

RAVEN INDUSTRIES, INC. ("SELLER")

STANDARD TERMS AND CONDITIONS OF SALE

The following Terms and Conditions ("Terms") constitute and govern the contractual relationship for the sale of goods ("Products") between the Seller and the person or business entity buying the Products ("Buyer") described on the corresponding purchase order ("Order"), which is incorporated herein by reference.

- 1. Application, Quotations and Acceptance.** These conditions shall govern and be incorporated in every Order made by or on behalf of Seller with Buyer and shall prevail over any supplemental, inconsistent or conflicting terms or conditions contained or referred to in any documentation submitted by Buyer or in correspondence or elsewhere or implied by trade, custom, practice, course of dealing, or usage in the trade. Acceptance by Buyer of delivery of the Products shall constitute unqualified acceptance of the terms and conditions and may be modified only by written instrument executed by an authorized representative of both parties. A quotation by Seller does not constitute an offer and Seller may withdraw or revise a quotation at any time before accepting Buyer's order.
- 2. Cancellation.** Cancellation or modification of all or any part of the Order are subject to Seller's prior written consent. If cancellation or modification is allowed, Buyer agrees to pay to Seller all expenses incurred and damage sustained by Seller on account of the cancellation or modification, plus a reasonable profit.
- 3. Price.** The prices payable for the Products are as listed in the Order. The Seller may at any time prior to delivery of the Products revise prices to take account of increases in its own costs including, without limitation, the costs of any goods, material, carriage, labor or overhead, the increase or imposition of any tax, duty or other levy and any variation in exchange rate. Unless otherwise specified in the order, any tax or duty assessed on the sale of Products will be charged to Buyer. Buyer shall further be charged separately for the price and packaging Freight and insurance.
- 4. Payment.** Payment of invoices shall be made in full within 30 days of invoice. Time shall be of the essence of payment. The Seller may suspend the supply of Products to the Buyer where any amounts are overdue under any invoice until all such amounts have been paid. Interest is payable on overdue accounts at the rate of (1.5) percent compounded monthly, until paid in full. If either party seeks legal recourse to enforce its rights hereunder, the prevailing party shall be entitled to recover its attorneys' fees and expenses. If in Seller's opinion Buyer's creditworthiness deteriorates before delivery of the Products, Seller may require full or partial payment of the price prior to delivery or the provision of security by Buyer in a form acceptable to Seller.
- 5. Titles and Risk of Loss.** Risk of loss passes to Buyer when the Products are made available to the carrier for delivery to Buyer. Buyer hereby grants to Seller a purchase money security interest in all Products sold hereunder until such time as payment is received in full for the Products, plus all shipping, taxes and any accrued interest. The security interest applies not only to the Products purchased, but also to the proceeds from sale of the Products. Buyer shall take all reasonable steps and cooperate with the Seller in perfecting Seller's Security interest in the Products. Title to the Products passes to Buyer upon payment of the invoice for the Products.
- 6. Delivery.** Any delivery date given by Seller is approximate only and Seller shall not be liable to Buyer for failure to deliver on any particular date or dates. Delivery shall be as specified in the Order, or if no delivery is specified it will be



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FOB Origin. Seller will make an additional charge for delivery to other premises. If Buyer refuses or fails to take delivery of Products tendered in accordance with the Order, Seller may terminate the Order, may dispose of the Products as it sees fit and may recover from Buyer any loss and additional costs incurred as a result of such refusal or failure (including, without limitation, storage costs from the due date of delivery).

7. Force Majeure. If Seller is prevented, hindered or delayed from supplying the Products in accordance with these conditions by any event or circumstance beyond the reasonable control of Seller (including without limitation; strikes, lockouts and industrial disputes relating to Seller's workforce), Seller may as its option suspend deliveries while such event or circumstance continues, apportion available stocks between its customers as it decides and terminate any Order so affected with immediate effect by written notice to the Buyer. Seller agrees to give Buyer reasonable notice of any such delay constituting a Force Majeure.

8. Packaging. Buyer shall pay the cost of any special packaging which it may request which may be necessitated by delivery by any means other than Seller's ordinary means of delivery.

9. Specifications. Any drawings, designs, specifications and particulars submitted by Seller are approximate only. Those materials shall be treated as confidential and shall not be disclosed to any third party without Seller's written consent or used by Buyer other than for purposes authorized by Seller. Seller accepts no responsibility for any errors, omissions or other defects in any drawings, designs or specifications not prepared by Seller.

10. Warranties. Seller warrants that the Products sold under this Order will be (i) free from defects in material and workmanship; and (ii) free from liens and encumbrances on title at the time of purchase. Replacement or repair will be at the discretion of Seller provided written notice is made to Seller within 30 days of purchase. The warranty does not include damages or defects resulting from acts of God, casualty or catastrophe, or misuse or damage caused by Buyer. THERE ARE NO OTHER WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE NATURE OR QUALITY OF THE GOODS. SELLER EXPRESSLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES, CONDITIONS AND OBLIGATIONS RELATING TO THE GOODS, WHETHER WRITTEN, ORAL, STATUTORY, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR FITNESS AND NON-INFRINGEMENT. THE FOREGOING WARRANTY DOES NOT APPLY TO ANY DEFECTS IN GOODS NOT MANUFACTURED BY SELLER AND ANY GOODS MANUFACTURED ACCORDING TO BUYER'S SPECIFICATIONS. THE REMEDIES SET FORTH HEREIN ARE BUYER'S EXCLUSIVE AND SOLE REMEDIES FOR ANY FAILURE OF SELLER TO COMPLY WITH ITS OBLIGATIONS UNDER THIS AGREEMENT.

