

**FORNEY CORPORATION
TERMS AND CONDITIONS**

1. GENERAL. The following Terms and Conditions shall govern the Contract of Sale between Forney Corporation (Forney) and the Purchaser. These Terms and Conditions shall govern the subject order to the entire exclusion of all other terms and conditions. Any other provisions that are inconsistent with these terms and conditions shall be deemed without force or effect.

2. WARRANTY.

Materials and Workmanship: Forney warrants that the equipment to be supplied under this contract shall be free from defects in workmanship and material for a period of one year from the date of shipment from factory. Should any failure to conform to this warranty arise within this time period, Forney shall correct such nonconformity by repair or, at its option, by replacement, provided that the equipment has been stored, installed, maintained, and operated in accordance with good industry practice and any specific recommendations of Forney. All claims must be submitted to Forney during the period specified herein and during the warranty period, or shall be deemed waived by Purchaser. Forney shall have the right to inspect the defective equipment upon request, or if such is not installed, to have it returned by Purchaser. If it is found that the returned equipment is non-conforming to Forney's warranty, Forney shall reimburse Purchaser for reasonable shipping charges and will return to Purchaser repaired or replaced goods at Forney's Cost. Forney shall not be responsible for costs of removal or installation of any item whether or not supplied by Forney.

Correction of Nonconformities: Correction of nonconformities, whether patent or latent, in the manner and within the time provided above shall constitute the entire liability of Seller with respect to such equipment whether in contract, warranty, tort, strict liability, or otherwise.

WARRANTIES EXCLUSIVE

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXCEPT THAT OF TITLE, WHETHER WRITTEN, ORAL, OR IMPLIED, IN FACT OR IN LAW (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE).

3. PRICES. The contract price includes only the equipment listed and does not include field services or installation of the equipment unless otherwise stated in this Contract. Escalation, if applicable, shall be in accordance with Forney's General Escalation Clause. Changes in scope or function may result in additional cost of manufacturing, engineering, or service time. A contract supplement will be required when such changes affect the cost or delivery of the equipment. Unless otherwise stated in this Contract, prices are Ex Works Forney's factory (per ICC Incoterms 2000) with all freight charges for Purchaser's account. Forney will provide United States Customs Clearance from Forney Factory in Mexico. Forney will ship prepaid and bill freight charges in addition to contract amount unless other arrangements are made. Advance written request for

shipment by Purchaser's preferred carrier or routing will be honored; all charges thereon shall be for Purchaser's account. Payment terms are Net 30 days from invoice date, unless otherwise specified in contract. All payments hereunder shall be in US dollars and made by ACH or wire transfer. For questions, contact Forney Accounts Receivable at AR@forneycorp.com.

4. TAXES. The amount of any present or future sales, revenue, excise or other taxes applicable to the products listed herein shall be added to the purchase price and shall be paid by the Purchaser, or in lieu thereof the Purchaser shall provide Forney with a tax exemption certificate acceptable to relevant taxing authorities.

5. DELIVERY. All scheduled completion dates are estimated. Forney will use its best efforts to maintain the dates specified; however, Forney shall not be liable for any delay or failure in the estimated delivery or shipment, or for any damages suffered by reason thereof.

6. FORCE MAJEURE. Forney shall not be liable for any loss or damage resulting from delay in the prosecution or completion of the work caused by labor disputes, acts of God, fires, riots, thefts, accidents, inability to obtain necessary labor, materials, components, or fuel, acts of the Government, or any other cause which is beyond the reasonable control of Forney. Forney agrees to notify Purchaser if any of these events occur and Purchaser will extend the dates by a period of time equal to the delay experienced and its consequences, if any.

7. DELAYS. Should Purchaser request a holdup in the prosecution of the work, all costs associated with the holdup shall be for Purchaser's account. Should Purchaser request a delay in shipment once the equipment is ready for shipment, Forney Corporation will arrange for storage at Purchaser's expense. In this event, the date equipment was placed into storage shall be considered the date of delivery, payment shall be made and title shall transfer accordingly.

8. CONTRACT DOCUMENTS. Any drawings, sketches or other documents furnished by Forney are strictly for the stated use of Purchaser and/or Owner in the assembly and use of the equipment as covered by the Purchase Order. The information contained in such documents is proprietary to Forney. It is agreed that neither Purchaser nor Owner shall copy, publish or otherwise disseminate such documents or their contents to any other party without the prior written permission of Forney.

