

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. **Offer and Acceptance.** The Purchase Order is an offer by J2 Resources, LLC ("PURCHASER") to purchase materials, goods, equipment, parts, and associated services further described, referenced, or otherwise inferred as included hereunder (collectively, the "GOODS") from the entity to which it is addressed ("SUPPLIER"). The parties agree that the Purchase Order shall consist of the cover sheet of the Purchase Order, these Terms and Conditions, and all specifications, drawings, notes, instructions, or technical data referred or attached to the Purchase Order, and in the event of any conflict, the cover sheet of the Purchase Order shall control followed by these Terms and Conditions, followed by any terms and conditions contained in supporting documentation provided by PURCHASER. But for the terms and conditions contained in this Purchase Order, PURCHASER would not have entered into this transaction. By accepting this Purchase Order, SUPPLIER agrees to be bound by PURCHASER's terms and conditions to the exclusion of all others, notwithstanding any term or condition contained in any of SUPPLIER's documents or otherwise communicated orally or in writing by SUPPLIER. Any terms or conditions contained on any prior, contemporaneous or subsequent communication (whether written, verbal or transmitted through electronic means, including but not limited to catalogs, merchandise material, delivery documents, and acknowledgements) that submit, propose, or state any additions, changes, deviations, or modifications to the Purchase Order without the specific written agreement of PURCHASER are hereby objected to and rejected, notwithstanding that either party may have commenced performance hereunder. Acceptance of the Purchase Order shall occur by one or more of the following acts: signing and returning a copy of the Purchase Order; delivery of any GOODS; commencement of performance; or express acknowledgement of the terms set forth herein. Acceptance of the GOODS will not constitute acceptance by PURCHASER of SUPPLIER's terms and conditions. SUPPLIER'S ACCEPTANCE OF THE ORDER IS EXPRESSLY CONDITIONED UPON SUPPLIER'S ASSENT TO ALL OF THE TERMS AND CONDITIONS HEREOF AND IS LIMITED TO THE TERMS AND CONDITIONS SET FORTH HEREIN. No other forms of acceptance except those stated herein or agreed to by PURCHASER will be considered acceptance by PURCHASER. Prior dealing between the parties or usage of trade shall not be relevant to supplement or explain any term used in the Purchase Order.
2. **Modification.** Subject to PURCHASER's rights to make changes to the Order, including without limitation as set forth in paragraph 6, none of the terms and conditions contained herein may be added to, modified, superseded, or otherwise altered except by a written instrument specifically referencing the affected provision of the Purchase Order signed by an authorized representative of PURCHASER and an authorized representative of SUPPLIER. In order to acknowledge and document various events during the performance of the Purchase Order, PURCHASER may from time to time sign SUPPLIER's forms, such as delivery tickets, labor tickets, time sheets, bills of lading, sales orders, tickets or acknowledgements. SUPPLIER agrees that any such signature by PURCHASER on a SUPPLIER provided form is for the sole purpose of acknowledging deliveries of materials or equipment, or quantities provided by SUPPLIER. Notwithstanding the foregoing, in no instance shall any terms and conditions on any SUPPLIER provided forms or documents amend, modify, waive, or release any aspect of this Purchase Order. SUPPLIER expressly agrees that any such additional terms and conditions on any SUPPLIER provided forms do not form part of this Purchase Order or and hereby waives and releases PURCHASER from and against any such claims at law, equity, or otherwise related to any SUPPLIER provided forms.
3. **Invoicing and Payment.** Unless otherwise stated, unit prices are as stated at date of issuance of the Purchase Order, are not subject to escalation, and are inclusive of all applicable federal, state, and local

