

## Standard Terms and Conditions of Sale

The equipment, software, material and services (collectively, the "Equipment") which are described on our quotation, order acknowledgement, packing list, or invoice shall be sold by Tech-Quip, Inc. and its Subsidiaries ("Seller") only upon the following Standard Terms and Conditions of Sale:

1. **CONTRACT TERMS**: These Standard Terms and Conditions of Sale ("Contract") are the only terms and conditions applicable to the sale of the Equipment. Contract formation and acceptance by Seller are expressly conditioned upon Customer's assent to the terms of this Contract.
  - a. Sales order entry constitutes an acceptance of Customer's purchase order, with such purchase order being expressly conditioned upon Customer's assent to the Contract.
  - b. Any typographical or clerical error herein is subject to correction by Seller.
2. **PRICES AND QUOTATIONS**: All prices are F.O.B. manufacturing location unless otherwise specified. Quoted prices are valid for acceptance within thirty (30) days of quotation date, and are exclusive of any applicable taxes or miscellaneous charges not specified in the quotation. The prices and deliveries provided on our quotations are predicated on receiving an order for the models and quantities offered. Any deviations will require reconfirmation of price and delivery terms.
3. **PAYMENT TERMS**: Subject to the approval of Seller's Credit Department, and unless otherwise agreed in writing, terms of payment are net cash thirty (30) days following the date of invoice, or by letter of credit paid upon submittal of shipping documents, all payable in U. S. currency to Seller at its offices in Houston, Texas, or as Seller otherwise directs. Customer shall give written notice to Seller of any claim for error in charges within ten (10) days of shipment date of Equipment.
4. **CANCELLATION**: Prior to shipment of the Equipment, Customer may terminate its order provided that;
  - a. Seller is given reasonable notice of at least 30 days and
  - b. Seller is compensated for all costs and expenses incurred or committed, plus a reasonable profit thereon and for any losses resulting.
5. **CLAIMS**: Customer shall bear the risk of loss for damage to or destruction of the Equipment from the time that Seller delivers such Equipment to the carrier or to Customer or Customer's agent. Any claims for loss or damage after risk of loss has passed to Customer shall be filed with the carrier. Customer shall give written notice to Seller of any claim for shortage or error in Equipment shipped within five (5) days of the shipment date of Equipment.
6. **DELIVERY DATES**: Quoted delivery dates are approximate estimates determined at the time of quotation and are subject to revision due to variations in order processing and manufacturing or specifications and quantity. Seller assumes no liability for losses arising from inaccurate estimates, and is permitted to make partial shipments against this Contract.
7. **DOCUMENTATION**: Seller shall provide Customer with copies of such data or documentation as agreed in the quotation. If additional data or documentation is requested by Customer, Seller will provide such additional copies at Customer's expense.
8. **RETURNS**: Subject to Articles 4 and 11, all sales are final. Customer may request to return Equipment by contacting its account salesperson to request a return authorization number. No Equipment will be accepted for return without a valid return authorization number clearly noted on the outside of the shipment. Unauthorized returns are subject to refusal at our facility or may be returned freight collect to the shipping point. Any return shipment must be made freight prepaid unless Seller has expressly authorized Customer in writing to ship such Equipment to Seller at Seller's expense. All returns of Equipment authorized by Seller are subject to Seller's standard restocking charges as such and then effective. Seller's current minimum restocking charges are the greater of 25% of the invoiced price or \$50.00 per item. Non-stock items are subject to higher restocking charges, up to 100%. All material returned for credit must be in new and re-saleable condition, in original packaging, and is subject to inspection prior to issuance of any credit. Seller will issue credit memos for returned material; debits will not be accepted.
9. **SERVICES**: Services rendered by Seller, whether with or without charge, are only technical or advisory in nature and are merely incidental to the sale of the Equipment. When any such services are rendered, Customer will retain full responsibility for and full control, custody and supervision of the Equipment and the installation, selection of material thereof, and a representative of Customer shall be present with full authority to direct operations.
10. **LIMITED WARRANTY AND DISCLAIMER**: As set forth separately, different warranties may apply to different

categories of Equipment. As to all Equipment, **SELLER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO ANY OF THE EQUIPMENT.** The warranties made are in lieu of any other warranty, express or implied, and can be amended only by a written instrument signed by officer of Seller.

11. **WAIVERS AND RELEASES:** Except as provided in the warranty document and for the willful misconduct or gross negligence of Seller, its employees or agents, Customer hereby releases Seller, its employees, agents and "controlling persons" (within the meaning of section 20 (a) of the Securities Exchange Act of 1934, as amended) from all liabilities, claims, costs, expenses, losses and damages of any and every kind arising out of or resulting, directly or indirectly, from any defect or failure of the Equipment or any act, omission, error or delay in the performance, or nonperformance of Seller's obligations and duties under this Contract. To the extent, if any, that Seller, its employees, agents or controlling persons shall have any liability under this Contract, Customer's exclusive remedy shall be set forth in the warranty documents. **CUSTOMER WAIVES ALL CLAIMS FOR CONSEQUENTIAL DAMAGES AND ALL CLAIMS REGARDING LOSS OF REVENUE, INCOME, PROFIT AND USE OR DAMAGES, WHETHER SAME BE DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL.**
12. **GOVERNING LAW AND VENUE:** This Contract shall be governed by and construed in accordance with the laws of the State of Texas, with any claim or matter to be adjudicated in the courts of the State of Texas, in Harris County.
13. **OTHER TERMS AND CONDITIONS:**
  - a. Customer shall not (by operation of law or otherwise) assign its rights or delineate its performance hereunder without the prior written consent of Seller, and any attempted assignment or delineation by Customer without such consent shall be voided.
  - b. Seller reserves the right to modify the design of any Equipment without obligations, and Seller is not obligated to so modify Equipment previously or subsequently sold.
  - c. Should Customer suspend delivery of the order, Seller reserves the right to charge a monthly storage fee equal to 2.0% of the value of the suspended items.