

Universal Environmental Services LLC, 411 Dividend Drive Peachtree City, GA. 30269

## 3/12/14

## TERMS AND CONDITIONS TO SUPPLY and SALES AGREEMENTS

<u>Acceptance of Terms:</u> Seller's acceptance of Buyer's order is expressly made conditional on Buyer's assent to the terms and conditions herein set forth notwithstanding the provisions contained in any purchase order, acknowledgment, acceptance or other document of Buyer. Each delivery of the goods by Seller shall be deemed to be solely upon the terms and conditions of this document; provided, however, that any conflicting provisions of a separate written contract or a written amendment to this document signed by an authorized representative of Seller shall control.

<u>Price</u>. Unless otherwise agreed in writing by the parties hereto, the price for the goods shall be Seller's current price in effect at the time of shipment. A price stated herein may be increased, at Seller's option, including any increase in Seller's transportation cost for the goods (if sold on a delivered basis) placed into effect between the date hereof and the time of shipment.

<u>Taxes</u>. Prices quoted by Seller are exclusive of all taxes, including federal, state and local use, sales, property or similar taxes and Buyer shall pay all such taxes, in full, or shall reimburse Seller for any such taxes paid by Seller (except for taxes levied on Seller's income).

Invoices and Payments. Seller's invoice shall show the Purchase Order number and volume of the Product. Buyer shall pay Seller all amounts owed under this Agreement by wire transfer and otherwise in compliance with other credit terms and conditions as imposed by Seller. Buyer shall pay Seller all amounts owed under this Agreement in full without offset or counterclaim, free of all charges in order that Seller's account is credited on or before the due date in same day usable funds. Buyer grants Seller the right to set-off and apply accounts payable owed by Seller to Buyer against accounts receivable owed by Buyer to Seller or collateral held by Seller as security for any indebtedness owed by Buyer to Seller. This right shall be in addition to and not in substitution for other rights and remedies available to Seller. Seller at its discretion may require Buyer, from time to time, to execute financing statements or other security agreements. Payments falling due on: (i) Saturday, are payable by the preceding business day; (ii) Sunday, are payable by the following business day; and (iii) a holiday, are payable by the preceding business day, unless the holiday is a Sunday or Monday in which case payment is due by the next business day. Seller may assess a late payment charge in an amount equal to the lesser of (i) the Suntrust, or its successor company, prime rate plus three per cent (3%) and (ii) the maximum rate of interest permitted under applicable law, in each case prorated on the unpaid balance from the due date until payment is received. Seller's invoices, delivery tickets, and other pertinent documents shall be presumptive evidence of quantities, deliveries and prices of the Product. Buyer must submit any dispute regarding an invoice in writing, with supporting documentation, within thirty (30) days of the invoice date.

<u>Delivery</u>. Delivery of the Product shall be by Seller's trucks or railcars to Buyer's facility. Buyer agrees to unload railcars and trucks furnished by Seller as soon as possible and for railcars, within ten (10) days after such railcar is constructively placed at the disposal of Buyer. "Constructively placed" means upon

notification by the serving railroad that the railcar is available for service to Buyer's facility. Buyer agrees to pay Seller \$50.00 per day for each day or portion thereof thereafter, including Saturdays, Sundays or Holidays after said ten (10) days until the railcar is returned empty to the railroad.

Buyer shall pay all such charges to Seller upon receipt of a written invoice therefor from Seller. Buyer assumes full responsibility for use and condition of cars and trucks while in Buyer's possession or control and agrees to (a) compensate Seller for loss or damage to Seller's property and (b) indemnify, defend and hold harmless Seller from any loss or damage to property other than Seller's and from any injuries to persons relating in any way to the use of such car(s) and truck(s) while such are in Buyer's possession or control. Buyer further agrees to notify Seller in writing promptly of any damage which may be sustained by the car(s) or truck(s) in Buyer's possession or control. No repairs shall be made by Buyer unless directed to do so in writing by Seller. The cost of repairing any such damage, except ordinary wear and tear in normal operation, shall be paid by Buyer or reimbursed by Buyer to Seller. Buyer shall not be liable for damages sustained to any car(s) and truck(s) in transit that arrive at Buyer's facility damaged. Railcars shall not be diverted or re-consigned by Buyer. Buyer shall properly secure each railcar prior to release by (i) closing and securing all valves and multi-housing cover; (ii) securing and tightening all man-way bolts; and (iii) closing and securing the bottom outlet valve and cap. Cleaning charges may be assessed for non-secured man-way covers.

