

1. **DEFINITIONS** – “Seller” refers to Thermafiber, Inc., Insul-Trade, LLC, American Rockwool, Inc. or any other subsidiary or affiliate of the aforementioned companies. “Agreement” refers to this document which is, by this notice, fully incorporated into all Sales Orders offered by Seller. “Purchase Order” means an order for Goods placed by Buyer. “Sales Order” means Seller’s acknowledgement of Purchase Order for Goods placed by Buyer. “Buyer” refers to the customer, person, company or entity who/which issues a Purchase Order to the Seller for Goods. “Goods” mean the goods and/or services ordered by Buyer and delivered/provided by Seller to Buyer. “Carrier” means the person, company, or entity designated by Buyer/Seller to transport Goods to the Buyer.
2. **TERMS & CONDITIONS TO GOVERN** – This Agreement, unless otherwise expressly agreed in writing between the Seller and the Buyer, applies to all sales of Goods whether made pursuant to oral or written Purchase Orders to Seller’s representatives, sales representatives, district offices, plants or corporate office and are included in each acceptance by the Seller of any Buyer’s Purchase Order. If a Buyer offers to purchase Goods from the Seller by use of Buyer’s own purchase order or similar form, any terms proposed anywhere therein which add to, vary from, or conflict with this Agreement and/or Seller’s Sales Order are objected to by the Seller and expressly rejected, and shall not be a part of the resulting contract of sale unless the proposed terms are accepted and approved in a written document referring specifically to such terms and signed by the Seller. The Seller reserves the right to change any provision of this Agreement at any time, without prior notice. This Agreement does not create a distribution relationship or contract, exclusive or otherwise, nor will such a relationship or contract be inferred from any course of dealing between the Seller and Buyer or any of Seller’s other customers who/which purchase Goods under this Agreement. The Seller and Buyer or any other customer of Seller who/which purchases Goods from Seller are each free without penalty to cease doing business with the other at any time, for any reason whatsoever and without notice, unless otherwise provided in a separate, written contract signed by an officer of the Seller and of the particular Buyer. Such cessation of the business relationship between the Seller and Buyer does not terminate or otherwise cancel any then pending Sales Order.
3. **ORDER ENTRY & CREDIT** – Purchase Orders are normally placed through the Seller’s customer service center or the Seller’s sales representative. A Purchase Order is accepted when acknowledged in writing or when shipped, whichever occurs first. All Sales Orders to be placed on credit are subject to the review and approval of the Seller’s credit department. The Seller reserves the right to select its own customers. All Buyers must complete and update as required a credit application form prepared by the Seller, and all Buyers agree to adhere to the terms and conditions stated in such application of which this Agreement is a part thereof. The Seller reserves the right to reject any Sales Order if it deems the financial responsibility or condition of the Buyer placing any Purchase Order to be unsatisfactory.
4. **PRICING** – All pricing is subject to Seller approval. All Goods will be invoiced at the price in effect on the date of shipment. The Seller reserves the right to adjust current pricing to meet competition, but all price exception requests must be approved prior to the shipment of Goods. The Seller reserves the right to cancel or remove price adjustments or exceptions which may have previously been made to meet a competitive offer, when in its judgment it becomes necessary or prudent to do so, or if the competitive situation no longer exists. ALL PRICING IS SUBJECT TO CHANGE WITHOUT NOTICE. An effort will be made, however, to provide sufficient lead-time to our Buyers before a price is changed. Shipments made on or after the date of a price change will be invoiced at the new price.
5. **TAXES** – All taxes and excises of any nature whatsoever now or hereafter levied by governmental authority, whether federal, state, or local, upon the sale, use or transportation of any Goods covered hereby, shall be paid and borne by the Buyer.
6. **PAYMENT** – Payment terms will be as stated on the face of each individual invoice, and cash discounts, if any, will be allowed only if taken within the time stated thereon, which shall be calculated from the invoice date. Invoice date is the same as the date of shipment. Payments not received by the net due date will be considered past due and could result in a suspension or cancellation of other shipments of Goods. Seller reserves the right to charge FINANCE CHARGES of 1½% per month (18% APR) if payment of invoice is not received by due date as designated on the invoice. In the event of default, Buyer agrees to pay all finance charges, court, and collection costs including reasonable attorney fees. All payments must be made in U.S. Dollars (USD).
7. **REVISIONS/CANCELLATIONS** – The customer service center must handle revisions or cancellation of Sales Orders. Written notification must be received 48 hours in advance of scheduled ship date for standard items and 72 hours for non-standard items, otherwise, the Buyer will be held responsible for full payment.
8. **FREIGHT** – Unless stated herein or approved by Seller in advance, all shipments are F.O.B. (Free On Board) Seller’s plant or other shipping point, freight prepaid. Upon request, shipments may be made, in Seller’s sole discretion, on a freight collect bill of lading. The Seller reserves the right to prohibit Buyer pickups where and when it deems it appropriate. Seller will not guarantee exact pick-up times. Carriers selected by Buyer for Buyer pick-ups must be notified to coordinate pickup times with Seller’s production scheduler. Detention or other accessorial charges imposed by Buyer’s carrier will be the responsibility of Buyer. On LTL (defined below) shipments, all freight will be charged to the Buyer in addition to the invoice price for the Goods. On all shipments, the title and risk of loss or damage to the Goods pass to the Buyer upon delivery by the Seller to the Carrier.
9. **FREIGHT ACCESSORIALS** – Charges for reconsignment, diversion, driver assist unloading, detention, demurrage or other accessorial charge assessed by the Carrier in accordance with the provisions of the Carrier’s tariff will be charged to the Buyer when such instances are at “Buyer’s request” or otherwise agreed upon when Seller initially quotes delivery of Goods.
10. **METHOD OF SHIPMENT** –
 - a. **Truckload** – An order for one or more truckloads, in increments of full truckloads, for Goods shipped from a single plant.
 - b. **Less Than Truckload (LTL)** – An order for less than a truckload of Goods shipped from a single plant.
 - c. **Buyer Pickup** – Freight arranged by Buyer with Seller’s prior acknowledgement and approval.
 - d. **Stopover Shipment** – A stopover shipment is a full truckload to a final destination with one stop in between. Stops must be on an efficient route from the Seller’s shipping plant to the final destination designated by the Buyer. Certain mileage restrictions between stops may apply.
 - e. **Intermodal Shipment** – Typically a truckload that is attached to a rail car for transportation via railroad near a final destination before being removed and transported over the road to the final destination designated by the Buyer.
 - f. In all cases except Buyer pickup, Seller reserves the right to choose Carrier and routing. Additional costs incurred using a Buyer-specified Carrier or routing will be charged to the Buyer.
11. **DELIVERY** – The Seller will make every reasonable attempt to meet a Buyer’s request for a specified delivery date; however, Seller cannot ensure a specified time of day for delivery. The Seller will not be responsible for any failure or delay of delivery or other performance due to fire, flood, windstorms, weather-related closures, labor difficulties, plant or equipment breakdowns, riots or civil commotions, explosions, war or due to any other cause or causes beyond its control, including, but not limited to, those additionally listed in Section 17 of this Agreement.
12. **RETURNS** – Request to return Goods must be approved in advance, in writing, by the Seller. If the reason for the return is other than a timely claim under the Seller’s Limited Warranty for the product, a 25% restocking fee will be assessed and the Buyer must pay both the original

