

Buyer Enrollment Agreement Identification No. _____

HALON RECYCLING CORPORATION

HALON 1301 BUYER ENROLLMENT AGREEMENT

Halon Recycling Corporation (HRC) is a nonprofit corporation, organized under the laws of the District of Columbia, established to assist owners and users to re-deploy the existing supply of halon-1301 (Halon). HRC facilitates the trading of Halon by maintaining lists of sellers who have enrolled with HRC (Enrolled Sellers) desiring to sell or donate Halon to buyers who have enrolled with HRC (each, including the undersigned, Enrolled Buyers), and by making certain lists of Enrolled Sellers available to Enrolled Buyers and lists of Enrolled Buyers available to Enrolled Sellers. HRC has established a Critical Halon Use Committee (CHUC) to review applications by an Enrolled Buyer desiring certification for a particular critical use of Halon (Certified Buyers) by demonstrating to CHUC a critical need for such Enrolled Buyer's end use of Halon. An Enrolled Buyer not seeking to become a Certified Buyer may register with HRC (Registered Buyer) by declaring in good faith its intention to minimize its use of Halon and that it considers its use to be critical.

HRC is located at:

2111 Wilson Boulevard, 8th Floor, Arlington, VA 22201

Telephone Number: 800-258-1283

Facsimile Number: 703-243-2874

IDENTIFICATION OF ENROLLED BUYER

Enrolled Buyer's Name: _____

Enrolled Buyer's Mailing Address: _____

Contact Person's Name: _____

Contact Person's Title: _____

Contact Person's Mailing Address: _____

Contact Person's Telephone Number: _____

Contact Person's Facsimile Number: _____

Approximate Amount of Halon Needed by Enrolled Buyer: _____ pounds

- Check here if need is continuous and ongoing.
- Check here if interested in receiving Halon free of charge only.
- Check here if interested in purchasing Halon.
- Check here if seeking to be qualified as a Certified Buyer.
- Check here if applying to be a Registered Buyer.

ARTICLE I

HRC'S PROGRAM

1.1. Lists of Enrolled Sellers. HRC maintains a list of Enrolled Sellers desiring to make Halon available only to Certified Buyers and a list of Enrolled Sellers desiring to make Halon available to both Certified Buyers and Registered Buyers. A separate application must be submitted for each contemplated use, which will be reviewed by CHUC separately, on a case by case basis. Upon execution of this agreement and a favorable determination by CHUC of a Certified Buyer's status with respect to one or more uses, HRC shall provide such Certified Buyer with the current listing of all Enrolled Sellers, which shall include the names, addresses, telephone numbers, and facsimile numbers of such Enrolled Sellers who are willing to make Halon available to both Certified Buyers and Registered Buyers. If an Enrolled Buyer is a Registered Buyer only, upon execution of this agreement and submission of a critical use checklist, HRC shall provide such Registered Buyer with the current listing of all Enrolled Sellers to provide Halon to Registered Buyers. HRC updates these lists on a periodic basis, and will provide the appropriate updated listing to Enrolled Buyers when available.

1.2. Lists of Enrolled Buyers. HRC will include Enrolled Buyer's name, address, contact person, telephone number, and facsimile number on the lists of Enrolled Buyers given to Enrolled Sellers. HRC updates this listing and provides it to Enrolled Sellers on a periodic basis.

1.3. CHUC Review of Enrolled Buyers Requesting Certification. Whether an Enrolled Buyer is entitled to certification as a Certified Buyer shall be determined in good faith by CHUC based on the applicant's submissions and on the criteria set forth in Appendix _____ hereto. If an Enrolled Buyer disagrees with the decision of CHUC, such Enrolled Buyer's exclusive remedy shall be an appeal of such decision in accordance with CHUC's procedures.

ARTICLE II

ENROLLED BUYER'S COVENANTS

2.1. No Preference Towards Enrolled Sellers. Enrolled Buyer shall be free to purchase or acquire Halon from any source or through any facility. Enrolled Buyer is not required to use HRC's facilities or to purchase or acquire exclusively from Enrolled Sellers.

