

The following terms and conditions must be accepted as an integral part of any overall quotation/agreement/contract.

1) DEFINITIONS

- A) **“Equipment”** means all pumps, operational spare parts, renewal parts or any other material (including tooling) offered by Ruhrpumpen under a Quote or contract of Purchase.
- B) **“Purchaser”** is the entity requesting the Equipment and/or Services via a Purchase Order.
- C) **“Seller”** means the Ruhrpumpen (RP) entity within RP Group that accepts a purchase order for Equipment and Services. RP Group is a global group of companies consisting of Ruhrpumpen GmbH, Ruhrpumpen, Inc., Ruhrpumpen S.A. de C.V., among others.
- D) **“Services”** means work, direction of work, technical information or technical consulting/advice or other services furnished by Seller. Such services may also include, but are not limited to, installation, testing, alignment, startup, operation, repair and maintenance of Equipment. Services will be subject to the most recent version of Seller’s separate (i) Terms and Conditions for Service & Technical Support, and (ii) Rates for Services & Technical Support.

2) QUOTES / ACCEPTANCE OF TERMS

- A) The most recent quote issued by Seller shall supersede and replace all previous quotations and agreements.
- B) Any quote issued by Seller shall be valid for 30 days unless otherwise stated. Prior to final acceptance, Seller reserves the right to notify Purchaser and without penalty adjust the quoted price and/or delivery schedule or, when Seller deems appropriate withdraw quotation made for Purchaser with no responsibility and do not accept any further orders related to the quote.
 - 1) Seller’s quotations rely on the accuracy of Purchaser’s descriptions of operating conditions. If actual conditions prove to be different than those specified in Purchaser’s description and the Equipment or Services suffer or are not adequate as a result, Purchaser shall be responsible for the cost of all changes in the Equipment or additional Service required to accommodate the actual conditions. Alternatively, Seller reserves the right to cancel Purchaser’s order, in which case Purchaser shall reimburse Seller for documented costs, expenses incurred and performance executed prior to the date of cancellation.
- C) When the Seller’s quotation is accepted by Purchaser, all the terms and conditions in this document shall become a part of the contract to purchase. Any conflicting or additional terms contained in any document submitted by Purchaser shall have no effect unless agreed to, in writing, by Seller. Anything to the contrary notwithstanding, these terms and conditions shall take precedence over any inconsistent provisions of Purchaser’s Purchase Order and any other contract documents. Purchaser’s acceptance shall be evidenced by Purchaser’s signature, by reference in the Purchase Order, or by Seller commencing work under its quotation or the Purchaser’s resulting Purchase Order.
- D) No changes in terms or conditions in any contract or agreement shall be effective without a written change order, agreed to and signed by both Seller and Purchaser.
- E) All Purchase Orders are subject to written acceptance by Seller.

3) PRICES/TERMS OF PAYMENT

- A) Regardless of any delivery date in any contract or purchase order, Seller’s quoted prices remain firm for twelve (12) months from the date of the order. For shipments made more than twelve months from the date of the order, the price shall be increased at the time of shipment by 1.5% for each full month or fraction thereof in excess of twelve months. Seller’s quoted prices do not include sales, use, excise or similar taxes.
 - 1) The amount of any present or future sales, use, excise or other similar tax applicable to the sale or use of Equipment or Services related to a Purchase Order shall be paid by Purchaser, or in lieu thereof, Purchaser shall provide Seller with a tax-exemption certificate acceptable to the taxing authorities.
- B) For Purchase Order below \$80,000 USD or its equivalent in a different currency, Purchaser shall pay Seller at readiness to ship
- C) For Purchase Orders in excess of \$80,000 USD, Purchaser shall pay Seller by bank wire transfer, as follows:

<u>Schedule</u>	<u>Purchase Order Amount Payable to Seller</u>
With acceptance of purchase order	20% of the total Order value
At 15% of the contractual delivery time	30% of the total Order value
At 60% of the contractual delivery time	35% of the total Order value
At notification of readiness to ship	15% of the total Order value

