## TERMS AND CONDITIONS OF SALE

- A. <u>Terms of Any Existing Agreement Control</u>. In the event that a purchase order is issued by Buyer pursuant to an existing written supply agreement (the "Agreement") between Buyer and U.S. Silica Company, or any of its direct or indirect subsidiaries (herein referred to collectively as "Seller"), the terms and provisions of such Agreement shall control in all cases. Otherwise, the terms and conditions set forth herein (the "Terms") shall govern the purchase of material by Buyer from Seller, notwithstanding any contrary language that may appear on any purchase order or other document or communication from Buyer. No course of prior dealings or performance between the parties or usage in the trade shall be relevant to supplement or explain any terms used in the Terms or, if applicable, the Agreement. Seller has no obligation to accept Buyer's purchase order or sell product to Buyer prior to acceptance of Buyer's purchase order by Seller. These Terms are for the sole benefit of Seller and Buyer and not for the benefit or any other person or entity, and nothing contained herein will be construed to create any rights, benefits, remedies, obligations or liabilities for or to any person or entity other than Seller and Buyer. Seller may assign or delegate its rights and/or obligations under Buyer's purchase order or order confirmation in whole or in part to any affiliated entity.
- **B.** <u>Delivery and Pick-Up Dates</u>. Seller is aware that delivery dates requested by Buyer in Buyer's purchase orders may be of importance to Buyer. Accordingly, Seller agrees to advise Buyer promptly of any anticipated delays in a shipment to Buyer's delivery destination and will inform Buyer of the cause for such delay (assuming it is known to Seller). Seller further agrees to use commercially reasonable means within its control to resolve any delay. At Seller's option, products not picked up by Buyer within 7 days after the scheduled pick-up date will (i) be returned to available inventory and may be used to fulfill other customer orders, (ii) be rescheduled to the next available date (based on production/shipping schedule lead-times) and Seller shall inform Buyer of the new date, and/or (iii) result in Buyer being charged a \$250.00 "no pick-up fee" for each occurrence. Buyer requests to "hold" products for a period longer than seven (7) days from the confirmed shipment/pick-up date are subject to (a) Seller's approval and (b) a fee of no less than \$250.00 per order. Buyer requests for a date change of the confirmed shipment/pick-up date made within five (5) days of the confirmed shipment/pick-up date are subject to (aa) Seller's approval and (bb) a fee of no less than \$100.00 per occurrence.
- **C.** <u>Terms of Payment</u>. Payment shall be made within thirty (30) days from the date of Seller's invoice. If payment is not received by the due date stated on the invoice, interest will accrue on the outstanding balance of the invoice at the rate of one and one-half percent (1.5%) per month or the maximum permissible rate permitted by applicable law, whichever is lesser, until paid in full. Until the purchase price and all other sums due pursuant hereto are paid in full, Seller retains a security interest in the products provided hereunder and in all products and proceeds thereof.
- D. Warranty and Limitation of and Liability. Seller warrants the products covered by the Terms to meet Seller's standard product specifications. SELLER MAKES NO OTHER GUARANTEES OR WARRANTIES OF ANY KIND WHATEVER, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, GUARANTEES OR WARRANTIES OR PERFORMANCE, MERCHANTIBILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE. No person, agent, representative or dealer is authorized to give any warranties on behalf of Seller, nor to assume for Seller any other liability in connection with any of Seller's material. If Seller fails to deliver the quantity of product specified in Buyer's purchase order within thirty (30) days after the originally scheduled delivery date, Buyer may cancel the purchase order with respect to such shortage. In the event Seller provides product that does not conform to Seller's standard product specifications, Seller shall replace the non-conforming product at no charge to Buyer and shall reimburse Buyer for (at Seller's election) the return or disposal of such non-conforming product. The foregoing cancellation, replacement and reimbursement rights shall be Buyer's sole and exclusive remedies in the event of non-conforming or undelivered product. In NO EVENT SHALL SELLER'S LIABILITY ARISING IN CONNECTION WITH OR UNDER THIS AGREEMENT (WHETHER UNDER THE THEORIES OF BREACH OF CONTRACT, TORT LIABILITY, MISREPRESENTATION, FRAUD, WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LAW) EXCEED THE PURCHASE PRICE OF THE MATERIALS. SELLER SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS.
- E. <u>Claims</u>. Failure to make a claim as to defective product or quantity excesses or shortages within ten (10) days after the date of delivery shall constitute an unqualified acceptance of such material and a waiver by Buyer of all claims of any kind with respect thereto. Seller reserves the right to inspect allegedly defective product before final disposition of a claim is made. Product may not be returned to Seller or disposed of by Buyer except by prior permission of an authorized official of Seller, which permission may not unreasonably be withheld in the case of obviously defective and/or contaminated product. Seller's weights and quantity counts taken at the shipping point will govern and control.
- F. <u>Title And Risk Of Loss</u>. All products sold by Seller to Buyer is sold FCA Seller's plants or other shipping points, as applicable, Incoterms 2020 (as same has been or may be amended). The fact that Seller may have arranged for transport of the material by common carrier to Buyer's facility/destination shall not alter that legal status.
