

TERMS AND CONDITIONS OF SALE

RIG-A-LITE (hereinafter called Seller) agrees to sell the equipment covered herein on the following terms and conditions of sale which supersedes any additional or inconsistent terms and conditions of purchase of the Buyer. Any alterations of the Seller's terms and conditions of sale will have no force or effect unless otherwise agreed to in writing.

Terms and conditions of sale as set forth herein, or as changed or modified by written agreement, shall constitute the entire contract of sale between the Buyer and the Seller. The failure of either Buyer or Seller to enforce any rights under the contract of sale shall not constitute a waiver of such rights or any other rights under the contract sale.

1. **ORDERS:** Orders are subject to acceptance at home office of the Seller.
2. **PRICES AND DISCOUNTS:** All prices and discounts are in accordance with the established price and discount schedules of the Seller, and are subject to change without notice. Merchandise will be invoiced at prices prevailing at time of shipment.

All prices are F.O.B. Point of Origin. Quotations automatically expire sixty (60) calendar days from the date issued and are subject to termination by written notice within that period. Minimum billing charge is \$100.00 net.

Subject to establishment of satisfactory credit, terms are strictly net cash thirty (30) days from date of invoice payable in U.S. funds.

3. **PAYMENT TERMS:** Unless otherwise specified, all invoices are due and payable net thirty (30) days following date of invoice. Payment should be made to Aztec, P.O. Box 12942, Houston, Texas 77217-2942. In any event, unless shown otherwise, labor, used materials, tax, reimbursable expenses, and prepaid transportation charges are net cash. All past due amounts arising hereunder or otherwise owing to Company shall bear interest at a rate of 18% per annum. In no event shall this exceed the maximum rate of interest allowed by the State law or the laws of the United States of America applicable to this transaction, whichever is greater.

If default is made in the payment of any sums due to Rig-A-Lite and collection is made through an attorney engaged by it, purchaser agrees to pay all reasonable and necessary attorneys' fees, expenses, and court costs.

4. **DESIGNS:** All designs and specifications shown in Seller's catalogs are subject to change without notice.
5. **LIABILITY:** The Buyer shall remain primarily liable for the purchase price and the Seller shall not be obliged to accept any term or condition of payment which will shift said liability to a third person not a party to the contract of sale, whether or not such third person is the United States Government, its agents or instrumentality's.
6. **SHIPPING DATE:** Seller shall not be liable in any way for any default or delay in shipping due to contingencies beyond its control or the control of its suppliers or sub-contractors, which prevents or interferes with the Seller making delivery of the date specified, including but not limited to war, or restraints affecting shipping, delivery of materials or credit as a result of war or war restrictions, non-arrival, delay or failure to procure materials as a result of war or war restrictions, rationing of fuel, strikes, lockouts, fires, bombings, accidents, floods, droughts and any other contingency affecting the Seller, its suppliers, or sub-contractors; and the Seller shall have the right to cancel a contract of sale or to extend the shipping date in the event that one or more of such contingencies prevent or delay shipments. In the event of delayed or extended shipping dates due to the above causes, and the Buyer changes shipping instructions, any additional shipping charges shall be paid by the Buyer as a part of the purchase price.
7. **WEIGHTS AND DIMENSIONS:** Shipping weights and dimensions given in Seller's catalogs are as close to actual as practicable but are not guaranteed. No claims will be allowed because of any discrepancy between actual weight or dimensions of material shipped and listed data.
8. **SHIPPING AND PACKING:** All material is carefully packed of Domestic shipment and Seller will not be responsible for loss, delay or damage made by carriers, but Seller will render Buyer all possible assistance in securing satisfactory adjustment of such claims.

In the absence of directions, goods will be shipped by the method and via carrier Seller selects unless directed by Buyer to do otherwise and paid for direct to the carrier by the Buyer.

Unless authorized by and paid for by Buyer, all shipments will be made under carrier's standard liability.

Goods held in factory beyond delivery date for convenience of Buyer will be invoiced on date of completion and terms of payment will apply as from invoice date. Such goods will be subject to charges for warehousing and other expenses incident to such delay.

9. **CANCELLATION:** Orders are not subject to cancellation or change in specifications, shipping schedules or other conditions originally agreed upon without Seller's written consent and then only upon agreement to compensate Seller for loss caused by such cancellation or changes.
10. **COST ANALYSIS:** No cost analysis of the cost of manufacturing the equipment sold will be supplied and no examination or audit of the Seller's books and records will be permitted any reason whatsoever.

11. LIMITED WARRANTIES:

(A) PRODUCTS MANUFACTURED BY THE COMPANY - In the event any product sold hereunder by the Company is defective on account of workmanship or material, the Company agrees for a period of one (1) year from date of shipment, at its option, to replace or repair the product. The agreement, however is upon condition that the Customer promptly notifies the Company in writing of any claim in this respect, setting forth in detail any such claimed defect and that the Company may be afforded a reasonable opportunity to examine the product and to investigate the claimed defect. This warranty does not obligate the Company to bear any transportation charges in connection with the replacement or repair of defective products. The Company shall be, in no event, liable for damages beyond the price paid by the Customer for such defective product and shall not be liable for any incidental or consequential damages whatsoever.

