

STANDARD CONDITIONS OF SALE

HarcoSemco LLC / Semco Instruments, Inc. ("HarcoSemco") proposes to furnish Purchaser products ("Products"), subject to the following terms and conditions:

1. **DELIVERY; FORCE MAJEURE:** Unless otherwise agreed, HarcoSemco will furnish its Products F.O.B. HarcoSemco's facility. Delivery to the transporting carrier shall constitute delivery to Purchaser and transfer of title, subject to the provisions of paragraph 2 below.

If delivery is delayed on account of Purchaser, the Products shall thereafter be held at Purchaser's risk and expense. If partial shipments are made, proportionate payments shall become due and payable on the partial shipments.

Delivery is subject to Purchaser's timely provision to HarcoSemco of necessary data or approved drawings as may be required and any delay in such provision may result in delays in delivery of the Products. In addition, if Purchaser makes any changes in the order for the Products, delivery may be delayed. Delivery of the Products may be delayed due to causes beyond HarcoSemco's reasonable control, including, but not limited to, acts of God, or acts of Purchaser, fires, floods, strikes, accidents, wrecks, delays in transportation, embargoes, car shortages, acts of civil or military authority, compliance with priority orders or preferred ratings issued by the U.S. Government, delay by supplier of material shortages of material, unusually severe weather, or any inability to obtain necessary labor, materials or manufacturing facilities due to any such causes; and in the event of delay due to any such cause the time specified for shipment or completion shall be extended during the continuation of such delay and a reasonable time thereafter to allow for shipment or completion. If changes in specifications or drawings are made by Purchaser and accepted by HarcoSemco shall be entitled to an equitable adjustment in the price, delivery date, or both.

Delivery dates are approximate. Delivery dates and prices are based on prompt receipt of orders by HarcoSemco and all information necessary to permit HarcoSemco to proceed with work immediately and without interruption, and satisfactory assurance of compliance with any terms of payment agreed upon. Prices will be subject adjustment in accordance with the provisions of the annexed price adjustment clause, if any.

2. **TITLE:** Without relieving Purchaser from obligation to make payment as provided for and without reference to the form of invoice that may be used by HarcoSemco, Purchaser agrees that title, to the extent of a security interest in the Products furnished, is reserved in HarcoSemco until the purchase price (including any extensions of payment whether evidenced by note or otherwise) shall have been fully paid in cash, and the Products shall remain personal property whatever may be the mode of its attachment to realty or other property, until fully paid for in cash. Purchaser agrees to perform all acts which may be necessary to perfect and assure retention of title in HarcoSemco as aforesaid. In case of failure by Purchaser to make any payment when due, it is expressly understood that HarcoSemco may take exclusive possession of the Products wherever found and remove same without legal process, all at Purchaser's expense. In the event of default by Purchaser, the amount of damage to HarcoSemco being substantial and difficult or impossible to ascertain, it is hereby agreed that any payments which may have been made to HarcoSemco shall be retained by it as liquidated damages without prejudice to its right of recovery for further damage it may suffer from any cause arising out of such default.

3. **PAYMENT TERMS:** The Purchaser shall pay HarcoSemco's invoice within 30 days following delivery. If delivery is delayed because the Purchaser, payment shall become due within 30 days following the date Purchaser is notified that HarcoSemco is ready to ship.

4. **STANDARD WARRANTY:** HarcoSemco warrants that the Products will be free from defects in title and will be free from defects in material and workmanship for a period of one year following the date of notification of completion at HarcoSemco's facility or shipment by HarcoSemco, whichever is earlier. If HarcoSemco is advised of any defect in accordance with the previous sentence is found, when the Product is properly installed, maintained and used under specified service conditions, within the foregoing one year period, HarcoSemco will repair or replace said part F.O.B. HarcoSemco's facility, provided the original part is returned to HarcoSemco transportation prepaid and provided that HarcoSemco's inspection reveals the Product to have been defective or nonconforming within the terms of this warranty. No Product shall be returned without giving prompt notice of nonconformance or defect to HarcoSemco and obtaining its prior written authorization. HarcoSemco shall in no event be held liable for damage or delay caused by nonconformance or a defect in material or workmanship, and no allowance will be made for repairs or alterations unless made with HarcoSemco's written approval. Purchaser, or any user claiming through Purchaser, assumes all liability for the consequences of the use or misuse thereof by itself, by its employees or by others.

Equipment and accessories not of HarcoSemco's manufacture are warranted only to the extent of the original manufacturer. HarcoSemco shall not be liable for damage of any kind resulting from erosive, corrosive or other harmful action of any gases, liquids, or any other substance handled by the Products. The foregoing is Purchaser's sole and exclusive remedy for defects and is IN LIEU OF ALL OTHER WARRANTIES BY, AND OBLIGATIONS OR LIABILITIES OF, HARCOSEMCO OR ITS REPRESENTATIVES WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE.

5. **INSURANCE:** Purchaser shall obtain and maintain fire and extended coverage insurance in an amount sufficient to protect HarcoSemco's interest in the Products from an insurer satisfactory to HarcoSemco by and at the expense of the Purchaser from the time of delivery until the Products have been fully paid for in cash. The Purchaser shall assume and be fully responsible for and shall indemnify HarcoSemco against all losses resulting from any cause that may not be covered by insurance.

6. **TAXES:** The Purchaser shall pay to HarcoSemco in addition to the purchase price, the amount of any excise, sales, privilege, use of any other local, state or federal tax which is payable by HarcoSemco because of the acceptance of any order, or the sale, delivery, installation, or use of the Products covered hereby.