- D) Any unpaid amounts shall be subject to interest at the rate of two percent (2%) per month or the highest percentage allowed by law.
- E) If after three months after any agreed payment milestone time between the parties any amount of the order price remains unpaid; Seller, at its sole discretion, may choose to cancel the order and Purchaser shall be entitled to pay cancellation charges as stated in Clause 7 herein.
- F) If any payment milestone is delayed due delay by Purchaser in accepting / delivering any kind of documentation; Seller, at its sole discretion, may choose to apply interest at the rate of two percent (2%) per week of delay of pending payment or to cancel the order and Purchaser shall be entitled to pay cancellation charges as stated in Clause 7 herein.
- G) If a local or international tax, tariff, or similar duty (“Duty”) comes into force after quotation, but before the goods are delivered in the Purchaser’s market, Seller will review the new Duty, and have the right to modify the Order price to reflect the Duty. Seller will immediately notify Purchaser if a change to the Order price will be necessary.

4) DELIVERY

- A) Delivery shall be FCA or EXW (Incoterms 2020) determined at sole discretion of Seller, at Seller’s facility where the Equipment is shipped, unless otherwise mutually agreed between Seller and Purchaser. Any alternate terms of delivery mutually agreed between the Parties shall be controlled by the associated Incoterms 2020 definitions.
- B) Shipping dates are based on Seller’s providing facility promptly receiving all necessary information from Purchaser. Delays in furnishing complete information may result in dates of shipment being extended for a reasonable time and price increase based on conditions at Seller’s plant. Failure by Purchaser to provide approvals of drawings (or similar requirements) within any contractually stated period shall automatically extend Seller’s

delivery date by at least a reasonable amount of time determined at the full discretion of Seller and also may result in a price increase. Any delay by Purchaser in making any payment will delay the shipping date by a reasonable period of time determined at the full discretion of Seller. Such delays will be considered excused delays and no penalties nor liquidated damages for delayed delivery will be assessed as a result.

- C) Any delay by Purchaser in accepting / delivering any kind of documentation will delay the shipping date by a like period of time. Such delays will be considered excused delays and no penalties nor will liquidated damages for delayed delivery be assessed as a result. In such cases that progress payments are agreed between the parties and the acceptance of documents has to be made after shipment, Purchaser has to accept or reject documentation during the two weeks after shipment date. If Purchaser fails to accept or reject documentation in such period of time, it is understood that documentation is accepted by Purchaser.
- D) Seller shall not be liable for delivery delays due to causes beyond its reasonable control or due to acts of God. These causes include acts of Purchaser, fires, labor disputes, boycotts, floods, epidemics, quarantine restrictions, war, insurrection, riots, civil or military authority, freight embargoes, transportation shortages or delays, unusually severe weather or inability to obtain necessary labor, materials or manufacturing facilities due to such causes. In the event of any such delay, the Seller shall provide timely notice of the delay to Purchaser and the date of delivery shall be extended for a length of a reasonable period of time at the full discretion of Seller.
- E) Delivery term established in Seller's quotation shall commence the day after Seller has received and accepted Purchase Order from Purchaser stating his acceptance to Seller's terms and conditions.
- F) In the event that Seller is delayed in performing any of its obligations under the Purchase Order and such delay is caused by acts of force majeure, such delay will be excused and the period of such delay will be added to the time of delivery. Force majeure means any unforeseen occurrence that is beyond the reasonable control of the Seller and which adversely affects the performance of its obligations under the Purchase Order and which is unavoidable notwithstanding the reasonable care of the Seller, such as: acts of God, war, riots, civil insurrection, acts of the public enemy, fires, floods, or earthquakes and acts of civil or military authority.
- G) In the event that Seller, at its sole discretion, determines that payment from Purchaser is not certain; Seller may ask Purchaser for reasonable security that in the opinion of Seller is necessary to insure payment. In the event that Purchaser does not provide such security, Seller may cancel the contract of Purchase/Purchase Order without penalty and require the return of any Equipment or goods that have been delivered.
- H) In the event the equipment is completed and ready for shipment and by Purchaser's reasons the Equipment can't be delivered, Seller, at its sole discretion, may charge Purchaser for all storage costs caused from the notification of readiness to ship until the time Equipment is delivered. If after three months after notification of readiness to ship equipment cannot be delivered, Seller, at its sole discretion, may cancel the order and Purchaser shall be entitled to pay cancellation charges as stated in Clause 7 herein.