9. RETURNS AND SHORTAGES. The Purchaser shall not be entitled to return any equipment shipped to it hereunder, except as permitted by Forney, and subject to such procedures and to such restocking charges as Forney may determine, in its sole discretion. Shortages must be reported in writing to Forney within ten (10) days of receipt of material; otherwise, shipment is presumed to be complete and in accordance with bill of lading and packing list.

10. LIMITATION OF LIABILITY. In no event, shall Forney, its subcontractors or its vendors be liable in contract,

tort, strict liability, indemnity, warranty, or otherwise, for any special, indirect, incidental, or consequential damages, such as but not limited to, loss of anticipated profits or revenue, loss of use of system, nonoperation or increased cost of operation of other equipment, cost of capital, cost of purchased or replacement product or power, or claims of customers of Purchaser for loss or damage of any nature whatsoever.

The liability of Forney, its subcontractors, or vendors with respect to any contract, or anything done in connection therewith, or from the manufacture, sale, delivery, resale, installation, or technical direction of installation, repair, replacement, or use of any equipment covered by or furnished under this contract, whether in contract, in tort, in warranty, in indemnity, and in strict liability, or otherwise, shall not exceed the purchase price paid, and the Buyer will indemnify and hold Forney harmless from any and all liability arising under this contract in excess of said purchase price amount. Buyer further agrees to assign Forney's obligation, rights, responsibilities, and benefits under this Agreement to Buyer's Customer upon Forney's completion of the Purchase Order. The foregoing does not limit Forney's liability for any injury to or death of a person caused by the gross negligence of Forney. The remedies of the Purchaser set forth in this contract are exclusive.

11. SOFTWARE. In the event that the scope of this Contract includes software, Forney's acceptance of any Purchase Order shall be contingent upon the execution by Purchaser/Owner of an appropriate Software License Agreement supplied by Forney.

12. CHANGES IN LAW. In the event that any federal, state, or municipal law or regulation, as well as design code, or professional standard, is modified or is instituted after the effective date of this contract, and which mandates changes in the equipment to be supplied hereunder, any increase in the cost of labor and material necessary for compliance with these changes, will be for the Purchaser's account. Such changes in the equipment may also result in changes in warranty and delivery.

13. CANCELLATION. Purchaser may terminate this order, in whole or in part, with payment of reasonable charges, based upon expenses incurred and a reasonable profit thereon, and payment of all termination charges or costs due Forney's suppliers.

14. WAIVER. Waiver by Forney of any of these Standard Terms and Conditions shall not constitute a waiver of any other of these Standard Terms and Conditions.

15. TITLE AND RISK OF LOSS. Title and Risk of Loss shall pass to the Purchaser upon delivery to the carrier unless specified otherwise.

16. GOVERNING LAW AND ARBITRATION. This Contract, its acceptance, sale of the equipment, and any other matter arising out of the transaction contemplated hereunder shall be governed by the substantive law of the State of Texas. Any disputes arising under this Contract shall be

referred to binding arbitration in Dallas, Texas, under the commercial arbitration rules of the American Arbitration Association.

17. ANTI – CORRUPTION/ ANTI- BRIBERY. Neither Purchaser nor any Purchaser subsidiary, nor to Purchaser's Knowledge any of their Affiliates, directors, officers, or employees, any of their agents or representatives, has taken any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any "government official" (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) to influence official action or secure an improper advantage; and Purchaser and its subsidiaries, and to Purchaser's Knowledge, its Affiliates have conducted their businesses in compliance in all material respects with applicable anti-corruption Laws and have instituted and maintain and will continue to maintain policies and procedures designed to promote and achieve compliance with such Laws and with the representation and warranty contained herein.

18. CONFLICT MINERALS. The Company has undertaken commercially reasonable efforts to eliminate Conflict Minerals from each Company Product and any products currently proposed to be manufactured by the Company or on its behalf in the future. "Conflict Minerals" means columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which originate in the Democratic Republic of the Congo or other country the exploitation and trade of which is determined by the United States to be financing conflict in the Democratic Republic of the Congo or other country.

19. RESTRICTIONS REGARDING SPECIALLY DESIGNATED NATIONALS. The Office of Foreign Assets Control ("OFAC") in the Department of Treasury ("Treasury") publishes and regularly updates an integrated and comprehensive list of designated parties referred to as Specially Designated Nationals ("SDNs") with whom U.S. persons are prohibited from conducting transactions or providing services, and whose assets are blocked. Buyer represents and warrants it has checked the SDN list and that neither Buyer, nor any of its employees or subcontractors who may provide services pursuant to this Purchase Order, is currently on that list.