

Supplemental Terms and Conditions for Recyclable Materials

These terms and conditions supplement the Aerojet Rocketdyne General Provisions in the Purchase Order.

1. **Surplus Materials.** The recyclable materials and items that are the subject of this Contract ("the Materials") are described and set forth in the Purchase Order and are generated at Aerojet Rocketdyne's facility. The chemical composition of the residual material, if any, which may be found within said items are as generally specified in the Safety Data Sheets (SDS), copies of which are attached hereto.
2. **Recycler Services.** Recycler agrees to accept the Materials at an Aerojet Rocketdyne facility or such other location as may be agreed in writing, transport the Materials, and recycle or otherwise properly dispose of the Materials at or through its facility identified in the Purchase Order. Arrangements for pickup are to be mutually agreed upon between Aerojet Rocketdyne and Recycler prior to each Recycler's arrival at the Aerojet Rocketdyne facility.
3. **Limitation of Warranty, Remedy**
 - A. Aerojet Rocketdyne warrants only that the Materials conform in all material respects with the MSDS provided hereunder, and will be marked, labeled or otherwise designated in conformance with government regulations, and that it holds clear title to the Materials. **ALL OTHER WARRANTIES ARE DISCLAIMED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
 - B. Recycler accepts the Materials "AS IS" subject to warranty set forth above and has the sole responsibility to assess, and bears all losses unless such loss results from a breach of warranty relating to:
 - (1) the ability of the Materials conveyed under this contract to pass, without objection under their contract description, among merchants and purchasers in the trade;
 - (2) the conformity of such Materials to fair average quality within their contract description;
 - (3) the fitness of the Materials for the ordinary purposes for which such materials are used;
 - (4) the consistency of quality and quantity within each unit of the Materials and among all units involved;
 - (5) the adequacy of containers, packaging, and labeling of the Materials;
 - (6) the conformity of the Materials to promises or affirmations of fact (if any) made on their labels or containers other than as described in the MSDS; and
 - (7) the conformity of the Materials to standards of quality observed by other merchants in the trade with respect to materials of similar description.
 - C. Any description of the Materials, or plans and specifications, are furnished for the sole purpose of identifying the Materials, or suggesting the nature of the Materials. They are not the basis of bargaining and do not warrant the nature or quality of the Materials. Recycler hereby represents that the Materials will be used in a manner in which the Materials are commonly used, such that the Materials constitute surplus material.
 - D. Recycler's sole remedy hereunder for any claim other than a breach of warranty shall be a return to Aerojet Rocketdyne of the Materials. Aerojet Rocketdyne shall not be responsible, under any obligation other than a warranty claim in connection herewith, for any special, indirect or consequential damages. In no event shall Aerojet Rocketdyne have for any reason whatsoever in connection with this Contract, other than in connection with a warranty claim, any monetary liability to Recycler in excess of the contract price hereunder. Recycler must notify Aerojet Rocketdyne of any claim that Recycler asserts Aerojet Rocketdyne has any liability for hereunder within 30 days

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of actual or constructive knowledge of the facts giving rise to such claim. Any such claim must be filed in a court of competent jurisdiction in the State of California within one year from the date of each delivery of the Materials herein, or be forever barred.

- 4. Indemnification.** Recycler warrants that it possesses the specialty/expertise, facilities, licenses and permits necessary for its handling, storage, proposed use and further disposition of the Materials, that it understands the hazards to persons, property and the environment presented by the transportation, storage, processing and disposal of the Materials, and that it will operate hereunder in full compliance with all applicable federal, state and local laws, regulations and ordinances. Further, in the event Recycler's facility loses its permitted status during the term of this Agreement, Recycler will immediately notify Aerojet Rocketdyne of such condition.
- 5. Safety Precautions.** The Materials may be toxic, hazardous, or contain toxic or hazardous constituents, or otherwise pose a hazardous risk, including without limitation the risk of explosiveness or flammability, and Recycler shall undertake its own evaluation thereof and proceed hereunder at its own risk. Recycler shall provide all means appropriate and necessary to protect its employees, agents and all third parties from injury which may result from Recycler's transportation, use, processing or incorporation into other goods or disposal of the Materials. Recycler shall strictly comply with all laws and regulations affecting the Materials or Recycler's use or handling thereof, including, without limitation, laws relating to products liability, protection of the environment and personal safety. If Recycler fails to comply with any provision of this paragraph or any applicable standards and regulations, and personal injury or property damage (including environmental impairment) occurs as a result thereof, Recycler shall indemnify, defend and hold Aerojet Rocketdyne harmless from any such liability in the manner specified in the Aerojet Rocketdyne General Provisions.
- 6. Records.** Recycler shall keep such full and detailed records of its operations hereunder as are necessary to demonstrate its compliance with the requirements of this Agreement, as well as the requirements imposed by law and regulation. Such records shall be maintained for a period of at least three (3) years after the date of each resale or disposal of the Materials, or any derivatives thereof, or for any longer period required by law or regulation. Such records shall be made available for Aerojet Rocketdyne's inspection at any time, but during normal business hours and upon reasonable notice, during the retention period.
- 7. Acceptance, Transfer of Title and Shipment.** Unless otherwise specified, the transfer point shall be Aerojet Rocketdyne's facility (if Aerojet Rocketdyne is providing transportation, transfer point will be Recycler's facility). Recycler shall be deemed to have taken possession of and accepted the Materials when the Materials are loaded for shipment at Aerojet Rocketdyne's facility (if transportation is provided by Aerojet Rocketdyne, possession occurs when material is delivered to Recycler). At that point, title, risk of loss and damage, and all other incidents, rights and obligations of ownership to the Materials shall be transferred to Recycler. Aerojet Rocketdyne has no responsibility for transporting, unpacking or unloading the Materials.
- 8. Aggregation of Surplus Materials.** Recycler agrees to commingle the Materials with other materials, to the maximum extent possible, such that the resultant materials are not identifiable as Aerojet Rocketdyne materials.