

**FORNEY CORPORATION
STANDARD TERMS AND CONDITIONS**

1. GENERAL. THE FOLLOWING TERMS AND CONDITIONS SHALL GOVERN THE ENTIRE RELATIONSHIP BETWEEN FORNEY CORPORATION ("FORNEY") AND THE PURCHASER INCLUDING, BUT NOT LIMITED TO, ALL NEGOTIATIONS, ORDERS, ACCEPTANCES, SALES, AND DELIVERIES. NO TERM OR CONDITION OR OTHER UNDERSTANDING, ORAL OR WRITTEN, IN ANY WAY PROPOSING TO VARY OR EXPAND UPON THESE TERMS AND CONDITIONS, WHETHER CONTAINED IN THE PURCHASER'S FORMS OR ELSEWHERE, SHALL BE BINDING ON FORNEY, ITS SUCCESSORS OR ASSIGNS, UNLESS IN WRITING AND SIGNED BY AN OFFICER OF FORNEY.

2. WARRANTY. Materials and Workmanship Notwithstanding anything else in this Contract, Forney warrants for a period of twelve (12) months from the date of initial operation or eighteen (18) months from the date of shipment from factory, whichever occurs first, (the "Warranty Period") that any products manufactured by it and supplied in connection with its services shall be free from defects in workmanship or material. This Warranty is based upon the Buyer notifying Forney in writing of any apparent nonconformity promptly, but in no event later than thirty (30) days after such became known to Buyer, or should have become known to Buyer in the exercise of due diligence. All claims must be submitted to Forney during the period specified herein and during the warranty period, or shall be deemed waived by Buyer. Forney shall have the right to inspect the defective equipment upon request, or if such is not installed, to have it returned by Buyer, at Buyer's expense. Forney agrees, at its sole option, to either repair or replace defective products, or refund Buyer's fees paid for such products. Forney's sole liability with respect to third-party equipment, materials, parts or software furnished by Forney to Buyer is limited to the permissible assignment by Forney to Buyer of any third party Vendor's warranty; to the extent the warranty is assignable. The foregoing remedies are the exclusive remedies for any breach of Forney's products warranty. In no event shall Forney have any obligation to make repairs, replacements or corrections required, in whole or in part, as the result of (i) the effects of corrosion, erosion, aging, and normal wear are specifically excluded from this warranty (ii) accident, disaster or other event beyond the reasonable control or fault of Forney,

(iii) misuse, fault or negligence of or by Buyer, (iv) use of the products in a manner for which they were not designed, (v) causes external to the products such as, but not limited to, power failure or electrical power surges or (vi) Forney shall not be responsible for costs of removal or installation of any item whether or not supplied by Forney (vii) use of the products in combination with equipment or software

not supplied by Seller. Any installation, maintenance, repair, service, relocation or alteration to or of, or other tampering with, the products performed by any person or entity other than Forney without Forney's prior written approval, or any use of replacement parts not supplied by Forney, shall immediately void and cancel all warranties with respect to the affected products. Forney warrants that the services provided hereunder will be performed in accordance with generally accepted industry standards and practices by competent personnel. In the event that any services fail to comply with the foregoing standard upon notice within one (1) year from the date when services are completed, Forney will, at its sole option, either re-perform the non-complying services at no additional charge or refund to Buyer all fees paid by Buyer for the non-complying portion of the services. These remedies are the exclusive remedies available to Buyer for any breach of Forney's services warranty. THE FOREGOING WARRANTIES ARE THE SOLE AND EXCLUSIVE WARRANTIES GIVEN BY FORNEY IN CONNECTION WITH THE SERVICES PERFORMED AND PRODUCTS PROVIDED HEREUNDER, AND ARE IN LIEU OF ALL OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY FORNEY, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

3. PRICES. The Contract price provided by Forney in its proposal will be valid for thirty (30) days, unless otherwise stated. The Contract price includes only the equipment listed and does not include field services or installation of the equipment unless otherwise stated in the Contract. 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. In the event the Contract delivery date is greater than one year from the effective date of the Contract, Forney reserves the right to increase its prices to take account of variations in fuel, materials, currency exchange, import surcharge, excise duty, air and ocean freight charges or other costs between the date of the purchase order, Contract quotation or tender and the date of delivery of the Goods, Services and Software and the Buyer shall pay any such increases in addition to the price stated in the Contract.