7. **SPECIFICATIONS:** Any HarcoSemco specifications referred to herein, or annexed hereto, may be a standard form covering Products substantially identical in type and character to that purchased, but there may be variations therefrom in the details of design and construction of any Product. The provisions in the specifications are descriptive and are not to be construed as warranties. HarcoSemco reserves the right to make such changes in details of design and construction as shall, in its judgment, constitute an improvement over such former practice as may be shown or described in the specifications. HarcoSemco does not supply detailed or shop working drawings of its Products. HarcoSemco may make such technical changes in or to the Products or the process of their manufacture as it may deem appropriate, provided that such changes do not affect the form or impair the fit or function of the Products. HarcoSemco shall have the authority to perform material review actions on the Products. Products that do not meet all specifications may

nonetheless be approved by HarcoSemco's material review board if the board determines that the deficiencies do not affect the form or impair the fit or function of the Products.

8. **INTELLECTUAL PROPERTY:** HarcoSemco owns, or has rights to, the intellectual property associated with the Products and Purchaser shall not acquire any rights in any intellectual property associated with the Products, including any intellectual property associated with any future development of or changes to the Products. HarcoSemco shall indemnify Purchaser for any liability Purchaser may incur because of claims of infringement of United States apparatus patents by the Products manufactured by HarcoSemco, except for any infringement arising from (a) compliance with Purchaser's specifications where such infringement could not have been avoided in complying with such specifications, (b) modification of the Products after delivery, (c) combination of the Products with other products or (d) use of the Products in a manner other than that intended. Purchaser shall indemnify HarcoSemco for any liability HarcoSemco may incur because of claims of infringement of United States process patents in the use of the Products furnished hereunder.

9. **CANCELLATION:** Should the order be terminated for any just cause, the Purchaser shall pay HarcoSemco for all costs and expenses incurred and commitments made about the performance of the order.

10. **EMERGENCIES:** For contracts or orders with a price of \$200,000 or more and/or for development contracts of a special nature, where HarcoSemco's performance or completion of such contracts or orders is delayed or suspended for a protracted period, directly or indirectly, as the result of war, national emergency, federal or state statute, government rules or regulations, priority controls, defense efforts, or any like cause (as distinguished from the normal delays in manufacturing caused by factors beyond the control of the manufacturer, such as strikes, fires, traffic embargoes, etc.), either HarcoSemco or the Purchaser, at any time after the end of 180 days following the start of such delay or suspension, may terminate the contract or order upon 10 days' written notice to the other and upon the giving of such notice the Purchaser shall pay HarcoSemco for all costs and expense incurred and commitments made in connection with performance to the date of such suspension, plus a reasonable profit thereon. Title to all material paid for by Purchaser shall thereupon vest in Purchaser, and shall thereafter be held at Purchaser's risk and expense. In the event that the contract or order has not been so terminated, HarcoSemco will, promptly after the cessation of the cause of such delay or suspension, notify Purchaser of the revised shipping schedule and proceed with performance in accordance therewith.

11. **LIMITS OF LIABILITY:** The remedies, guaranties, and warranties, provided herein are in lieu of any remedies, guaranties, indemnities, conditions or liabilities, either express or implied arising by law or otherwise. Upon the expiration of the warranty period expressly set forth herein, all liability for claims not asserted theretofore against HarcoSemco shall terminate.

The liability of HarcoSemco in respect of all damages, losses, costs or expenses whether suffered or incurred by Purchaser or any third party arising in any manner, incident or related to this contract or the performance hereunder shall be limited in the aggregate to the actual price paid by Purchaser to HarcoSemco under this order.

Notwithstanding anything to the contrary, HarcoSemco shall not be liable to Purchaser or Purchaser's customers or any third party for special, punitive, incidental or consequential damages of any kind or character including without limitation the loss of use of the Product or associated equipment, damage to associated equipment, loss of profit or revenue, cost of replacement products, downtime costs or claims of Purchaser's customers or others for any such damages which might arise under this contract or otherwise, regardless of whether such damages are based upon contract, tort, strict liability in tort, negligence or indemnity.

12. **LAWS AND REGULATIONS:** HarcoSemco will comply with applicable federal, state and local laws, orders and regulations. Purchaser agrees that the Products will be used only in accordance with all applicable laws, rules and regulations and that the Products will not be exported from the United States except in compliance with applicable export laws, the rules and regulations thereunder and any licenses or other approvals that may have been or that may be issued to the Purchaser thereunder.

13. **GENERAL:** All the above provisions, together with those set forth in the order to which this is annexed, and such other specific terms as may be accepted by HarcoSemco in writing, all of which are accepted by Purchaser and supersede Purchaser's standard terms and conditions, if any, shall be and constitute the entire agreement for the sale of the Products. Any terms and conditions in any writing pertaining to the sale of the Products irrespective of its wording or of when received by HarcoSemco that are inconsistent with, or add, to the terms and conditions hereof, will not be acceptable or become a part of the contract without HarcoSemco's written consent signed by its duly authorized representative. Commencement of performance or shipping shall not constitute acceptance of any such inconsistent or added terms and conditions. Any representation, promise, course of dealing, or trade usage, not contained or referenced herein, will not be binding on HarcoSemco. No modification, amendment, rescission, waiver, or other change shall be binding on HarcoSemco unless agreed to in writing by HarcoSemco.

ALL ORDERS ARE SUBJECT TO ACCEPTANCE BY HARCOSEMCO, AND NO ORDER SHALL BE BINDING UPON HARCOSEMCO UNTIL SO ACCEPTED.