2.2. Application and Appeal Process. Enrolled Buyer has submitted or agrees to submit in a timely fashion HRC's application form, HRC's critical use checklist, and any other information required by HRC. An Enrolled Buyer seeking to qualify as a Certified Buyer agrees to be bound by CHUC's decision concerning whether or not such Enrolled Buyer shall be classified as a Certified Buyer, subject only the standard HRC appeals process. If an Enrolled Buyer is not classified as a Certified Buyer, Enrolled Buyer may request to be enrolled as a Registered Buyer. If Enrolled Buyer desires to appeal a negative certification decision by CHUC, Enrolled Buyer may do so by sending a written notice of appeal by certified mail to the executive director of HRC not later than (10) days after receipt of CHUC's decision. The notice of appeal shall state the grounds for appeal and may include any other relevant documentation or information. The notice of appeal must be accompanied by a required appeal fee of \$1000. Enrolled Buyer agrees to be bound by CHUC's final decision on appeal.

2.3. Payment of Application Fee. Enrolled Buyer has paid or will pay upon submission of Enrolled Buyer's application or applications, as the case may be, (i) a one-time application fee of \$500 for each application, if Enrolled Buyer seeks to be enrolled as a Certified Buyer or (ii) a one-time application fee of \$200 if Enrolled Buyer desires to be enrolled as a Registered Buyer. If Enrolled buyer seeks "certified" status for a particular use but CHUC issues a negative certification decision, Enrolled Buyer will receive no refund of the \$500 application fee. If at any time this agreement is terminated as set forth herein, and subsequently Enrolled Buyer desires to re-enroll with HRC, a new application fee shall be required to be paid.

2.4. Payment of Brokerage Fee. Upon any purchase or transfer of Halon from an Enrolled Seller, Enrolled Buyer agrees to pay HRC's standard brokerage fee in effect at the time of such purchase or transfer. The current HRC standard brokerage fee is \$1 per pound of Halon and will be set annually by the board of directors of HRC.

2.5. Reporting of Completed Transactions. For purposes of collecting the brokerage fee referenced in Section 2.4, Enrolled Buyer agrees to report all transactions with any Enrolled Seller to HRC within ten (10) days after the sale or transfer of any Halon from an Enrolled Seller. Enrolled Buyer's report must identify the names and addresses of the Enrolled Seller and Enrolled Buyer, the date of the transaction, the number of pounds of Halon purchased, the number of pounds of Halon transferred free of charge, and the Seller Enrollment Agreement Identification Number applicable to the transferred Halon. HRC will send an invoice to Enrolled Buyer for HRC's brokerage fee, and Enrolled Buyer shall pay such invoice within thirty (30) days of the date of the invoice.

2.6. Change in Uses. A Certified Buyer may purchase or acquire Halon from an Enrolled Seller only for the Halon use or uses described by Certified Buyer in Certified Buyer's application or applications. If Certified Buyer's use changes, Certified Buyer must advise HRC immediately of the change in use and, if appropriate, submit a new application. Certified Buyer's enrollment will be terminated unless Certified Buyer is using Halon in accordance with one or

more applications which have been approved by CHUC. Certified Buyer must submit a new application (including a new application fee) for each new use.

ARTICLE III

OTHER PROVISIONS

3.1. Term. This Agreement remains in effect until terminated by either party by giving ten (10) days' advance written notice to the other. If at any time HRC has reasonable grounds to believe that Enrolled Buyer has made a substantial misrepresentation in its application(s) or has changed its use from that set forth in its application(s), HRC may terminate this agreement immediately. Notwithstanding termination of this agreement, any acquisition of Halon by Enrolled Buyer from an Enrolled Seller as a result of HRC's listing services shall entitle HRC to receive its standard brokerage fee. With respect to any such acquisition, Enrolled Buyer shall comply with the reporting obligations set forth herein so that HRC may invoice and collect the brokerage fee.

3.2. Transfer of Title. Upon completion of any transaction with an Enrolled Seller, Enrolled Buyer becomes the sole owner of the Halon and shall be solely responsible for disposal or recycling of such Halon upon completion of Enrolled Buyer's use.

