

GHX Industrial, LLC TERMS AND CONDITIONS OF SALE

1. ACCEPTANCE AGREEMENT

GHX INDUSTRIAL, LLC's acceptance of any purchase order is limited to Purchaser's agreement to the express terms contained on the face and back of this invoice. Purchaser's agreement to these terms and conditions shall be conclusively presumed from Purchaser's receipt of GHX INDUSTRIAL, LLC's invoice without prompt written objection thereto, or from Purchaser's acceptance of any part of the goods ordered hereby. Any proposal for additional or different terms, or any attempt by Purchaser to vary in any degree any of the terms of this invoice, is hereby objected to and rejected. Any provisions on the face or reverse side of any purchase order which Purchaser may send to GHX INDUSTRIAL, LLC in connection herewith are for order identification only, are expressly objected to by GHX INDUSTRIAL, LLC and waived by Purchaser, and made inapplicable to any purchase of GHX INDUSTRIAL, LLC products under this invoice.

2. TERMS OF PAYMENT AND FAILURE TO PAY

Payment is due 30 days from the invoice date in US Dollars, unless otherwise specified herein. If Purchaser fails to pay any invoice when due, or if the financial condition or credit of Purchaser becomes unsatisfactory to GHX INDUSTRIAL, LLC, GHX INDUSTRIAL, LLC, at its option and without affecting any other lawful remedy, may change the terms of payment or suspend work and further deliveries, or both, until Purchaser provides security or other assurances for performance as demanded by GHX INDUSTRIAL, LLC. The failure or refusal of Purchaser to provide assurances within ten (10) days after a request by GHX INDUSTRIAL, LLC will constitute a repudiation, at GHX INDUSTRIAL, LLC's discretion, of the entire contract. By submitting any purchase order or other writing, either prior or subsequent to the date of GHX INDUSTRIAL, LLC's quotation, Purchaser represents that it is solvent for all purposes.

3. PRICES • QUOTATIONS

Quotations are subject to change without notice and cover only the specified quantity. Due to conditions affecting prices, GHX INDUSTRIAL, LLC will accept orders with the understanding that GHX INDUSTRIAL, LLC reserves the right (with the exception to any price quoted for a special article) to change the price at any time, or from time to time, as to any part of the order then unfilled. Delivery of any part of an order at the price stated thereon shall be without prejudice to GHX INDUSTRIAL, LLC's right, as stated, to change the price as to any remaining part of the order. All prices are subject to increase due to taxes, tariffs, duties, and manufacturer price increases.

4. TITLE AND RISK OF LOSS

Unless otherwise stated with the order, Purchaser is responsible for any freight costs associated with the delivery of products to its destination. Title and risk of loss will pass to Purchaser upon delivery to the common carrier or upon customer pick-up.

5. TAXES

Any tax imposed on GHX INDUSTRIAL, LLC by any law or governmental entity on the sale or use of the products sold by GHX INDUSTRIAL, LLC shall be in addition to the sales price thereof.

6. DELIVERIES; FORCE MAJEURE

(a) While GHX INDUSTRIAL, LLC shall try to schedule Purchaser's order for delivery as nearly in accordance with its instructions as possible, GHX INDUSTRIAL, LLC does not guarantee nor assume liability for failure to meet any delivery dates.

(b) GHX INDUSTRIAL, LLC shall not be liable for failure to deliver products ordered by Purchaser if due to fire, flood, hurricane, riots, war, terrorism, government regulation, shortages of material, qualified labor, or inventory, discontinuance or change in design of ordered products, acts of God, or other similar or dissimilar causes beyond the reasonable control of GHX INDUSTRIAL, LLC.

7. CANCELLATIONS

Cancellation of orders once placed with and accepted by GHX INDUSTRIAL, LLC can be made only with GHX INDUSTRIAL, LLC's consent. Orders may be cancelled or deliveries deferred only up to the condition that Purchaser assumes immediate liability and makes payments to GHX INDUSTRIAL, LLC for (a) all work completed at the unit price; (b) work in progress on the basis of percentage of completion thereof times the order unit price, and (c) raw materials, unamortized tooling, engineering and other cancellation charges incurred on the basis of cost to GHX INDUSTRIAL, LLC, plus handling and overhead charges. All cancellation charges shall be determined at the time of cancellation and are immediately due and payable.