- G. Surcharges; Force Majeure. Seller reserves the right to impose surcharges with respect to the purchase of product in the event of any increase in the price of any raw material; energy source; transportation; or governmental imposed cap and trade tax, fee, tariff; or similar cost that Seller determines is reasonably likely to have a material impact on Seller's overall costs of producing and/or transporting product. The amount of such surcharges shall be limited to that required to offset the increase in Seller's costs resulting from such increases (although such surcharges may be spread over a longer period). Seller shall give Buyer notice as to any such surcharge and shall reduce or remove such surcharge at such time as is reasonably practicable under the circumstances. Seller's Industrial and Specialty products (i.e., non-Oil and Gas) energy surcharge information found at <a href="https://www.ussilica.com/isp-energy-surcharge">www.ussilica.com/isp-energy-surcharge</a>. Seller's supply of product to Buyer shall be excused for such time as it is prevented, hindered or delayed due to acts of God (weather and fire-related), failure or breakdown of plant equipment, labor strikes or work stoppages, supplier or transportation disruptions, logistics issues beyond its control, etc. (including those impacting Seller's suppliers and transportation network). If a force majeure event occurs, Seller shall promptly provide notice of same to Buyer. In the further event that such force majeure event continues for thirty (30) days, Buyer shall have the right to cancel its order of material upon written notice to Seller without penalty. Seller shall have no liability to Buyer with respect to any such force majeure event.
- H. Warning. Product(s) may contain crystalline silica dust, calcined kaolin clay dust or other respirable dusts (collectively, "Respirable Dust"), or Respirable Dust may be created during the use of the products. Breathing Respirable Dust is hazardous and can cause severe and permanent lung damage and disease, such as silicosis and lung cancer. See the Safety Data Sheets located on Seller's websites (e.g., www.ussilica.com) for more information on hazards and precautions. Products shall not be used, promoted or sold for sandblasting. Buyer must follow OSHA and other applicable health standards (such as recommendations made by the National Institute for Occupational Safety and Health) for Respirable Dust. Buyer represents and warrants that it will warn its employees, subcontractors and customers about the dangers of breathing Respirable Dust and inform them about OSHA requirements and other precautions. Buyer hereby agrees to indemnify, defend and hold harmless Seller from any and all claims, demands, liabilities, judgments, suits, damages, costs and expenses, including attorneys' fees, arising from, or alleged to arise from, personal injury, including death, arising from or alleged to arise from the handling of Respirable Dust by the Buyer's employees, subcontractors and customers.
- *Confidentiality*. The existence, terms and conditions of a purchase order, sales document or contract between the parties shall be considered confidential and proprietary and shall not be disclosed to any third party without the other party's prior written consent. The obligation of confidentiality set forth in the Terms shall remain in effect until the tenth (10<sup>th</sup>) anniversary of the invoice date for product sold to Buyer under the Terms.

- J. Audit. Seller and Buyer shall each maintain adequate books and records of all data necessary for an accurate determination of units or quantities of the Product delivered, Buyer's requirements for the Product, and charges invoiced to and paid by Buyer under this Agreement. Such books and records shall be retained by Seller and Buyer for a period of two (2) years following the expiration of the immediately preceding contract year during the Term of this Agreement and any Renewal Term. Buyer shall have the right, upon reasonable notice and at Buyer's cost, to conduct an audit (or audits) of such books and records maintained by Seller. Seller shall have the right, upon reasonable notice and at Seller's cost, to conduct an audit (or audits) of such books and records maintained by Buyer.
- K. <u>Miscellaneous</u>. The failure of Seller to insist upon strict adherence to any provision of the Terms will not be considered a waiver or deprive Seller of the right thereafter to insist upon strict adherence to that term or any other term of the Terms. Any waiver of any provision of the Terms by Seller must be in writing signed by an authorized officer of Seller. Any waiver granted by Seller shall not be deemed to have created a course of dealing between Buyer and Seller. In any action or proceeding brought by Seller to enforce any provision of the Terms, if Seller prevails it will be entitled to recover the reasonable costs and expenses incurred by it in connection with that action or proceeding, including, without limitation, attorneys' fees and court costs. Neither party will be deemed the drafter of the Terms and the Terms will not be construed or interpreted in favor of or against either party. Caption headings are for the convenience of the parties only and will not be used to construe or interpret the Terms. If any provision of the Terms is found by a court of competent jurisdiction to be unenforceable in any respect, then (i) the court will revise such provision the least amount necessary in order to make it enforceable, and (ii) the enforceability of every other provision of the Terms will not be affected thereby. This Agreement shall be construed under and in accordance with the laws of the State of Texas, United States of America, without regard to its choice of law rules. **BOTH PARTIES WAIVE TRIAL BY JURY** and submit to the jurisdiction of the courts of Harris County, Texas. The United Nations Convention on Contracts for the International Sale of Goods (the Vienna Sales Convention) and the Convention on the Limitation period in the International Sale of Goods shall not apply to this Agreement.