4. PAYMENTS. Forney shall issue an invoice to Buyer for all amounts due and owing under this Agreement within five (5) days after shipment of Goods and Materials or completion of the Services. The Buyer shall pay all invoiced amounts due to Forney within ten (10) days from Buyer's receipt of such invoice. 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.

- 5. PATENT INDEMNITY AND PATENTS.** Forney will defend any suit instituted against Buyer for alleged infringement of United States patents issued prior to this Sale and relating to equipment of Forney design, provided such infringements shall consist only in the use of such equipment by itself not in combination with other devices, and provided Buyer gives Forney immediate notice in writing of any claim of infringement or institution of any suit, permits Forney to defend such suit and furnishes all needed information, assistance, and authority to enable Forney to do so. In case of a final award of damages in any such suit, Forney will pay such award, but will not be responsible for any settlement made without its written consent. Notwithstanding the foregoing, Forney shall have the right to cure any claimed infringement at its option by (i) acquiring the right for the Buyer to use the equipment; (ii) supplying modified designs, additional or alternate parts for modification of the equipment to avoid a claim of infringement; or (iii) refunding that portion of the purchase price received by Forney and abandoning or directing the return, at Forney expense, of the equipment.

Buyer shall indemnify Forney against all liability or expense arising out of or in connection with claims of infringement made by others with respect to equipment manufactured in accordance with designs furnished by Buyer, or furnished by any third party at the request of Buyer.

- 6. 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 Buyer, or in lieu thereof the Buyer shall provide Forney with a tax exemption certificate acceptable to relevant taxing authorities.
- 7. DELIVERY.** All scheduled completion dates are estimated. Forney will use its best efforts to maintain the dates specified; Forney shall not, however, be liable for any delay or failure in the estimated delivery or shipment, or for any damages suffered by reason thereof.
- 8. FORCE MAJEURE.** Neither party shall be liable to the other party for any loss or damage resulting from delay in the prosecution or completion of the work caused by labor disputes, 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 the parties. The party requesting delay shall provide reasonable notice to the other party of the Force Majeure event. The time period to complete the project will extend by a period of time equal to the delay experienced and its consequences, if any. In the event the delay is greater than 90 days, either party may cancel the Contract.
- 9. DELAYS.** Should Buyer request a delay in the prosecution of the work, all costs associated with the delay including removal of equipment from engineering and production,

storage, rescheduling, reconditioning, restoring equipment to production after removal of Buyer's delay, etc., shall be for Buyer's account. Forney assumes no responsibility whatsoever for any delay or the consequences thereof, in restoring equipment to production. When material is ready for shipment, if any act, omission or request of the Buyer, for any reason whatsoever, results in a delay in shipment of the material, Buyer shall assume all risk of loss or damage and shall be responsible for all charges in connection with storage and reconditioning. In the event of such delay, the date of delivery shall be regarded as the date when ready for shipment and payments shall be made accordingly. Upon request by Buyer, Forney shall arrange for storage of the equipment. All costs thereof shall be for Buyer's account.

- 10. CONTRACT DOCUMENTS.** Any drawings, sketches or other documents furnished by Forney are strictly for the stated use of Buyer 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 Buyer nor Owner shall copy, publish or otherwise disseminate such documents or their contents to any other party without the prior written permission of Forney.
- 11. RETURNS AND SHORTAGES.** The Buyer 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.
- 12. LIMITATION OF LIABILITY.** To the extent permitted by law, the aggregate liability of Forney hereunder whether in contract, tort (including negligence) or otherwise, will be limited to one times the contract value, provided however the foregoing limitation does not limit the liability of Forney for any injury to, or death of a person, caused by the gross negligence of Forney.

Under no circumstances shall either party be liable for special, indirect, or consequential damages of any kind including, but not limited to, loss of profits, loss of good will, loss of business opportunity, additional financing costs or loss of use of any equipment or property, whether in contract, tort (including negligence), warranty or otherwise, notwithstanding any indemnity or other provision to the contrary.