taxes, duties, and other governmental charges and fees imposed on the sale, use, production, or handling of the GOODS. If applicable law or regulation requires the payment of any sales or use taxes on account of a transaction, which tax is imposed upon PURCHASER, then such amount of tax shall be stated separately on the invoice and accrued and paid directly by SUPPLIER to the State as required by statute. In all cases, taxes imposed, if any, shall be stated separately on all invoices. If (i) subsequent to the completion of a transaction, it is determined that applicable law or regulation requires the payment of any sales or use taxes on account of the transaction, or (ii) a sales or use tax is imposed by a state in which SUPPLIER is not registered to do business, and any such tax is imposed upon PURCHASER, then such amount of tax shall be accrued and paid directly by PURCHASER to the State as required by statute. If PURCHASER incurs any additional taxes or penalties from a taxing authority due to incorrect or incomplete information furnished by SUPPLIER, SUPPLIER will be responsible for all such additional taxes, penalties, and any legal expenses incurred by PURCHASER. SUPPLIER shall be liable for all taxes applicable to income or profits received by SUPPLIER in relation to the GOODS. Any reduction in SUPPLIER's costs of providing GOODS from those in force on the date of the Purchase Order due to a reduction in the taxes or other assessments ultimately paid or owed in connection therewith shall be paid to PURCHASER by SUPPLIER reducing the price of the GOODS. Invoices shall be addressed as directed by PURCHASER and shall contain the Purchase Order number, line item numbers, unit of measure, description of line items, sizes, quantities, unit prices, and extended totals. Applicable charges for freight and taxes shall be stated separately. Bills of lading or express receipts shall accompany such invoices. Invoices shall be payable on terms stated on the face of the Purchase Order and shall not include any terms or conditions included on or submitted with SUPPLIER's invoice. The time for payment shall commence with the latest of: actual receipt of invoice and supporting documents; inspection and acceptance of the GOODS; compliance by SUPPLIER with all requirements of the Purchase Order; or the date of receipt of the corrected invoice (in the event that invoices are returned for corrections). Unless freight, taxes and other charges are itemized, any applicable discount will be taken on the full amount of the invoice(s), and all payments are subject to adjustment for offset, shortage, or rejection. PURCHASER may withhold any payment due hereunder to such extent as may be necessary to protect PURCHASER from loss resulting or arising from any breach by SUPPLIER of any of the provisions of the Purchase Order or any anticipated loss due to a reasonable doubt that the goods will fulfill the requirements of the Purchase Order. PURCHASER may withhold payment hereunder for SUPPLIER's failure to provide insurance certificates that comply with the requirements of the Purchase Order. PURCHASER shall have the right to credit toward the payment of any monies that may become due SUPPLIER under the Purchase Order, any sums which are now or hereafter may be owed to PURCHASER by SUPPLIER. Payment shall be deemed to have been made when deposited in the mail or sent by electronic delivery. Payment of an invoice shall not constitute acceptance of the goods and shall be subject to appropriate adjustment for failure of SUPPLIER to meet the requirements of the Purchase Order. SUPPLIER shall have ninety (90) days after delivery of the GOODS to invoice, in a form and manner reasonably satisfactory to PURCHASER for such GOODS. In the event SUPPLIER fails to invoice PURCHASER for all amounts due within such timeframe, SUPPLIER waives the right to seek payment for and releases PURCHASER from any obligation to pay such amounts.

4. **Pricing.** No extra charges, fees, costs, or compensation of any kind will be allowed unless specifically agreed in writing by PURCHASER. SUPPLIER warrants that the prices for the GOODS sold to PURCHASER under the Purchase Order are no less favorable than those currently extended to any other customer of SUPPLIER for the same or like GOODS in quantities equal to or less than those annually sold to PURCHASER. In the event that SUPPLIER reduces its prices for GOODS before the Purchase Order is filled, SUPPLIER agrees that the price of

the GOODS subject to the Purchase Order shall be contemporaneously and correspondingly reduced.