3.3. Confidentiality and Nondisclosure. Enrolled Buyer agrees to treat all Confidential Information in a secret and confidential manner, and shall safeguard and not disclose, divulge or reveal Confidential Information to any person or entity, without the specific written authorization of HRC. This confidentiality and nondisclosure provision shall survive termination of this agreement. For purposes of this agreement, "Confidential Information" means all confidential and proprietary information concerning the business of HRC, including, but not limited to, all HRC lists of Enrolled Sellers and any and all "point of origin" documentation showing the chain of custody of Halon from the country of manufacture to an Enrolled Seller.

3.4. Scope of HRC's Obligations. HRC's only responsibility to Enrolled Buyer is to facilitate the trading of Halon by maintaining and delivering the listings of Enrolled Sellers and Enrolled Buyers as provided herein. HRC shall not be required to make any independent investigation whatsoever in connection with the enrollment of Registered Sellers and makes no representations or warranties of any kind, express or implied, as to the origin, quality, specifications, merchantability or fitness for any intended use of any Halon which may be purchased or otherwise acquired from them. HRC is not, directly or indirectly, an agent of either Enrolled Buyer or Enrolled Seller. HRC shall not be required to assist or otherwise take part in the negotiation or performance of any transaction between Enrolled Buyer and any Enrolled Seller. Except that HRC represents and warrants that CHUC shall act in good faith in determining whether a particular Enrolled Buyer may qualify as a Certified Buyer, HRC makes no other representations or warranties with respect to CHUC's decision-making process and shall have no responsibility to Enrolled Buyer for CHUC's decision.

3.5. Limitation of Liability and Indemnification. HRC shall have no liability to Enrolled Buyer for any liabilities, losses, costs, expenses, damages, actions, or claims, including costs and attorneys' fees incurred in defense thereof, arising directly or indirectly, out of this agreement, any dealings between Enrolled Buyer and Enrolled Seller, or by reason of Enrolled Buyer's participation in HRC's program. Enrolled Buyer shall indemnify and hold harmless HRC from any liabilities, losses, costs, expenses, damages, actions, or claims, including costs and attorneys' fees incurred in defense thereof, arising out of, any dealings between Enrolled Buyer and any Enrolled Seller, or by reason of Enrolled Buyer's use or disposal of Halon.

3.6. Successors and Assigns. This agreement shall be binding on all successors and assigns of the parties. Enrolled Buyer agrees to notify HRC of any new addresses or other pertinent information pertaining to Enrolled Buyer.

3.7. Arbitration. Any controversy or claim for damages or monetary relief arising out of or relating to this agreement or the termination thereof shall be determined by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "Rules") and in accordance with the following agreement:

- (a) The number of arbitrators shall be one unless both parties agree, when arbitration is initiated, that a tribunal of three arbitrators is appropriate because of the size, complexity or other circumstances of the case;
- (b) The place of arbitration shall be Washington, D.C.;
- (c) In addition to any provisions of the Rules allowing the arbitrator(s) to issue orders for interim relief, any party may seek equitable or injunctive relief from a court of competent jurisdiction in the District of Columbia, and the exercise of this right shall not be deemed incompatible or as a waiver of this agreement to arbitrate; and
- (d) The parties agree to submit to the jurisdiction of the courts in the District of Columbia, including the federal courts.

3.8. Governing Law. This agreement shall be governed by the laws of the District of Columbia, without reference to its principles of conflicts of laws.

3.9. Enumerations and Headings. The enumerations and headings contained in this agreement are for convenience of reference only and are not intended to have any substantive significance in interpreting this agreement.

3.10. Entire Agreement; Amendments. This agreement replaces and supersedes all prior agreements or other understandings relating to the subject matter hereof. No alteration, modification, amendment, or other change in this agreement shall be binding on the parties unless made in writing and approved and executed by each party.

3.11. Counterparts. This agreement may be executed in one (1) or more counterparts each of which when taken together shall constitute one (1) and the same original.

3.12. Authority to Sign. Enrolled Buyer represents and warrants that the person signing below is duly authorized to act on Enrolled Buyer's behalf:

HRC:

HALON RECYCLING CORPORATION

By _____
Title _____
Date Signed: _____

ENROLLED BUYER:

(Enrolled Buyer's Name)

By _____
Title _____
Date Signed: _____