8. DEFERRED DELIVERIES

GHX INDUSTRIAL, LLC may, but is not obligated to, accept a written request by Purchaser to delay shipment of any ordered products. If delayed shipment is accepted by GHX INDUSTRIAL, LLC, Purchaser shall pay any additional costs incurred by the delay and the price for the balance of the order shall be adjusted to reflect prices and costs in effect at the time of actual shipment. Any agreed to shipping delay is not to exceed thirty (30) days on that portion of the order which is not then in process or completed on condition that at

the expiration of such time definite shipping instructions which meet with GHX INDUSTRIAL, LLC's approval are given. Should the Purchaser at the expiration of the delay period fail to furnish definite acceptable shipping instructions, GHX INDUSTRIAL, LLC shall have the right to make a cancellation charge on the same conditions and terms of payment as outlined under "Cancellation".

9. RETURNED GOODS POLICY

Requests for the return of products purchased from GHX INDUSTRIAL, LLC will be considered only if the product is in new, resalable condition and in its original packaging. Fabricated custom hoses and gaskets, and special order non-inventoried items are not eligible for return. Eligible return items will be subject to restocking charges and should only be returned to GHX INDUSTRIAL, LLC after a Return Goods Authorization Number has been obtained from GHX INDUSTRIAL, LLC's customer service department.

10. SHORTAGES

Shortages or differences in shipments must be reported in writing to GHX INDUSTRIAL, LLC within ten (10) days after receipt of shipment.

11. WARRANTY; LIMITATION OF LIABILITY

GHX INDUSTRIAL, LLC warrants for a period of one (1) year from the shipment date that all products sold by it meet the specifications for such products and are free from defects of material and workmanship. GHX INDUSTRIAL, LLC agrees to repair or replace without charge, F.O.B. its facility, or at its option to allow credit for, any portion of a product which proves to be defective in material or workmanship within the warranty period stated above. THIS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER EXPRESS OR IMPLIED WARRANTIES ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

IN NO EVENT WILL GHX INDUSTRIAL, LLC BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. THE TOTAL LIABILITY OF GHX INDUSTRIAL, LLC FOR ANY DAMAGES HEREUNDER SHALL BE LIMITED TO THE AMOUNT PAID BY PURCHASER FOR THE PRODUCTS PURCHASED HEREBY.

Written notice of any claimed defect must be given to GHX INDUSTRIAL, LLC within thirty (30) days after such defect is or should have been discovered. Products claimed to be defective must be held for GHX INDUSTRIAL, LLC's shipping instructions. No claim for products alleged to be defective will be allowed until GHX INDUSTRIAL, LLC has had a reasonable opportunity to examine the products. GHX INDUSTRIAL, LLC's obligation with respect to defective products is expressly limited to the repair or replacement of, or at its option, allowing credit for any such products, all as herein above provided.

This warranty does not extend to (a) any losses due to misuse, accident, abuse, neglect, normal wear and tear, or improper installation, maintenance or application; (b) products that have been repaired or altered outside of GHX INDUSTRIAL, LLC's facility, unless authorized in writing by GHX INDUSTRIAL, LLC or unless such installation, repair or alteration is performed by GHX INDUSTRIAL, LLC; or (c) any labor charges for removal and/or replacement of the non-conforming or defective product or part thereof. This warranty extends to Purchaser only and not to Purchaser's customers or users of Purchaser's products.

12. GOVERNING LAW; VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to any conflict of laws principles. Venue for any action shall lie in the federal or state courts of Houston, Harris County, Texas.

13. ENTIRE AGREEMENT

This invoice and any documents referred to on the face hereof, constitute the entire agreement between the parties. Except as otherwise provided for herein, any changes must be agreed to in writing by GHX INDUSTRIAL, LLC. No statement, recommendation or assistance made or offered by GHX INDUSTRIAL, LLC through its salespersons or other representatives to the Purchaser with respect to the use of any product sold by GHX INDUSTRIAL, LLC shall be or constitute a waiver by GHX INDUSTRIAL, LLC of any of the provisions hereof.

Acknowledged: _____ Date: _____