5. **Audit Rights.** SUPPLIER shall keep full and detailed accounts as may be necessary and satisfactory to PURCHASER to ensure compliance with the pricing structure under the Purchase Order. PURCHASER, its agents, and customers shall be afforded access to all of SUPPLIER's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda and similar data relating to the Purchase Order, and SUPPLIER shall preserve all such records for a period of five (5) years after final payment; provided, that with regard to pricing requirements in paragraph 4, PURCHASER shall be authorized and permitted to ensure pricing structure compliance only through an audit conducted by an independent third-party auditor.
6. **Changes.** PURCHASER shall have the right at any time prior to the completion or delivery date of the GOODS to make changes in the scope of work, including specifications, drawings, design, and data for goods to be specifically manufactured for PURCHASER or PURCHASER's customers; as well as method of shipment or packing; time or place of delivery; quantities of GOODS (increase or decrease). If any such change causes an increase or decrease in the cost, the time required for the performance, or otherwise affect any other provision of the Purchase Order, an equitable adjustment shall be made and the Purchase Order shall be modified in writing accordingly; provided, however, SUPPLIER has notified PURCHASER in writing of the necessity of such adjustment within five (5) days of receiving PURCHASER's directive to make such change. If SUPPLIER fails to give PURCHASER such notice, SUPPLIER is deemed to have waived its right to any adjustment to the Purchase Order price and delivery schedule. SUPPLIER shall not unilaterally change the Purchase Order or substitute GOODS. Nothing contained in this paragraph shall excuse or release SUPPLIER from proceeding without delay in the performance of the Purchase Order as changed.
7. **Termination for Convenience.** PURCHASER may upon five (5) days written notice terminate the Purchase Order, in whole or in part, for its convenience in which case SUPPLIER shall have a duty to mitigate its costs and expenses associated with said termination, including, at SUPPLIER's request and notice to PURCHASER, using reasonable efforts to resell all or a part of the GOODS delivered or any work-in-progress. Upon PURCHASER's payment therefore, SUPPLIER shall deliver to PURCHASER any work-in-progress or GOODS completed and title to same as of the date of termination. PURCHASER will also pay any other of SUPPLIER's actual costs of work performed under the Purchase Order prior to termination that are properly allocable, documented and incurred as a direct result of such termination. PURCHASER will also pay a reasonable profit on the part of work performed prior to termination (if not already included in the purchase price for work completed or work-in-progress), but in no case shall PURCHASER pay SUPPLIER for unrealized costs or anticipated profits hereunder.
8. **Termination for Cause.** PURCHASER may upon five (5) days written notice terminate the Purchase Order, in whole or in part, for cause including, but not limited to the following SUPPLIER's actions: any default or breach of any of the terms or conditions of the Purchase Order or violation of any law, ordinance, rule, regulation, order, or safety requirement of any public authority having jurisdiction; failure to timely ship or deliver the GOODS or complete any performance based on the delivery dates or schedule set forth in the Purchase Order; furnishing defective GOODS or GOODS that otherwise do not conform to the Purchase Order terms and specifications; failure to provide PURCHASER, upon written request, reasonable assurances of future performance on terms acceptable to PURCHASER; bankruptcy, dissolution, suspension of payments by judicial decree or SUPPLIER becomes insolvent, is generally unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due, or seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for all or substantially all of its assets,

or otherwise seeks protection from creditors; and failure to timely pay any of its subcontractors or vendors for performance in furtherance of this Purchase Order. In the event of termination for cause, SUPPLIER will be liable to PURCHASER for any and all costs and damages (including reasonable attorney's fees) incurred by PURCHASER as a result of such termination. At PURCHASER's request, SUPPLIER shall turn over to PURCHASER any work-in-progress or GOODS completed as of the date of termination and title to same. Failure by SUPPLIER to comply with EHS Laws constitutes a material breach of these Terms and Conditions and PURCHASER shall be permitted to immediately terminate this Purchase Order in whole or in part for default by SUPPLIER without affording a cure period upon the occurrence of such a breach. For purposes of this Purchase Order, an EHS Law is any and all U.S. federal, state, and local laws, regulations, permits, approvals and requirements pertaining to health, safety, or the environment.