5) LIQUIDATED DAMAGES FOR DELAYED DELIVERY

- A) In the event of Seller's unexcused, delayed delivery, Seller will pay Purchaser liquidated damages at a rate of 0.5% of the value of the as yet undelivered Equipment, per week, up to a maximum of 1% of the value of the as yet undelivered Equipment. The agreed value of these liquidated damages shall be Purchaser's sole remedy for delayed delivery. Seller's liability for, and Purchaser's further claims for any other damages or costs relating to delayed delivery are hereby excluded.

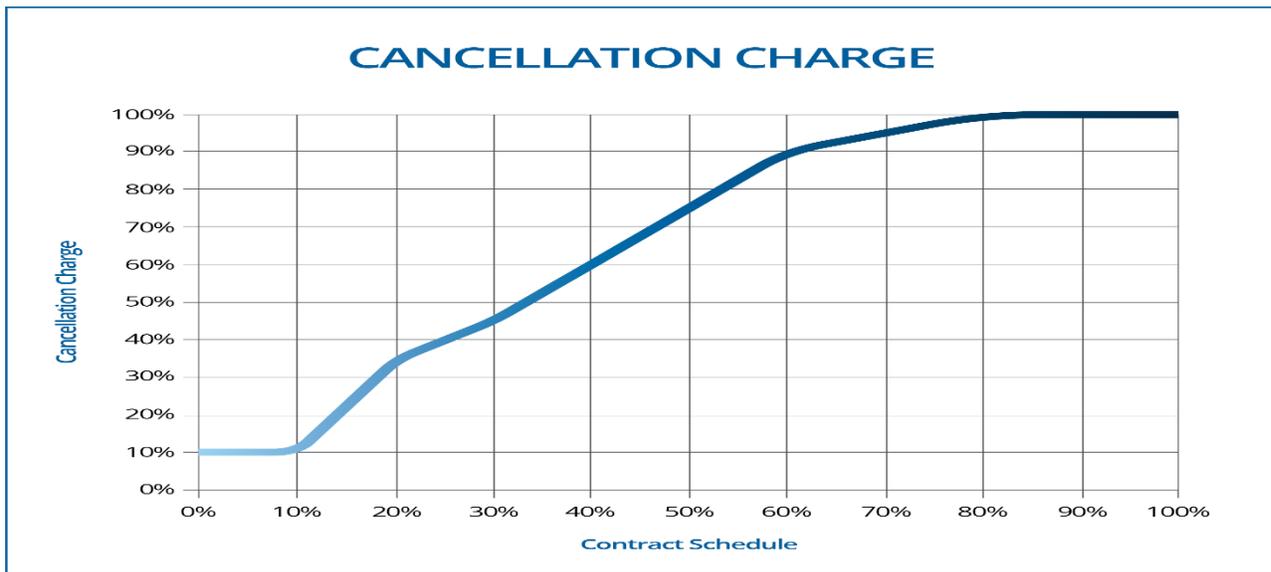
6) TITLE AND RISK OF LOSS TO EQUIPMENT

- A) Title to Equipment shall remain with Seller until final payment is received by Seller. Risk of loss to the Equipment shall remain with Seller until the notification from Seller to Purchaser stating the Equipment is ready for shipment.