Title and Risk of Loss; Acceptance of Product. Title, risk of loss and all other indices of ownership shall pass to Buyer as of delivery to trucks or railcars at Seller's facility. Buyer shall, prior to the offloading of the Product at Buyer's facility, inspect and test the Product received hereunder to ensure that such Product meets the Specifications (as hereinafter defined in Exhibit A). In the event that Buyer fails to conduct such inspection and testing in the time-frame provided for, or in the event that Buyer is unable to provide evidence of the same to Seller in connection with any claim relating to such Product, Buyer shall be deemed to have waived any rights, provided by law or otherwise, to reject or revoke acceptance of such Product. Product failing to meet the Specifications for which Buyer inspected and tested and notified Seller within the time periods set forth in this subsection 1d shall be replaced by Seller without additional charge, or in lieu thereof, at Seller's option, Seller may refund the purchase price for such Product upon return of such Product at Seller's expense. Seller further acknowledges that if the Product fails to meet the Specifications defined in Exhibit A, then Seller shall immediately implement special procedures which include extra sampling requirements prior to loading the Product. Subject to the other provisions/limitations of this Agreement, any claims for Product failing to meet the Specifications or relating to quantity of Product must be submitted to Seller by Buyer within thirty (30) days from the truck or railcar ship date or fourteen (14) days from receipt of Product at Buyer's facility, whichever is later. The remedies provided for in this subsection 1d shall constitute Seller's total liability and Buyer's sole remedies with respect to defective or nonconforming Product (including without limitation any breach of Seller's warranties hereunder).

<u>Force Majeure</u>. Any delay or failure of either party in the performance of its required obligations hereunder (except for payment by Buyer for the Product) shall be excused if and to the extent of acts of God, war, fire, bad weather, flood, accident, labor trouble or shortage, civil disturbance, plant shutdown or plant production start-up, equipment failure, voluntary or involuntary compliance with any applicable

governmental regulation or order or shortage or inability to obtain (on terms deemed practicable by the party affected) any raw material (including energy), equipment or transportation or other causes beyond the reasonable control of the party affected, provided that prompt notice of such delay is given by such party to the other, and such party notifies the other party when such cause or causes are removed. Seller shall not be obligated to purchase or otherwise obtain other supplies of used motor oil or other feedstock from which the Product is derived to make up inadequate supplies or to replace the supplies so curtailed or cut off. Seller shall not be obligated to make up deliveries omitted or curtailed hereunder, and any such deficiencies in deliveries shall be canceled from this Agreement with no liability to either party therefore.

Indemnification. Seller shall indemnify, defend and hold harmless Buyer and its members, managers, shareholders, directors, officers, employees and agents for any actual or alleged claims, damages, liabilities, losses or expenses, including, but not limited to, all attorneys' fees and other costs, imposed against Buyer arising out of, resulting from, or in connection with (a) Seller's breaches of this Agreement; (b) any other matters involving the acts or omissions of Seller or its managers, officers, employees, agents or contractors, or (c) Product not in compliance with the Specifications and rejected by Buyer in accordance with the terms of this Agreement and the release, spill or discharge of any Product into the environment as a result of any action or inaction by Seller, including any related loss or destruction of, or damage to, any property or any injury to or death of any individual and the remediation, clean-up, removal or disposal of the Product. Buyer shall indemnify, defend and hold harmless Seller, its parent and their respective shareholders, members, directors, managers, officers, employees and agents for any actual or alleged claims, damages, liabilities, losses or expenses, including, but not limited to, all attorneys' fees and other costs, imposed against Seller arising out of, resulting from, or in connection with (a) Buyer's breaches of this Agreement; (b) any other matters involving the acts or omissions of Buyer or its shareholders, members, managers, directors, officers, employees, agents or contractors or (c) Product, other than Product not in compliance with the Specifications and rejected by Buyer in accordance with the terms of this Agreement, and the release, spill or discharge of any Product into the environment as a result of any action or inaction by Buyer, including any related loss or destruction of, or damage to, any property or any injury to or death of any individual and the remediation, clean-up, removal or disposal of the Product. Such obligations of Seller or Buyer hereunder shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity or contribution which would otherwise exist as to a party or person described in this Section. In no event shall a party have any responsibility for any indemnity hereunder to the extent the basis for which is directly caused by the negligence or willful misconduct of the other party or its employees, agents or contractors or the other party's failure to comply with the terms of this Agreement.

<u>LIMITATION OF LIABILITY.</u> IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INCIDENTAL, EXEMPLARY, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Seller's liability with respect to this Agreement or any action in connection herewith whether in contract, negligence or other tort, strict liability, breach of warranty or otherwise shall not exceed the price of the Product sold hereunder or the price of that portion of such Product on which liability is asserted.