9. **Delivery; Risk of Loss.** All sales are F.O.B. PURCHASER's designated point of delivery under the Uniform Commercial Code, as adopted by the State of Texas, unless otherwise expressly stipulated by PURCHASER. Extra charges, including but not limited to charges for packing, boxing or cartage under the Purchase Order will not be permitted except as agreed to by the parties in writing or to the extent included in the Purchase Order. SUPPLIER's failure to ship by the most economical means that is reasonably available may result in a back charge of the additional freight expense incurred. Timely completion and delivery of GOODS pursuant to the Purchase Order is of the essence. Delinquency in delivery or otherwise unsatisfactory service will be considered cause for cancellation and/or rejection of custom and non-custom GOODS at no expense to PURCHASER. SUPPLIER shall be liable for all costs and damages associated with failure to meet delivery dates, including but not limited to, increased cost of GOODS in a spot market, downtime, lost production, and late charges incurred by PURCHASER from its customers. If at any time SUPPLIER has reason to believe that deliveries will not be made as scheduled, SUPPLIER shall immediately provide written notice setting forth the cause and duration of the anticipated delay to PURCHASER. Acceptance of late delivery of GOODS shall not be deemed a waiver of PURCHASER's right to hold SUPPLIER liable for any loss or damage resulting therefrom, nor shall it act as a modification of any of SUPPLIER's performance obligations hereunder. In the event SUPPLIER is delayed in delivering GOODS and such delay is caused by war, riot, civil insurrection, act of public enemy, act of civil or military authority, fire, flood, earthquake, or act of God, such delay shall be excused, provided that if any such delay continues for a period of ten (10) days or more, then PURCHASER may terminate the Purchase Order upon written notice to SUPPLIER without penalty. SUPPLIER shall not be entitled to additional or extra compensation by reason thereof. In the event of any such occurrence, SUPPLIER shall deliver such GOODS, if any, which can be delivered notwithstanding any such occurrence. If the agreed final delivery is delayed through a cause which SUPPLIER could have reasonably controlled or anticipated and overcome through the exercise of commercially reasonable diligence, and as a result PURCHASER shall have suffered loss but does not elect to terminate the Purchase Order in accordance with this paragraph, then SUPPLIER shall pay to PURCHASER all direct damages incurred by PURCHASER as a result of SUPPLIER's delay. Notwithstanding anything to the contrary herein, the risk of loss or damage of the GOODS shall remain with SUPPLIER until actual acceptance of the GOODS by PURCHASER or its customer(s) at the delivery point specified on the Purchase Order, or at such other delivery point specified in writing by PURCHASER.
10. **Inspection.** PURCHASER and PURCHASER's customer have the right to inspect and test all GOODS at Supplier's plant, any sub-supplier's plant, or a third-party inspection location during manufacture, upon completion, and at destination before acceptance. Inspection of GOODS, failure to inspect GOODS, acceptance of GOODS, or failure to ascertain or discover defects or non-conformances shall in no way be a waiver of any warranties or any rights PURCHASER may have pursuant

to the Purchase Order. Receipt of GOODS by PURCHASER or PURCHASER's customer, or inspection or testing of GOODS received by PURCHASER or PURCHASER's customer, shall not constitute acceptance of such GOODS by PURCHASER; and payment by PURCHASER shall not constitute acceptance of such GOODS. PURCHASER may reject or revoke acceptance of any and all GOODS found by PURCHASER: (a) not to be in compliance with: (i) the warranties applicable to such GOODS, (ii) the specifications, design, drawings, or descriptions for such GOODS, or (iii) with any other term or instruction set out in the Purchase Order; (b) to be unsatisfactory; (c) to be suspect due to defects or nonconformities in similar GOODS; or (d) to have been rejected or returned by PURCHASER's customers. If any GOODS are rejected or acceptance is revoked, PURCHASER may, without prejudice to any other rights or remedies, and without authorization from SUPPLIER, return the GOODS or any part thereof to SUPPLIER, and all amounts theretofore paid by PURCHASER to SUPPLIER on account of the purchase price of such returned goods, together with any costs incurred by PURCHASER in connection with the original delivery and/or return of such goods, shall be repaid to PURCHASER by SUPPLIER or set off by PURCHASER, at PURCHASER's sole discretion. In the event of any rejection or revocation of acceptance of any goods, SUPPLIER shall have no right to cure the defect causing rejection or revocation of acceptance or to furnish replacement GOODS, although PURCHASER may, in its sole discretion, elect to require correction or cure of such defect or the furnishing of replacement GOODS, all at the sole cost and expense of SUPPLIER.

11. **Warranty.** SUPPLIER expressly warrants for a period of eighteen (18) months from the later of the date of PURCHASER's acceptance of the GOODS and the date of PURCHASER's first commercial use of the GOODS that the GOODS shall conform to the terms of the Purchase Order, all applicable laws, good industry practices, the design (where design is the responsibility of SUPPLIER), specifications, drawings, samples or other descriptions upon which the Purchase Order is based; shall be of merchantable quality and fit and sufficient for the purpose intended; of new, good material and workmanship; and free from defects. Without restriction or limitation SUPPLIER also warrants good title in and to the GOODS and that it has not substituted materials or services for its own or equivalent. Inspection, testing, acceptance, or use of the GOODS by PURCHASER shall not affect the SUPPLIER's obligation under this warranty, and such warranty shall survive inspection, testing, acceptance, and use. This warranty shall run to PURCHASER, its successors, assigns and customers and the users of its products. During the warranty period SUPPLIER shall be responsible for and shall pay all costs and expenses to repair, replace, or otherwise restore to like-new condition any portion of the GOODS which has failed to meet the terms of this warranty. Any GOODS repaired, replaced, or otherwise restored under the terms hereof shall be warranted on like terms for the longer of the eighteen (18) month warranty period or one hundred eighty (180) days from acceptance of such repair, replacement, or restoration. SUPPLIER shall pass-through to PURCHASER all of manufacturers', factories', suppliers', and subcontractors' warranties. To the extent any such warranties are not transferable from SUPPLIER to PURCHASER or for any other reason cannot be passed-through from SUPPLIER to PURCHASER, SUPPLIER shall enforce all such warranties on PURCHASER's behalf. In all cases, SUPPLIER shall use its best efforts to assist PURCHASER in enforcing any third-party warranties.