outbound freight and the return freight and all handling charges. Any return of Goods is also subject to inspection and final acceptance at Seller's plant. Any authorized credit adjustments will apply only if the Goods are returned in the same condition as when those particular Goods were shipped. Only sizes listed on the Seller's Authorized Returnable Goods List page below will be eligible for return. No credit will be given for unauthorized returns, opened packaging, or partial packages.

- 13. SHORTAGE/OVERAGE OR DAMAGE CLAIMS** – The Seller ships all Goods under “Shipper Load & Count.” The Buyer must immediately report shortage, overage or damage to the Seller BEFORE the Carrier leaves the delivery site. The Seller will review all production and loading records before the Carrier leaves the site. Both the Buyer and Carrier must document the discrepancy or damage on the Bill of Lading and sign accordingly in the appropriate space. AT NO TIME WILL SELLER AUTHORIZE BUYER TO DEDUCT FUNDS FOR DAMAGED GOODS OR SHORTAGES WITHOUT PRIOR WRITTEN APPROVAL. When concealed damage is discovered later, and not made known to and acknowledged by the Carrier at the time of delivery, the following conditions apply:
- Buyer must hold the Goods and all packaging material for the Carrier's inspection.
 - The Carrier must be notified and inspection requested within fifteen (15) working days from the date of delivery. Failure to do so nullifies all claim rights.
 - If Goods are moved from point of delivery before Carrier's inspection, claim rights are forfeited.
 - Under no circumstances will a claim be allowed if the Buyer disposes of Goods which Buyer claims have been damaged in transit, concealed or otherwise, without the Carrier's or Seller's advance, written approval.
- 14. QUALITY CLAIMS** – When any product quality complaint as to the condition of the Goods exists:
- The Buyer must immediately notify the sales representative or customer service representative, and the Buyer must safeguard the Goods until such time as Seller can inspect the Goods.
 - The Goods claimed to be defective, off quality, or substandard must not be used or sold by the Buyer.
 - If needed, the sales representative may arrange for an onsite inspection, obtain the facts, and discuss the results with the Buyer.
 - If needed, the Buyer may be required to return one (1) unopened package plus one (1) representative sample of deficient product to the Seller for review, testing, etc., Said return shall be to Seller's address shown below (or other address provided by Seller) – “Attention: Quality Manager”.
- 15. DELIVERY CLAIMS** – For all deliveries, Buyer and Carrier must sign and log the date/time of arrival and departure on the Bill of Lading. Buyer must also immediately notify Seller's customer service center of any such claim(s). Delivery claims will NOT be accepted for conditions outside of Seller's control. Additionally delivery claims will not be accepted where full completion of Bill of Lading is not performed. Delivery claims will be limited ONLY to the value of the line haul rate as quoted by Carrier to Seller.
- 16. LIMITED WARRANTY** – Goods manufactured and sold by Seller are warranted only to Buyer to be free from defects in materials and workmanship at the time of shipment. Seller shall not be liable for incidental and consequential damages, directly or indirectly sustained, nor for any loss (i) caused by application of Goods not in accordance with current printed instructions or (ii) for use(s) other than those intended by the Seller. The Seller shall not be liable for Goods claimed to be defective where the defect resulted from causes not within Seller's control, or which arose or occurred after shipment, including but not limited to accidents, misuse, mishandling, improper installation, contamination or adulteration by other materials or goods, or abnormal conditions of temperature, moisture, dust, or corrosive matter. Seller's liability is expressly limited to the replacement of defective Goods or, at the Seller's option, to a payment or credit not greater than the original purchase price of the Goods. Any claim shall be deemed waived unless made in writing thirty (30) days from the date it was or reasonably should have been discovered. Buyer should refer to publication TF 699, Thermafiber Limited Warranty, for further details.