<u>Hazardous Substances</u>. The materials used to produce the Product are derived from pre-processed used motor oil, containing, or which may be found to contain, substances that may be hazardous to the health and safety of persons and property. Buyer hereby acknowledges receipt of this notice and undertakes to use reasonable care and all appropriate precautions in using, processing, handling, testing, storing, shipping or reselling of the Product. Buyer shall also assume full and complete responsibility to observe, maintain and communicate adequately to Buyer's agents, employees, customers and contractors any and all health and safety warnings, information, procedures, standards, rules, and regulations of any governmental authority or supplied to Buyer by Seller as part of Buyer's obtaining, using, processing, handling, testing, storing, shipping, or reselling of the Product.

<u>Measurement</u>. The volume of Product delivered shall be determined at the Seller's Facility by the method of measurement in effect at such place on the date of shipping. The term "gallon" wherever used herein shall mean a U.S. gallon containing 231 cubic inches at a standard temperature of 60 degrees Fahrenheit. All deliveries hereunder shall be computed on the basis of volume adjusted to a standard temperature of 60 degrees Fahrenheit.

Other Representations and Warranties; Additional Covenants. Each party represents and warrants to the other party that it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder and this Agreement constitutes the valid and legally binding obligation of said party, enforceable in accordance with its terms and conditions.

<u>Further Assurances</u>. If at any time further action is necessary or desirable to carry out the purposes of this Agreement, the parties hereto will take such further action (including the execution and delivery of such further instruments and documents) as a party hereto may reasonably request, without further consideration.

<u>Compliance with Laws</u>. Each party hereto shall comply with all laws, rules, regulations, ordinances and other requirements of federal, state and local governmental or regulatory bodies which are applicable to this Agreement.

## Miscellaneous.

- a. <u>No Third-Party Beneficiaries</u>. Except as otherwise provided herein, this Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns.
- b. <u>Succession and Assignment</u>. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other party hereto.

- c. <u>Counterparts</u>. This Agreement and any other document referenced in this Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.
- d. <u>Headings</u>. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.
- e. <u>Notices</u>. Except as otherwise permitted by e-mail pursuant to Section 1 hereof, any notice or other communication by one party hereto to the other under this Agreement shall be in writing, and may be given by personal delivery, a nationally recognized overnight courier or registered or certified United States Mail, postage prepaid, with return receipt requested, properly addressed as hereinabove provided; and if to Seller, to the attention of Michael Reddick. Notice shall be deemed given upon receipt. The inability to deliver because of changed address of which no notice was given, or the rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice, as of the date of such inability to deliver or the rejection or refusal to accept.
- f. <u>Governing Law; Exclusive Jurisdiction</u>. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Georgia without giving effect to any choice or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Georgia THE PARTIES SPECIFICALLY AGREE THAT THE SOLE JURISDICTION FOR ANY CLAIMS SHALL BE IN STATE OR FEDERAL COURTS LOCATED IN OR HAVING JURISDICTION OVER FAYETTE COUNTY, GEORGIA.
- g. <u>Waivers</u>. All waivers must be in writing signed by the party against whom the enforcement of such waiver is sought. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.
- h. <u>Severability</u>. The various terms, provisions and covenants and portions thereof herein contained shall be deemed to be separable and severable, and the invalidity or unenforceability of any of them shall in no manner affect or impair the validity or enforceability of the remainder hereof.
- i. <u>Expenses</u>. Except as otherwise provided herein, each party hereto will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.
- j. <u>No Strict Construction</u>. Each of the parties has been involved in determining the provisions of this Agreement and no ambiguity or interpretation of this Agreement or any of its provisions shall be resolved or determined in favor of or against a party based, in whole or in part, on whether or not such party has prepared this Agreement or any provision hereof.
- k. <u>Remedies</u>. The remedies of the parties hereto provided herein shall be cumulative and additional to any other or further remedy provided in law or equity.
- I. <u>Relationship of Parties.</u> Nothing contained herein shall be deemed or construed by the parties hereto, nor to any third party as creating the relationship of principal and agent, partnership or joint venture by the parties hereto, it being understood and agreed that no provision contained in this

Agreement, or any acts of the parties hereto shall be deemed to create any relationship other than the relationship of two independent contractors, a seller and purchaser of the Product.

m. <u>"Load-As-Presented" Agreement</u>. In the event Buyer accepts delivery of the Product at Seller's Facility with its own vehicle or railcar equipment or a third party's vehicle or railcar equipment, Seller and Buyer, prior to said delivery, shall execute a "Load-As-Presented" Agreement.