7) CANCELLATION CHARGE

- A) The Purchaser may, at its absolute discretion and without having any reason, terminate the contract of Purchase/Purchase Order in whole or in part by giving written notice to the Seller. In the event of such termination, the Purchaser shall pay the Seller a Cancellation Charge based on the schedule below:

<u>Schedule</u>	<u>Cancellation Charge Payable to Seller</u>
Up to 1 week after Seller signs the Order	10% of the total Order value
From 1 week up to 20% of the delivery time	35% of the total Order value
From 21% to 30% of the contractual delivery time	45% of the total Order value
From 31% to 40% of the contractual delivery time	60% of the total Order value
From 41% to 60% of the contractual delivery time	75% of the total Order value
From 61% to 80% of the contractual delivery time	90% of the total Order Value
From 81% to 90% of the contractual delivery time	95% of the total Order value
From 91% to 100% of the contractual delivery time	100% of the total Order value



In the event of a cancellation for Purchaser's convenience it is expressly stated that the goods shall remain in full property of the Seller and no delivery shall be furnished.

- B) If Purchaser elects to temporarily suspend work under the contract of Purchase/Purchase Order, Purchaser shall notify Seller one week in advance of the suspension date. The required notice must be in writing and include the anticipated suspension period.
 - 1) If the suspension period is 120 days or less, Seller shall advise Purchaser of the required price and schedule adjustment. Such adjustments shall be based on Seller's reasonable efforts to reallocate manpower, material and equipment during the suspension period.
 - 2) If the suspension period is 121 days or more, the suspension may, at Seller's option, be treated as a Cancellation and Purchaser shall pay Cancellation Charges.
- C) If the Seller finds that the financial condition of the Purchaser does not justify continuance of the Purchase Order, Seller may require full or partial payment in advance or shall receive reimbursement per the schedule for Cancellation Charges.
- D) In the event of bankruptcy or insolvency of Purchaser or in the event any such proceedings are voluntarily or involuntarily brought against the Purchaser, Seller shall be entitled to cancel the Purchase Order at any time during the period allowed for filing claims against the estate and shall be entitled to receive reimbursement per the schedule for Cancellation Charges.

8) WARRANTY

- A) Seller warrants that the Equipment will be free of defects in material, workmanship and title, and that Services will be performed in a good and workmanlike manner. The warranty period shall be twelve (12) months from date of installation or eighteen (18) months from the date of the notification from Seller to Purchaser stating the Equipment is ready for shipment, whichever comes first. This warranty for Equipment is conditioned upon the Equipment being received, unloaded, stored, handled, installed, tested and used in a proper manner. The warranty shall not apply in the event the buyer partially or totally disassembles the Goods.
- B) If any portion of the Equipment or Services fails to conform to the warranty during the warranty period, Seller shall be responsible for the repair or replacement of Equipment at Seller's plant, and for the returning transport of repaired or replacement Equipment only. Purchaser is responsible for costs or damages which may be related to repair and replacement, such as, but not limited to, the costs of removal, lifting, moving, disassembly or reassembly of (i) the products provided by Purchaser or (ii) any other goods, structures or Equipment at Purchaser's site and for transportation to Seller's plant for repair.
- C) The duties, liabilities and obligations of Seller do not extend to any repairs, adjustments, alterations, replacements or maintenance which may be required as a result of normal wear and tear in the operation of the Equipment, or erosion or corrosion, or normal degradation in the performance of the Equipment, or as a result of Purchaser's failure to operate or maintain the Equipment in accordance with Seller's recommendations or Seller's manuals and instructions or the failure to operate the Equipment within the operating specifications (including, but not limited to, type and identity of fluid, temperature, and pressure) provided to Seller in the Purchase Order, or by reason of any cause outside the scope of Seller.
- D) Where any Equipment has been repaired or replaced, the warranty period shall restart on any repair and/or replacement as if they were brand new Equipment (maximum 12 months after restart). Where there has been inspection, removal, transport, dismantling and/or disassembly, re-installation and re-testing of the Equipment, the warranty period shall be extended by any period(s) equal to the period(s) during which the Equipment have been out of operation or their putting into operation has been delayed as a result of a defect to which this warranty applies.
- E) Seller makes no other warranty or representation of any kind whatsoever, whether statutory, written, oral, express or implied and no other warranties (including warranties for a particular purpose or merchantability or any implied warranties or any warranties of custom and usage) shall apply.
- F) Seller reserves the right to withhold all warranty remedies for Equipment and Services until all payments have been made in accordance with the contract terms of payment.
- H) This warranty shall be invalidated if the Equipment is modified, repaired, or otherwise interfered with, without the Seller's prior written consent.
- I) Warranty for peripheral equipment is limited to the manufacturer's warranty policy.

