

**FORNEY CORPORATION
STANDARD TERMS AND CONDITIONS
DOMESTIC & INTERNATIONAL FIELD SERVICE AND TECHNICAL ASSISTANCE**

The term “Forney” as used herein shall be deemed to refer to FORNEY CORPORATION.

1. **INCORPORATION:** These Standard Terms and Conditions are hereby incorporated into Purchaser’s inquiry, request for quotation, letter of intent, purchase order, change order, etc., and any resultant contract. No deviation herewith shall be binding on Forney unless agreed to in writing.
2. **TAXES:** The prices provided for herein are exclusive of any present or future Federal, State, Host Country, or other sales or use taxes, duties, tariffs and levies, with respect to any service covered hereby and of any other present or future tax upon or measured by the gross receipts from this transaction or any allocated portion thereof. If Forney is required by applicable law or regulation to pay or collect any such tax on account of this transaction or services covered hereby, then such amount of tax shall be paid by the Purchaser in addition to the prices herein provided for, or the Purchaser shall reimburse to Forney the amount of any taxes which Forney is obligated to pay.
3. **INSURANCE AND INDEMNIFICATION:** Forney, for itself, as well as for its successors and assigns, shall save, hold harmless and indemnify the Purchaser, its successors and assigns, from any and all claims, demands and liabilities for injury to or death of, any personnel supplied by Forney for, or in connection with, the plant whether or not caused, or claimed to have been caused by acts or negligence of the Purchaser or by others for, or in connection with, the plant.

The Purchaser, for itself, as well as for its successors and assigns, shall save, hold harmless and indemnify Forney, its successors and assigns, from any and all claims, demands and liability, including but not limited to, injury to, or death of, any personnel, other than personnel supplied by Forney for, or in connection with, the plant whether or not caused, or claimed to have been caused, by acts or negligence of Forney, its agents or employees or by others.

Forney at its sole cost and expense carries and maintains at all times minimum statutory requirements for the following insurance coverage: Workman’s Compensation, Employer’s Liability, Comprehensive General Liability, and Comprehensive Automobile Liability. Upon written request, Certificates of Insurance shall be supplied by Forney to Purchaser evidencing that the above insurance is in force.

4. **LIMITATION OF LIABILITY:** In no event shall Forney or its subcontractors or vendors be liable in contract, tort, strict liability, 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, non-operation or increased expense of operation of other equipment, cost of capital, cost of purchased or replacement product or power, or claims of customers of purchaser for any costs whatsoever.

The remedies of the Purchaser set forth in this contract are exclusive.

The liability of Forney, its subcontractors or vendors with respect to any contract, or anything done in connection therewith, or from the Field Service, Technical Assistance, manufacture, sale, delivery, resale, installation repair, replacement or use of any service or equipment covered by or furnished under this contract, whether in contract (including the indemnity provisions hereof), in tort, in warranty, in strict liability, or otherwise, shall not exceed the original purchase price paid on the Contract. If the Contract provides for the furnishing of more than one unit of equipment or materials, the limitation prescribed here-in-above shall be applied to each individual unit with respect to which such breach has occurred and “contract price” shall be deemed to mean the unit price specified in the Contract, or if none is specified, a proportionate part of the total price stipulated for all such units.

In the event the Purchaser and the Owner are different parties, the following shall apply:

- a. Purchaser shall obtain from the Owner, in favor of Forney, an agreement that Owner will be bound by the remedies extended herein, or Purchaser in lieu thereof, will indemnify Forney from liability, damages, costs, losses, or expenses, in excess of those provided for herein.
- b. Purchaser shall obtain from the Owner, in favor of Forney, or its subcontractors or vendors, a release from consequential damages to the extent stated in the first paragraph: or in lieu thereof, the Purchaser will indemnify and hold harmless Forney from and against liability damages, costs, losses, and expenses resulting from Owner’s consequential losses of any nature.

5. **WARRANTY:** Forney agrees to correct any services it has performed and which are shown to Forney's satisfaction to have been performed in a faulty manner, provided notice of such faulty service is given at the conclusion of the work to be performed hereunder.

Forney shall correct such defective work on an eight (8) hour per day, forty (40) hour per week basis. The cost of overtime shall be paid by the Purchaser at the applicable overtime rates in force at the time of the work.

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 PURPOSE).

The foregoing shall constitute the sole remedy of the Purchaser and the sole liability of Forney for defective or faulty services whether in contract, in tort, in warranty, in strict liability, or otherwise.

6. **WAIVERS OF SUBROGATION:** The Purchaser shall, in his direct damage and use and occupancy (business interruption) insurance policies covering the facility in which equipment is installed, provide for waivers of subrogation rights in favor of Forney. The Purchaser shall indemnify and hold harmless Forney for failure to effect such waivers.

7. **MATERIALS FURNISHED IN CONJUNCTION WITH FIELD SERVICE:** In the event spare parts or materials are required in conjunction with Field Service or supplied by the service representative as back up spare parts or material, the Purchaser's authorized representative shall authorize said parts or material by signing the Field Service Representative Time Report, Form FE346. The parts or materials furnished in conjunction with Field Service shall be governed by Forney Terms and Conditions, Spare and Repair Parts Form (R11/18/89) and Standard Products, Form FI622 including but not limited to, the Warranty for said parts or materials; a copy of Form F1622 is available and will be furnished upon request.

When expedited handling of parts and material are required by Field Service Personnel, there will be a 15% handling charge added to the standard current selling price of the parts or material.

8. **ACCEPTANCE:** This proposal constitutes an offer to sell field service subject to all the terms and conditions set forth in the proposal or contained herein.
9. **CANCELLATION:** Forney corporation schedules its service technicians upon signing of a purchase order. If there is a cancellation or amendment to the agreed upon schedule after the technician has booked travel arrangements, Forney will charge reasonable administration fees. These fees may include travel, lodging, and any other nonrefundable expense accrued.

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.