- 13. 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 Buyer/Owner of an appropriate Software License Agreement supplied by Forney and/or provided by the Software provider (attached if applicable as Appendix A).

14. 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 Buyer's account. Such changes in the equipment may also result in changes in warranty and delivery.

15. CANCELLATION. Buyer may terminate this order, in whole or in part, with payment of reasonable charges, based upon expenses incurred plus an additional 10% administrative fee, and payment of all termination charges or costs due Forney's suppliers.

16. TITLE AND RISK OF LOSS. Unless otherwise stated in the Contract, prices are FCA Laredo (per Incoterms® 2010) with all freight charges for Buyer's account. Forney will ship collect unless other arrangements are made. Advance written request for shipment by Buyer's preferred carrier or routing will be honored; all charges thereon shall be for Buyer's account. Payment terms are Net 30 days from invoice date, unless otherwise specified in the contract. Title and Risk of Loss shall pass to the Buyer upon arrival in Laredo, Texas unless specified otherwise.

17. GOVERNING LAW AND DISPUTE RESOLUTION [U. S. BUYER]. This Agreement shall be interpreted, governed, and enforced exclusively by the internal laws of the State of Texas, including, without limitation, the Uniform Commercial Code as interpreted by the State of Texas on the date hereof and specifically excluding its conflicts of law rules. The parties agree to waive the United Nations Convention on Contracts for the International Sale of Products, 1980, as amended (CISG). Attempts should be made to settle any disputes regarding this contract by negotiation. If the negotiations do not succeed, all proceedings for the enforcement hereof shall be brought in state or federal court located in Texas. Seller and Buyer consent and submit to the jurisdiction of said courts, waive any objection thereto, and agree that service of process may be made by registered or certified mail, or in any manner provided under state or applicable federal law. Nothing herein shall prevent a party from joining the other party as an additional defendant or third-party defendant in any suit brought by or against such party in another forum if any issue in said suit relates to the matters referred to in this Agreement.

18. CUSTOM PRODUCTS. Intellectual property resulting from the development of custom products (including but not limited to hardware, software, and technical documentation) for Buyer are exclusively the property of Forney and may not be reproduced, redistributed, or resold by Buyer without prior written permission.

19. FEDERAL ACQUISITION REGULATIONS. The software, components, equipment and services proposed

by Forney are commercial items as defined by the Federal Acquisition Regulations ("FAR") and the prices in any resulting contract and in any change proposal are based on Forney's standard commercial accounting policies and practices which do not consider any special requirements of U.S. Government cost principles and do not meet the requirements of Part 31 of the FAR or any similar procurement regulations. Forney agrees only to perform a contract for the sale of a commercial item on a fixed-price basis. In addition, Forney will not agree to submit or certify to any cost or pricing data nor will Forney agree to any requirements to establish price reasonableness under FAR Part 15 or such similar regulations. In stating its position, Forney refers to FAR Part 12 - "Acquisition of Commercial Items." All Sales under \$3,000 are made pursuant to FAR Part 13, Simplified Acquisitions.

20. BUYER SITE OBLIGATIONS. Buyer shall provide a representative ("Buyer's Representative") authorized to act for Buyer under this contract. The Representative shall be available during normal working hours as often as may be necessary to implement Buyer's responsibilities under this Agreement. In addition to agreeing to pay for all Services as herein provided, Buyer hereby agrees as follows:

(a) Without cost to Seller, Buyer shall furnish the necessary site, easements, facility, utilities, access and other to allow for the proper Services to be provided, and water, air, light, and power at the locations of the Work sufficient for Seller to fulfill its responsibility requirements, identified in the Statement of Work.

(b) Buyer shall also identify and provide such permits, priorities or other order of public authorities as may be necessary for Seller to perform the maintenance work described in of the Statement of Work on a non-interference basis.

(c) Buyer will allow Seller, and its subcontractors, employees and agents (collectively, "Seller Personnel"), unimpeded access to Buyer's premises for the purpose of enabling Seller to fulfill its obligations hereunder, at such times as may be reasonably requested by Seller. Furthermore, Buyer will not require that any Seller Personnel sign any agreement (relating to indemnification, waiver, or otherwise) as a condition to such access.