12. **Indemnification.** SUPPLIER shall indemnify, defend, and hold PURCHASER harmless for any claim, damage, liability, loss or expense (including attorney's fees) resulting from or arising out of SUPPLIER's failure to comply with the warranty provisions herein and the enforcement of the warranty provisions herein shall not prejudice any other rights PURCHASER may have against SUPPLIER under the Purchase Order. SUPPLIER further agrees to indemnify, defend, and hold harmless PURCHASER and its affiliates, subsidiaries, customers, and each of their employees, representatives, and contractors (Indemnified Parties) from and against any demand, lawsuit, action, damages, losses, liabilities, injuries, expenses, of every kind or character

(including attorney's fees) caused by, arising from, or relating to, directly or indirectly, the: alleged infringement of patent, trademark, copyright, or other invention or intellectual property rights arising from the sale or use of the GOODS (provided, however, that SUPPLIER's obligation to indemnify shall not apply to any such damages, injuries or losses arising out of compliance with specifications furnished by PURCHASER); and acts or omissions of SUPPLIER, its employees, representatives, and subcontractors in performing SUPPLIER's obligations under the Purchase Order (provided, however, that SUPPLIER's obligation to indemnify shall not extend to such damages, injuries or losses to the extent and for such portion that the same was caused by the acts or omissions of any of the Indemnified Parties).

13. **Insurance.** SUPPLIER, at its own expense, shall procure, carry, and maintain on all of its operations and the work performed under this Purchase Order, with companies having an AM Best Rating of A or better and Financial Standing of VII or better, insurance covering the United States and its territories (directly or through a Foreign Liability Policy) of the kinds and in the minimum amounts listed below:

- Workers Compensation - Statutory limits in each state for all of its employees involved with work in accordance with statutory requirements of federal and state laws, including coverage for USL&H and Jones Act where applicable
- Employer's Liability - not less than \$1,000,000 per employee and Maritime Employer's Liability coverage of not less than \$1,000,000 per occurrence for any work performed in maritime law jurisdictions;
- Except where barred by law or by monopolistic states, Workers Compensation and Employer's Liability Insurance shall include coverage for Borrowed Servant / Alternate Employer
- Commercial General Liability - Including coverage for Contractual Liability, Independent Contractors Liability, Products and/or Completed Operations Liability, Action Over Indemnity Claims, Explosion / Collapse / Underground (XCU), Personal Injury/Property Damage Coverage, Sudden and Accidental Pollution - not less than \$2,000,000 per occurrence, \$5,000,000 annual aggregate
- Automobile Liability - For owned, non-owned and hired vehicles - not less than \$1,000,000 per occurrence
- Umbrella Liability - Follow-form policy covering Employers Liability, Commercial General Liability, and Automobile Liability, in a combined single limit of not less than \$10,000,000.

SUPPLIER further agrees to furnish PURCHASER with Certificates of Insurance evidencing the specified coverage required herein, identifying PURCHASER as a named additional insured and stating that the policies may not be materially changed or terminated without at least thirty (30) days prior written notice to PURCHASER. SUPPLIER agrees that SUPPLIER's insurance shall be primary to, and receive no contribution from, any insurance maintained by or on behalf of PURCHASER, and PURCHASER shall not be responsible or liable for any deductibles, self-insured retentions and/or premiums of SUPPLIER's insurance. Where PURCHASER is an additional insured, such insurance shall be without any limitation that restricts the scope of coverage afforded thereunder to PURCHASER to less than that afforded to SUPPLIER. SUPPLIER shall require its underwriters and/or insurers to waive their rights of subrogation against PURCHASER and its insurers.