9) LIMITATIONS OF LIABILITY

- A) Seller's total liability to Purchaser for all claims of any kind, whether based on contract, tort (including negligence), strict liability, or any loss or damage arising out of, connected with, or resulting from the performance or breach of the Purchase Order shall in no event exceed one times (1x) the total price of the Equipment and/or Services associated with the claim.. Seller's obligation to indemnify and reimburse Purchaser shall be

proportionately reduced to the extent any such claims, damages and liabilities are the result of the joint or concurrent gross negligence of Purchaser or Purchaser's employees or agents

- B) In no event, whether based on contract, tort (including negligence or gross negligence), strict liability, or any loss or damage arising out of, connected with, or resulting from the performance or breach of the Purchase Order, whether arising before or after completion of Seller's or Purchaser's obligations under the Purchase Order, shall Seller or Purchaser be liable to the other for losses or damages caused by reason of loss of use, revenue or profits or cost of capital or special, incidental, consequential or penal damages of any nature.
- C) In all cases where Purchaser's claim, whether based upon contract, tort (including negligence), strict liability or otherwise, involves nonconforming Equipment or Services or damage resulting there from, Purchaser's exclusive remedies and Seller's sole liabilities shall be those specifically provided by Seller's warranty. Any claims by Purchaser must be submitted to Seller in writing during the warranty period.
- D) The statute of limitations for purposes of bringing any actions under the contract of Purchase shall be one (1) year from the date the cause of action accrued.

10) INTELLECTUAL PROPERTY

- A) All documentation belonging to Seller's offer, including drawings, sketches, weights, dimensions and pricing, are preliminary and are not binding until marked as final by Seller. Seller reserves full ownership and copyrights for all information, drawings and other documentation sent with any correspondence, offer or agreement.
- B) Drawings, plans, illustrations, manuals and specifications shall only be required to be furnished as specifically identified and required in writing in the Purchase Order. It is understood and agreed that Seller's obligation to provide any drawings or calculations pursuant to a Purchase Order will mean only outline and general configuration drawings as needed for system design and installation, unless the requirement for supply of a particular drawing is specified and agreed to in the Purchase Order. Further, it is expressly agreed that no detailed engineering, manufacturing or assembly drawings of any equipment designed manufactured and or supplied pursuant to this contract, and no design, manufacturing or assembly calculations or software or processes that are created or revised pursuant to Seller's performance of the Purchase Order, will become the property of, or ever be required to be delivered to Purchaser or any subsequent titleholder, and any or same are ever submitted or transmitted by Seller, they shall be immediately returned by Purchaser or subsequent titleholder without duplication or other inspection.
- C) Notwithstanding anything to the contrary, Seller will retain ownership to its own pre-existing intellectual property rights, and Seller hereby grants Purchaser the royalty free right and license to import, use and sell the Equipment purchased. No work performed by Seller shall be considered work for hire for invention or copyright purposes.

