

Terms & Conditions ■ ■ ■ ■ ■ ■ ■ ■ ■ ■

Quotation Validity

This quotation is valid for 30 days from the date quotation is sent. Validity on special metals, including Stainless Steel, is 14 days from the date the quotation is sent. All products offered from stock are subject to prior sale.

Shipments

All items quoted are EXW our Dock - (Ex Works - SCV Facility Santa Fe Spings, California 90670) - unless otherwise noted and agreed to in writing. Shipment may be billed either third party billing to the buyer or freight collect. Shipment dates offered above are forecasted delivery lead times and are estimated from the date payment terms (acceptable to seller) are established, clarification is received on all technical information, and resolution of customer's written approval of drawings is received (when required). The equipment quoted shall be packed in accordance with seller's standard packing procedure unless otherwise noted and agreed to in writing by the seller.

Force Majeure

If in the case of an act of God, war, riot, fire, explosion, flood, or any other circumstances of whatsoever nature which are beyond the control of the seller and which in any way affect the ability of the seller to fulfill its delivery obligations, the delivery is hindered, impeded, or delayed the seller shall be exonerated from all responsibilities and reserves the right to postpone the delivery beyond the original schedule.

Payment terms

All terms are to be negotiated. Credit cards accepted (Master Card, Visa, American Express).

Purchase Orders

All buyer's purchase orders supplied to the seller are to be written in the English language.

Prices

All prices quoted are in USD as per the preceding pricing schedule. The minimum order value is \$5,000.00 (five thousand dollars), unless otherwise agreed to by seller. If for some reason any items are changed or additions to the order required, seller reserves the right to adjust prices accordingly. All sales are subject to approval of seller's credit department. If buyer fails to meet the agreed upon and established commercial terms of the contract, the seller may with-hold all subsequent deliveries until such time that the original commercial terms of the contract have been met by the buyer (or subsequent commercial terms have been agreed upon by the seller with the buyer).

Intellectual Property

All specifications, illustrations, drawings, certificates, and other particulars supplied by seller remain the intellectual property of the seller and should not be disclosed to any third party without the prior written consent of seller.

Governing Law; Arbitration; Jurisdiction

The terms and conditions of this quotation and any subsequent purchase order shall be construed, interpreted, and performed exclusively according to the laws of the State of Texas, USA. The courts of such state shall have exclusive jurisdiction out of all controversies arising out of or in connection with this agreement. The parties consent that process may be served upon them in any such action by registered mail at the address stated for Buyer on its purchase order, and upon SCV at the address noted above in Santa Fe, Texas, or personally within or without the State of Texas. Any legal action with respect to any agreement must be commenced within one year after the cause of action has accrued. The provisions of the Uniform Commercial Code as adopted by the State of Texas, and not under the United Nations Convention on Contracts for the International Sale of Goods, shall apply.

Warranty

All seller's products are guaranteed against defects in workmanship for a period of twelve (12) months after being placed in service, but not exceeding eighteen (18) months after shipment, when products are properly installed per seller specifications and used within the service and pressure range for which they were manufactured. Full risk of loss shall pass to the buyer upon delivery at FOB point, or destination port in case of CIF. This guarantee is limited to the replacement of any valve parts/components found to be defective either in material or workmanship. This guarantee does not extend to costs of labor, freight, or any other consequential charges. The unauthorized use of third party components and workmanship in seller's products voids this warranty.

Limitation of Liability

The liability of the seller under this agreement or with respect to any products supplied or services performed pursuant to this agreement, whether in contract, in tort, in strict liability or otherwise, shall not exceed the purchase price paid by the buyer with respect thereto. In no event will the seller be liable in contract, in tort, in strict liability or otherwise for any special, indirect, incidental, or consequential damages. This is including but not limited to loss of anticipated profits or revenues, loss of use, non-operation or increased expense of operation of equipment, cost of capital, or claims from customer or buyer for failure or delay in achieving anticipated profits or products.

Cancellation

No contract may be canceled by the buyer except upon written notice to seller and upon payment to seller of all costs incurred by the contract arising out of, or in connection with, the contract. Export of goods covered hereby is subject to United States Customs Control. Standard stocking items will be subject to a twenty-five percent (25%) restocking and/or cancellation charge. Non-standard stocking items will be subject to a one-hundred percent (100%) restocking and/or cancellation charge.

Cancellation Charge

The following indicates the rates of cancellation charge of contract value for project manufactured items and/or special engineered items at various stages of production:

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| • Time of cancellation: Order Acknowledgement and prior to Engineering engagement. | Cancellation Charge: 10% |
| • Time of cancellation: After start of engineering but prior to release to production. | Cancellation Charge: 30% |
| • Time of cancellation: After release to production but prior to completion of fabrication. | Cancellation Charge: 80% |
| • Time of cancellation: After completion of fabrication. | Cancellation Charge: 100% |

Return of Goods

No product shall be returned to seller without written authorization and shipping instructions having been obtained from seller. Products authorized for returns are to be shipped freight pre-paid to the SCV Facility identified in writing, unless otherwise notified, and are subject to seller's standard re-stocking fees.

Documentation

MTR's are available at no charge upon request. The seller's standard document package is per ISO 10474 3.1B requirements. Additional requested documentation is subject to charge.

Inspection

The customer or his authorized representative may, with four (4) weeks prior notice given to seller, visually inspect products manufactured by seller. Such seller approved inspections will be carried out in accordance with seller's standard or seller approved customer inspection procedures. If any inspection or documentation requested by the customer is over and beyond the scope and criteria initially agreed to by the seller, any costs incurred by conducting such inspection or preparation of special documents shall be paid by the buyer prior to release of the items for shipment.

Witness Hydro-testing

Witness hydro-testing is available at a cost. A scope of buyers inspection request is to be provided to seller at order placement. Late notice of such requested inspection is subject to additional costs. The cost associated with such witness hydro request is to be agreed on prior to any such testing taking place. Payment of this type of testing to be negotiated. Additionally, any costs associated with a third party inspector will not be at the sellers expense.