental regulation.

(10) Compliance with Laws. During the performance of this order, each party hereto agrees to comply with all laws, rules, regulations, ordinances and requirements of federal, states and local governmental or regulatory bodies which are applicable to this order, including the provisions contained in the regulations identified in this section, to the extent that such regulation or regulations are applicable to this order.

Seller warrants that all goods and services described herein shall be produced or performed in compliance with all applicable federal and state laws, rules and regulations. Without limiting the foregoing, Seller agrees, through acceptance of this order, to comply with the following as applicable, which are incorporated by reference.

If the following conditions for a regulation are applicable, the parties must comply with that regulation: (i) if this agreement is \$10,000 or more, Affirmative Action Compliance (48 CFR 52.222-25), Certificate of Non-Segregated Facilities (41 CFR 60-1.8 and 48 CFR 52.222-21), Affirmative Action for Special Disabled and Vietnam Era Veterans (41 CFR 60-250-1 & 4 and 48 CFR 52.222-35), Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (48 CFR 52.219-8 and 48 CFR 19.702), and Utilization of Women Owned Small Businesses (Executive Order 12138 and 48 CFR 52.219-13); (ii) if the annual aggregate value of this agreement exceeds \$10,000, Equal Opportunity Clause (Executive Order 11246, 41 CFR 60-1.4, and 48 CFR 52.222-26); (iii) if this agreement is \$25,000 or more, Utilization of Labor Surplus Area Concerns (48 CFR 52.220-3) and Drug Free Work Place Act; (iv) if the other party has 50 or more employees and if the annual aggregate value of this agreement exceeds \$50,000, Affirmative Action Programs (41 CFR 60-1.7 & 60-1.40, 48 CFR 22.804-1, and 48 CFR 52.222-25 & 27); (v) if the annual aggregate value of this agreement exceeds \$100,000 and if any facility used herein has been the subject of a conviction under the Clean Water Act or Clean Air Act and is listed by the U.S. EPA as a violating facility, the Clean Air and Water Certification (48 CFR 52.223-1) and the Clean Air and Water (48 CFR 52.223-2) sections apply; and (vi) if this agreement exceeds \$500,000, Labor Surplus Area Subcontracting Program (48 CFR 52.220-4) and Small Business and Small Disadvantaged Business Subcontracting Plan (48 CFR 52.219-9) and all other applicable sections in 41 CFR Chp. 60.

(11) Seller will insert on all invoices for the goods sold hereunder the following certificate:

We, being the producers of the goods covered by this invoice, or being authorized by the producer, have complied with all applicable requirements of the Fair Labor Standards Act of 1938 as amended.

(12) Invoices are paid on a weekly basis and such practice may result in minor deviations from payment terms otherwise cited herein. Payments not made to FutureFuel when due bear interest at the rate of 18% per annum. FutureFuel reserves the right to waive such interest charges in its sole discretion.

(13) Exporter of Record. If the goods covered by this order are to be exported from the United States of America, FutureFuel shall not, for purposes of this agreement, be the "exporter of record" as that term is used by U.S. Customs and/or the Bureau of Industry and Security ("BIS") and the other party shall comply with all regulations (including, but not limited to, those related to reporting, filing and record keeping) of U.S. Customs and/or the BIS. In the event such party exports any goods, that party shall indemnify and hold harmless FutureFuel from any and all costs arising from any and all anti-dumping claims or investigations resulting from such party's export of goods. The indemnity contained in this paragraph shall survive the termination of this agreement.