(B) PRODUCTS MANUFACTURED BY OTHERS - As to any product or item manufactured by other persons or firms (whether sold separately hereunder or incorporated into another product sold hereunder), the Company agrees only to present the Customer's claim with respect to defects to the manufacturer for adjustment, and the Customer agrees that the liability of the Company shall not exceed any adjustment with respect to which said manufacturer accepts responsibility. A copy of the warranty given by each manufacturer of any product sold hereunder has either been furnished to Customer or is available to the Customer upon written request to the Company.

In this connection, each manufacturer whose products are resold by the company are sold under a limited warranty and NO SUCH MANUFACTURER MAKES ANY WARRANTY OR GUARANTY, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS, DESIGN, PERFORMANCE, CAPACITY, OR EFFICIENCY OF ANY PRODUCT SOLD, AND PROVIDES THAT NO CLAIM FOR LABOR, TRANSPORTATION, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES WILL BE ALLOWED.

(C) LIMITED WARRANTIES EXCLUSIVE - THE ABOVE LIMITED WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND BY ACCEPTANCE HEREOF, THE CUSTOMER AGREES THAT THERE IS NO EXPRESS OR IMPLIED WARRANTY BY THE COMPANY OR BY ANY MANUFACTURER AS TO THE FITNESS FOR A PARTICULAR USE, MERCHANTABILITY, CAPACITY, OR EFFICIENCY OF ANY PRODUCT SOLD, AND THAT THERE ARE NO ORAL OR IMPLIED ADDITIONAL WARRANTIES MADE IN CONNECTION WITH ANY SALE BASED HEREON. THERE IS NO WARRANTY BY THE COMPANY OR BY ANY MANUFACTURER AS TO ANY PRODUCT DESIGNATED AS SUBSTANDARD. No modification or addition to this agreement with respect to warranty of the Company, either before or after contract of sale, shall be made except on written authority of the President or Vice President of the Company.

(D) AGREEMENT TO LIMIT WARRANTIES ON RESALE - By acceptance hereof, the Customer covenants and agrees that in the event any products purchased hereunder are resold, either in their original form or as a component of another product or system, the LIMITED WARRANTIES provision set forth above will be included in all sales documents by which the Customer resells any of such products. In all such cases, the sales documents by which a purchaser from the Customer purchases or accepts delivery of the products sold hereunder will include such LIMITED WARRANTIES and prior to any such sale or delivery an authorized representative of the subsequent purchaser will be made aware of the limitations on the warranty of the Company or other manufacturer of the products and that the disclaimers of the Company apply to the resale of such products. The Customer agrees to indemnify and hold harmless the Company from any loss, claim or damage, including attorneys' fees and expenses, resulting from a breach of the foregoing covenant.

(E) LIENS - Seller further warrants that title to all products delivered to Customer hereunder shall be free and clear of all liens, encumbrances, security interests or other claims, provided that Seller shall retain a security interest in any product until the purchase price is paid by the Customer.

(F) USED PRODUCTS - Used products and equipment delivered by the Company or picked up by the Customer are sold without warranties, express or implied, "as is, where is" unless there is a clear agreement with the Customer in writing to the contrary. The Customer agrees to inspect any and all such equipment before purchase is completed and to accept the same without any warranty of merchantability or fitness for a particular purpose.

12. RETURNS FOR REPAIRS: When equipment is returned for repair due to causes not covered by Seller's guarantee, the Buyer should notify the Seller in writing and, after receipt of shipping advice and a return goods authorization number, the Buyer may return it to RIG-A-LITE Receiving Department, 8500 Hansen Road, Houston, Texas for prompt attention. Seller's Service Department will put such equipment in operating condition at the lowest possible cost. When necessary to make a return give all possible information regarding the trouble experienced and complete details of the installation with which the device was used.
13. RETURNS FOR CREDIT: No returns for credit will be accepted unless Seller's return goods authorization number has been obtained in advance. Only sizes and designs taken from Seller's regular line which are in active demand can be accepted for credit. Credit will be based on prices prevailing at the time of return, or invoiced price, whichever is lower, subject to deduction for handling and an additional deduction for expenses incurred in restoring goods to saleable condition.
14. COMPLIANCE WITH LAWS: Seller has complied with all applicable Federal, State and local laws and regulations in connection with the manufacture and sale of all equipment. No responsibility or liability will be taken for import duties, laws, regulations or taxes imposed by any foreign country.
15. TAXES: Any manufacturer's excise tax, sales tax, or tax or duty of any nature whatsoever arising out of or assessed against orders, shall be added to the prices quoted or invoiced shall be paid by the Buyer, and in the event Seller is required to pay any such taxes or duties the Buyer shall reimburse Seller therefore, unless Buyer shall provide Seller at the time an order is submitted with the exemption certificate or other documents acceptable to taxing or customs authorities.
16. ERRORS: All clerical errors are subject to corrections.
17. APPLICABLE LAWS: The contact of sale and the respective rights and obligations of the Buyer and Seller with regard thereto shall be governed by and construed according to the Uniform Commercial Code. Wherever the term "Uniform Commercial Code" is used, it shall be construed as meaning the Uniform Commercial Code as adopted in the State of Texas as effective and in force on the day of this agreement.