11) CONFIDENTIAL INFORMATION

- A) Purchaser agrees and acknowledges that the transaction that he is entering along with Seller is completely confidential and Purchaser shall not disclose any information or details regarding to this Order. As well, Purchaser agrees that he (a) will keep the all information regarding to the Order as confidential and (b) without limiting the foregoing, will not disclose said information to any person (including current or prospective financing sources) except with the specific prior written consent of Seller. It is understood that Purchaser may disclose the information received only to its representatives, who are informed by Purchaser of the confidential nature of the information regarding to the Order and the obligations of this Purchase Order. Purchaser and its Representatives will not use any of the said information for any reason or purpose other than to evaluate, negotiate and, effect and conclude the Order. Purchaser will enforce the terms of this Agreement as to its Representatives and will take such action, legal or otherwise, necessary to cause them to comply with this Agreement and thereby prevent their disclosure of the information received (including all action PURCHASER would take to protect its own trade secrets and confidential information), except as permitted by this Agreement.
- B) The Purchaser will protect the information related to the Order, including the Order itself, from unauthorized use or disclosure to third parties with at least the same degree of care (but no less than a reasonable degree of care) as it applies to its own confidential information.
- C) Purchaser will not reverse engineer, analyze, decompile, disassemble or otherwise attempt to derive the source code, techniques, processes, algorithms, know-how or other information from the delivered equipment of the Seller or permit or induce the foregoing or cause a third party to analyze, decompile or reverse engineer any confidential information for any purpose (collectively, "Reverse Engineering"). Any information supplied to or obtained by Purchaser under this section is confidential information of the Seller and may only be used by Purchaser for the purpose described in the order documents and will not be disclosed to any third party or used to create anything which is substantially similar to the expression of the Seller's Equipment.
- D) Notwithstanding anything to the contrary, Seller shall be permitted to disclose the existence of this Purchase Order and other necessary pertinent details, as Seller deems fit, to third-parties for the purpose of securing future work without obtaining Purchaser's consent.

12) ASSIGNMENT, SUBCONTRACTORS & AFFILIATES

Seller may complete the Equipment through any parent, subsidiary or wholly owned affiliate companies of the Seller, at any location, without the necessity of prior permission or consent. Unless mutually agreed otherwise in advance, Purchaser accepts Seller's scope of supply, including country of origin and manufacture, including any RP Group plants.

- A) Except as provided above, neither Purchaser nor Seller may assign, subcontract or transfer any rights under this quotation or resulting Purchase Order without a prior, written authorization signed by both Purchaser and Seller. .

13) SEVERABILITY

- A) If any provision, phrase or clause within the contract of Purchase is deemed to be void, invalid or inoperative for any reason, that provision, phrase or clause shall be deemed modified to the extent necessary to make it valid and operative. If such provision, phrase or clause cannot be so modified, it shall be deemed severed from the contract of Purchase and the remaining provisions, phrases and clauses shall remain in full force and effect as if the agreement had been signed with the void, invalid or inoperative portions so modified or eliminated.

14) ARBITRATION

- A) Any dispute, controversy, or difference arising from or in relation to this contract or performance thereof, shall be litigated in the court of law in the jurisdiction where Seller is located. Purchaser hereby agrees that such court has competent jurisdiction over it and hereby waives its right to subsequently contest or object to said court's jurisdiction. Parties agree that, where permitted by law, such dispute shall be decided by a judge.