- 17. FORCE MAJEURE** – Delay in delivery or non-delivery in whole or in part by Seller shall not be a breach of this Agreement if performance is made impracticable by the occurrence of any one or more of the following contingencies, the non-occurrence of which is a basic assumption on which this Agreement is made: (a) fires, floods, weather-related closures, or other casualties; (b) wars, riots, civil commotion, embargoes, governmental regulations, or martial law; (c) Seller's inability to obtain necessary materials (finished or otherwise) from its usual sources of supply; (d) shortage of cars or trucks or delays in transit; (e) existing or future strikes or other labor troubles affecting production or shipment, whether involving employees of Seller or employees of others, and regardless of responsibility or fault on the part of the Seller or other employer; and (f) other contingencies of manufacture or shipment, whether or not of a class or kind mentioned herein, not reasonably within Seller's control.
- 18. TECHNICAL ASSISTANCE** – Material Safety Data Sheets (MSDS) are prepared in accordance with OSHA (Occupational Safety and Health Administration) requirements. MSDS are available and disseminated via the Seller's website (www.thermafiber.com), Seller's sales representatives, manufacturing facilities and/or customer service center. Buyers are encouraged to contact the Technical Service Department at (888) 834-2371 or TechnicalServices@thermafiber.com for further information.
- 19. WAIVERS** - The failure of the seller to enforce any term or condition of this document, or the waiver by the seller of any non-compliance with this document, shall not prevent a subsequent enforcement of such term or condition, nor be deemed a waiver of any subsequent non-compliance.

Thermafiber, Insul-Trade and American Rockwool are Equal Opportunity Employers.

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AUTHORIZED RETURNABLE GOODS LIST
Effective 9/1/2010

- Sound Attenuation Fire Blankets (SAFB™):
 - 16" x 48"
 - 24" x 48"
- FS-15 & FS-25:
 - 16" x 48"
 - 24" x 48"
- Firespan® Insulations – 24" x 48"
- Safing™ Insulation:
 - 16" x 48"
 - 24" x 48"
- RainBarrier® 45 Insulation – 24" x 48"
- TopStop® Head-of-wall Insulation:
 - 1½" x 3½" x 4½" x 36"
 - 2" x 4¼" x 5½" x 36"
 - 3" x 5" x 7" x 36"
 - 1¼" x 2" x 36"
 - 1¼" x 4" x 36"
 - 5/8" x 2" x 36"
 - 5/8" x 4" x 36"
- VersaBoard® Insulation – 24" x 48"
- SoundZero® Acoustical Blanket:
 - 48" roll widths only for Types 1500, 2000 and 1" 3000
 - 48" x 48" sheets for 1½" and 2" Type 3000
- Impasse® Insulation hangers & hardware:
 - No custom fabricated parts are eligible for return.
 - Eligible parts are listed on the Impasse price page.
 - Only full, un-opened cartons will be accepted for return.
- FixtureShield™ and Light Fixture Protection Kits:
 - Standard kit sizes for 2' x 2' recessed lighting fixtures only
 - Standard kit sizes for 2' x 4' recessed lighting fixtures only
- Industrial Felts, Boards and Blankets – 24" x 48"
- Metal Mesh Blanket – 24" x 48"
- Coast Guard Approved Felts – 24" x 48"
- K-Fac®SR & K-Fac®19:
 - 12" x 36"
 - 24" x 36"
 - 24" x 48"
- Micore® - 48" x 96"
- Bagged granulated wool – Poly bags only:
 - Large pellet, 30 lbs./bag
 - Small pellet, 40 lbs./bag
 - Fine grades, 50 lbs./bag
- Accessory items (tape, knives, clips, smoke sealants, etc.) – Only full, un-opened cartons