(d) Buyer will provide Seller Personnel a safe and secure workplace while they are on Buyer's premises in order to fulfill Seller's obligations hereunder.

(e) Buyer will provide an overview of the site hazards prior to Work beginning.

(f) Buyer will provide utility and other system connections in a condition that is safe and properly locked/tagged out in accordance with appropriate OSHA regulations (29 CFR 1910.147) in order to ensure the safety of Seller Personnel. Buyer shall demonstrate that it has a program in place and

will utilize procedures for affixing appropriate lockout or tagout devices to energy isolating devices, and to otherwise disable machines or equipment to prevent unexpected energization, start-up, or release of stored energy in order to prevent injury to Seller Personnel.

(g) Buyer will provide appropriate work area controls so as to prevent unauthorized access to the area where work being performed by Seller Personnel are occurring; and

(h) Buyer will remove and remediate any waste or hazardous materials in accordance with applicable laws and regulations.

(i) Buyer will shutdown all process equipment being protected by the Products before any inspection or additional Services is performed by Seller hereunder. (l) Buyer will notify Seller in writing of any changes in the equipment, operating procedures, installation, or plant which may affect the Products or Equipment or relate to their design.

(j) Buyer will operate and maintain the Products in accordance with the system manual previously provided with the system (the "System Manual") and will instruct its employees to ensure such correct operation and maintenance. Buyer expressly acknowledges and agrees that it shall retain full responsibility for the maintenance of the Products between inspections.

(k) If Buyer fails for any reason to fulfill any of these obligations and Seller Personnel are thereby unable to conduct an Inspection on any agreed Inspection date or any additional Services on an agreed Services date, then Seller's obligation to provide that Inspection or additional Services shall be immediately discharged, and the Buyer shall have an obligation to pay the Base Price as though the Inspection had been performed, or, if applicable, all fees and expenses incurred in connection with the additional Services as though such Services had been performed.

(l) NUCLEAR DECONTAMINATION: Before Seller, its subcontractors and vendors shall be required to perform any work under the Limited Warranty provisions of this Agreement, Buyer shall perform, without costs to Seller, its subcontractors, or vendors, all required documentation necessary to permit Seller, its subcontractors or vendors, to perform its obligations in the same manner as if no contamination had occurred.

21. EXPORT CONTROL. Buyer agrees to conduct its operations under this Contract and perform all its responsibilities in full compliance with export and other foreign trade controls under any applicable United States (U.S.) laws restricting sales or transfers to other countries or parties of commodities, software, technology, or technical data. Any other provision of this Contract to the contrary notwithstanding, Buyer agrees that no commodities, software, technology, or technical data of

U.S. origin or with U.S. origin content will be sold, exported, re-exported or transmitted except in full compliance with all applicable laws, including all relevant U.S. government requirements. In addition, Buyer shall comply with all applicable laws, including U.S. government requirements, governing the transfer of information and items to U.S. embargoed and sanctioned countries and denied and restricted parties. Any violation of this section, as determined solely by Forney, shall be deemed a material breach of this Contract.

22. COMPLIANCE WITH LAWS. Buyer represents, warrants, certifies and covenants that it will comply with all laws applicable to the goods, services and/or the activities contemplated or provided under these Terms, including, but not limited to, any national, international, federal, state, provincial or local law, treaty, convention, protocol, common law, regulation, directive or ordinance and all lawful orders, including judicial orders, rules and regulations issued thereunder.

23. CONFLICT MINERALS. Vendor agrees that it will comply with U.S. Securities and Exchange Commission disclosure rules and other regulations regarding "conflict minerals", including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and that it will undertake periodic inquiries of any Subcontractors and manufacturers of Products to ensure compliance with the foregoing.

24. WAIVER. No claim or right arising out of a breach of this Contract can be discharged in whole or in part by a waiver or renunciation unless supported by consideration and made in writing signed by the aggrieved party. Either party's failure to enforce any provisions hereof shall not be construed a waiver of a party's right thereafter to enforce each and every such provision.

25. 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.