- B) Notwithstanding subpart 14(A) above, if both Parties agree in writing, then all disputes, controversies or differences which may arise between the Seller and Purchaser, out of or in relation to or in connection with the contract of Purchase or Purchase Order, shall be finally settled by binding arbitration. If the Seller is Ruhrpumpen, Inc., the arbitration will be held in Tulsa, Oklahoma. If the Seller is Ruhrpumpen GmbH, the site of the arbitration will be in Dortmund, Germany. In either location if the seller is Ruhrpumpen, S.A. de C.V. or Ruhrpumpen Argentina, S.A. the site of the arbitration will be Monterrey, Mexico. If the Seller is Ruhrpumpen do Brasil Industria e Comercio de Bombas Hidraulicas Ltda., arbitration will be held in Sao Paulo, Brazil. If Seller is any other company of the Ruhrpumpen Group, arbitration shall be held in Tulsa, Oklahoma, the arbitration proceedings shall be conducted in English and in accordance with the commercial Arbitration Rules of the International Chamber of Commerce ("ICC").
- C) The arbitration shall be conducted by a panel of three (3) arbitrators, with one (1) arbitrator being selected by the Purchaser, one (1) arbitrator being selected by the Seller and the third being selected by the other two arbitrators. Responsibility for payment of the costs of arbitration, excepting counsel fees, shall be included in the arbitration award.
- D) Neither Seller nor Purchaser shall take any action nor steps which will hinder, delay or otherwise interfere with the commencement of, or proceedings in arbitration.
- E) Notwithstanding the foregoing or anything to the contrary, in the event of any litigation arising from breach of this agreement, or the services or goods provided under this agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred including staff time, court costs, attorney's fees, and all other related expenses incurred in such litigation.

15) GOVERNING LAW

- A) Except as specifically noted otherwise in these terms and conditions, the applicable laws concerning the contract of Purchase shall be determined as follows:
 - 1) If Seller's point of FCA or EXW delivery (per INCOTERMS 2020) and Purchaser's installation location are in the same country, the laws of that country shall apply.
 - 2) If Seller's point of FCA or EXW delivery (per INCOTERMS 2020) and Purchaser's installation location are in different countries, the laws of the local arbitration or litigation stated in 14, shall apply.

16) Miscellaneous:

- A) RUHRPUMPEN's obligation to fulfill this Agreement is subject to the provision that the fulfillment is not prevented by any impediments arising out of national and international foreign trade and customs requirements or any embargos or other sanctions
- B) Parties warrants that it will comply with all applicable laws in respect of the activities contemplated by this Purchase Order, including, without limitation, laws and regulations relating to taxation, exchange controls, and customs requirements, as well as with any anti-corruption, antitrust, anti-money laundering or other criminal law, rule or regulation applicable to the Parties.

17) ENTIRE AGREEMENT

- A) The contract of Purchase, consisting of these global purchase terms and conditions, Seller's quotation and Purchaser's Order, if accepted in writing by Seller, constitutes the entire agreement between Purchaser and Seller. All other provisions and collateral agreements (including letters of intent or Purchase Orders or Terms and Conditions issued by Purchaser), representations, warranties and promises are superseded by the contract of Purchase.
- B) Any understanding, promise, representation, warranty or condition not incorporated into the contract of Purchase shall not be binding on either party.
- C) The conclusion of a contract by accepting this offer is subject to the condition precedent that all necessary approvals and licenses will be granted by the competent authorities.
- D) If after the acceptance of the Purchase Order by Seller, the Buyer is for any reason included on a sanctions list by competent authorities, Seller at its sole discretion could terminate the Purchase Order and Buyer shall pay cancellation charges as set herein.
- E) "Buyer warrants to Seller that it will not re-export the equipment purchased from Seller to Russia, nor transfer the equipment directly or indirectly for use in Russia. Buyer will immediately notify Seller if it has knowledge or reason to believe the equipment will be sent to Russia. If Buyer breaches this provision, Seller may exercise any of the following remedies, alone or in combination. Exercising one remedy by Seller will not prevent the exercise of other remedies under this provision, or as otherwise granted under this Agreement or any applicable law. Seller's remedies shall include but not be limited to: cancellation of this Agreement/Purchaser Order, withholding any further performance of the Agreement, including provision of further equipment or warranty services, retaining any funds or financial instruments connected with the Agreement, charging Buyer liquidated damages of 10% of the Order value as a reasonable estimate of the added costs of Seller to manage the breach, and reporting the breach to regulatory authorities. Buyer agrees to indemnify and hold Seller harmless for any loss or damage suffered by Seller as a result of Buyer's breach, including but not limited to any fines or penalties imposed on Seller due to Buyer's breach.