14. **Confidential Information.** All specifications, drawings, designs, documents, and any other information transmitted to SUPPLIER by PURCHASER or prepared by SUPPLIER for PURCHASER or customized for PURCHASER's use, in connection with the performance of the Purchase Order, including the terms and subject matter of the Purchase Order, are the property of PURCHASER and are to be considered by SUPPLIER as proprietary, confidential or a trade secret and are not to be reproduced or copied or used for furnishing information, materials or services to third parties or for any other purpose detrimental to the interest of PURCHASER as determined solely by PURCHASER. Any know-how or information concerning SUPPLIER's products, methods, manufacturing processes or services which SUPPLIER discloses to PURCHASER incident to providing the GOODS shall, unless otherwise specifically agreed to in

writing, be deemed to have been disclosed as part of the consideration for the Purchase Order, and SUPPLIER agrees not to assert any claim against PURCHASER by reason of PURCHASER's use or alleged use thereof. SUPPLIER shall not be permitted to use the name of PURCHASER or its affiliates in the form of advertising or in a press release without the prior written approval of PURCHASER.

15. **Compliance with Laws.** SUPPLIER warrants that the GOODS sold or services furnished under the Purchase Order have been produced or furnished in full and complete compliance with all applicable federal, state, county and municipal laws, ordinances, and regulations.

a. **Foreign Corrupt Practices Act.** Neither SUPPLIER, nor any of its directors, officers, employees, agents, or representatives has made or will make any gift or payment of money or anything else of value, directly or indirectly, to an official or employee of any government, or any department or agency thereof (including governmental-owned companies), to any official of any international organization, or to any political party or candidate for political office (each, an "Official") for the purpose of influencing any act or decisions of such Official in his official capacity, inducing any such Official to act or fail to act in violation of his official duty, or inducing such Official to use his influence to influence or affect any act or decision of a government, any department or agency or instrumentality thereof, or any international organization for the purpose of obtaining, retaining, or directing business to or for PURCHASER, any of PURCHASER's customers, or SUPPLIER, or any subsidiary or affiliate thereof, or any other person.

b. **Gifts.** SUPPLIER shall not allow its officers, employees or agents, subcontractors, or vendors to offer PURCHASER's officers, employees, agents, subcontractors, or vendors any gift or entertainment of significant cost or value in connection with the Purchase Order or otherwise.

c. **Fair Labor Standards Act.** SUPPLIER warrants that no GOODS provided were produced in violation of either the Fair Labor Standards Act of 1938, as amended, or the "hot goods" provisions contained in Title 29 U.S.C. § 215, which require that all hours worked and payments made to employees of SUPPLIER and its subsidiaries are in compliance with said Fair Labor Standards Act or any other applicable law, rule or regulation dealing with such matters.

d. **Sanctions Law Compliance.** SUPPLIER agrees and acknowledges that it does not provide or receive any GOODS, services, or technology services to or from governments, governmental agencies, other groups, individuals, or any of their agents which are subject to U.S. trade sanctions or other restriction, including, without limitation, to the following "Embargoed Persons:" (i) governments, government agencies, businesses organized in, and nationals or residents of Cuba, Libya, Iran, Syria, Sudan, or other embargoed governments or regimes or (ii) to anyone on the U.S. Treasury Department's Office of Foreign Asset Control's lists of Specially Designated Nationals, Specially Designated Global Terrorists, and Foreign Terrorist Organizations. SUPPLIER further agrees and acknowledges that it does not provide or receive any GOODS, services, or technology services to or from any individuals or entities banned by the U.S. government from importing, marketing, and selling their products in the U.S., or which have been found guilty of engaging in unfair trading practices by a U.S. court of law (Blocked Suppliers). By entering into the Purchase Order, SUPPLIER represents and warrants that SUPPLIER is not an Embargoed Person and is not controlled by or acting as an agent of any such an Embargoed Person, and is not a Blocked Supplier nor controlled by or acting as an agent of any Blocked Supplier.