11. Use of Products. Buyer agrees that it will use the Products solely for legal purposes and in compliance with all applicable state and local laws, rules and regulations. Buyer will indemnify Seller and hold Seller and its affiliates and their respective employees, shareholders, directors and officers, harmless from and against any and all claims, penalties, damages, expenses and all other amounts arising from any use of Seller's products by Buyer or Buyer's customers or end users in violation of any state, or local law, rule or regulation.

12. Limitation on Damages; Limitation of Liability.

SELLER IS NOT LIABLE TO THE BUYER FOR ANY LOSS, DAMAGE OR INJURY, DIRECT OR INDIRECT, RESULTING FROM DEFECTS IN DESIGN, MATERIALS OR WORKMANSHIP OR OTHERWISE CAUSED, HOWEVER, ARISING (AND WHETHER OR NOT CAUSED BY THE NEGLIGENCE OF THE SELLER, ITS EMPLOYEES OR AGENTS), SELLER IS NOT LIABLE FOR ANY



INDIRECT OR CONSEQUENTIAL LOSSES OR EXPENSES SUFFERED BY THE BUYER, HOWEVER CAUSED, AND INCLUDING, WITHOUT LIMITATION, LOSS OF ANTICIPATED PROFITS, GOODWILL, REPUTATION, BUSINESS RECEIPTS OR CONTRACTS, OR LOSSES OR EXPENSES RESULTING FROM THIRD PARTY CLAIMS. BUYER AGREES THAT TO THE EXTENT SELLER IS FOUND TO HAVE ANY LIABILITY WHATSOEVER, IT SHALL NOT EXCEED THE NET INVOICE PRICE FOR THE ORDER.

13. Export Sales. Buyer agrees to comply with all applicable export and re-export control laws and regulations, including the Export Administration Regulations 15 CFR 730 et. seq. ("EAR") maintained by the U.S. Department of Commerce and the International Traffic In Arms Regulations 22 CFR Chapter 1, Subchapter M, Parts 120-130 ("ITAR") maintained by the U.S. Department of State. Without limitation to the foregoing, Buyer covenants that it shall not, directly or indirectly, sell, export, re-export, transfer, divert, or otherwise dispose of any Products or technology (including products or services derived from or based on such technology) received from Seller under this Agreement to any country or person without obtaining, at Buyer's expense, prior authorization from the competent government and regulatory authorities as required by those laws and regulations. Buyer is responsible for obtaining and paying for all applicable import licenses, taxes and duties. Upon Seller's request, Buyer shall provide Seller with sufficient documentation and information to demonstrate that Buyer has complied and is in current compliance with this provision. Buyer agrees to indemnify, defend and hold harmless to the fullest extent permitted by law, Seller from and against any fines or penalties that may arise as a result of Buyer's breach of this provision.

14. Confidentiality. Each of the parties hereto undertakes to the other to keep confidential all information (written or oral) concerning the business and affairs of the other that it shall have obtained as a result of the discussions leading up to or entering into or implementation of this Order, or which it may have learned during the term of this Order other than information which is already in its possession other than as a result of a breach of this clause, and in the public domain other than as a result of a breach of this clause. Each of the parties undertakes to the other to take all such steps as shall be necessary from time to time to ensure compliance with the provisions of this clause by its employees, agents and sub-contractors and other companies within the group of companies to which it belongs.

15. Assignment. Buyer may not assign or transfer, or purport to assign or transfer, any of its rights or obligations under the Order without Seller's prior written consent.

16. Governing Law and Jurisdiction. These conditions and any Order made under them shall be governed by and construed in accordance with the laws of South Dakota and the state and federal courts of South Dakota shall have exclusive jurisdiction. The United Nations Convention on the International Sales of Goods is excluded. If either party seeks legal recourse to enforce its rights hereunder, the prevailing party shall be entitled to recover its attorneys' fees and expenses.

17. Government Contracts.

To the extent this Contract is entered into to satisfy U.S. Government supply requirements, Seller agrees only to those provisions or clauses of the Federal Acquisition Regulation (FAR) or other Government Regulation clauses which Buyer includes in its Order and which are required by law to be incorporated into a fixed price supply subcontract, and which are expressly accepted by Seller. No other clauses shall be included in this contract unless specifically agreed to in writing by Seller.



18. Miscellaneous. Buyer acknowledges that it has not been induced to purchase any the Products from Seller by any representation or warranty not expressly set forth in this Agreement. These Terms and the Sales Confirmation constitute the entire agreement of the parties and supersede all existing agreements and all other oral or written communications between them concerning its subject matter. None of the Terms may be added to, modified, superseded, or otherwise altered, except by a written document signed by an authorized representative of Seller that specifically references these Terms and states that it modifies them. No waiver by Seller of any of the provisions of these Terms is effective unless explicitly set forth in writing that specifically references these Terms and is signed by Seller. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from these Terms operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The Section headings contained in these Terms are for convenience only and will not affect the interpretation of any provision. If any provision of this Agreement is held to be prohibited or unenforceable, the provision will be changed and interpreted to accomplish the objectives of the provision to the greatest extent possible under applicable law and the remaining provisions will continue in full force and effect. Buyer will not assign any quotation or accepted order for the Products, in whole or in part, without Seller's prior written consent.