Any violation of this paragraph 15, or SUPPLIER's inability or failure to fulfil an order due to any current or future laws, regulations orders, demands, rules or requirements of the laws of the country in which the SUPPLIER is registered, the United Nations, the United States of America, or any other relevant jurisdiction relating to trade sanctions,

foreign trade controls, export controls and similar laws (including SUPPLIER's inability to pass a trade compliance screening), will entitle PURCHASER to immediate cancellation of the Purchase Order at no cost or expense to PURCHASER. SUPPLIER shall notify PURCHASER in writing promptly after the occurrence of such violation, inability, or failure.

16. **Disputes.** The Purchase Order shall be deemed to have been made and accepted in Harris County, Texas, and the laws of Texas (without giving effect to Texas choice of law rules) shall govern any interpretation or construction of the Purchase Order and/or the parties' rights, remedies and obligations in connection herewith. The parties expressly exclude the application of the Convention on International Sale of Goods to the Purchase Order. Any dispute between PURCHASER and SUPPLIER arising from or under the Purchase Order shall be resolved first through discussions between management of the parties, and if the dispute cannot be resolved within forty-five (45) days from the date the matter was first brought by the disputing party to the attention of the other party, then either party may elect to resolve the matter through litigation which shall be brought in any court sitting in Harris County, Texas having jurisdiction thereof. PURCHASER and SUPPLIER each submits to the exclusive jurisdiction of said courts and waives the right to change venue. The prevailing party in such litigation shall be entitled to recover its attorney's fees and court costs from the other party. PURCHASER's remedies reserved herein shall be cumulative and in addition to any other or further remedies provided at law or in equity. Notwithstanding any provision to the contrary, neither party shall be liable to the other for any consequential, punitive, or exemplary damages of any type, including loss revenue or profit, except (1) for a breach of the confidentiality provisions under the Purchase Order, or (2) resulting from gross negligence willful misconduct, or fraud. SUPPLIER agrees not to file or cause to be filed any mechanics', laborers' or material men's lien or any other lien against any property or premises in which PURCHASER, its affiliates, or customers have an interest on account of any labor, equipment or materials furnished under the Purchase Order and shall, if requested, execute a Waiver of Lien, in recordable form, in favor of PURCHASER, its affiliates and customers, and the property/premises. **SUPPLIER shall indemnify, defend, and hold harmless PURCHASER for any costs or damages (including attorney's fees) incurred as a result of SUPPLIER's breach of this provision. Further SUPPLIER shall, at its own expense, remove any lien filed or imposed by a third party on such GOODS.**

17. **General Provisions.**

a. **Headings.** All headings are provided for the sake of convenience only and are not intended to be, and shall not be construed as constituting, a part of the Purchase Order.

b. **Assignment.** The Purchase Order may be exercised by all parents, subsidiaries, and Affiliates of PURCHASER. PURCHASER may assign any warranties, indemnities, promises, representations, and/or other benefits acquired by PURCHASER from Supplier to any third-party who purchases or acquires SUPPLIER's goods from PURCHASER. SUPPLIER shall recognize, accept, and support all such assigned rights and benefits. However, any such assignment shall not operate to diminish, limit, waive, or otherwise impair PURCHASER's right to claim the protection of any warranties, indemnities, promises, representations, or other benefits made or granted by SUPPLIER. SUPPLIER shall not assign the Purchase Order at any time without the prior written consent of PURCHASER.

c. **Waiver.** The failure or delay of either party in the enforcement of the rights detailed in the Purchase Order shall not constitute a waiver of the rights nor shall it be considered as a basis for estoppel either at equity or at law. Either such party may exercise its rights despite any delay or failure to enforce those rights at the time the cause of action or right or obligation arose. A waiver of a provision of the Purchase Order shall not be

binding or effective unless made in writing and properly executed by the waiving party.

- d. **Severability.** If any provision of the Purchase Order is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; the Purchase Order shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of the Purchase Order; and the remaining provisions of the Purchase Order shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance. Furthermore, in lieu of such illegal, invalid or unenforceable provisions, there shall be added automatically as a part of the Purchase Order, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid or enforceable.
- e. **Survival.** The representations and warranties made by SUPPLIER, the confidentiality obligations, and the SUPPLIER's indemnification obligations in the Purchase Order shall survive completion and/or termination of the Purchase Order.
- f. **Entire Agreement.** The Purchase Order, and any documents referred to herein, supersede all prior oral or written understandings, transactions, and communications pertaining to the Purchase Order and form the complete contract between PURCHASER and SUPPLIER.