



5711 Brittmoore Rd | Houston, TX 77041
T 713.434.2300 | F 713.434.2394

PROPOSAL

Date: May 4, 2015

Customer: Power Generation Enterprises

Attn: Victor Seropian

Worldwide Power Products is pleased to offer for your consideration the following proposal to meet the power generation requirements of your project.

Quantity (1) Rebuilt Caterpillar G3516 LE Natural Gas Generator Set

MAKE	Caterpillar
MODEL	G3516
RATING	1000 kW Prime Power
RPM	1500 RPM
VOLTAGE	400V

UNIT PRICE: \$224,000.00

Quote Valid for 30 Days

*Price does not include applicable sales tax or the Texas Emissions Reduction Plan (TERP) Surcharge Tax

**Please refer to the attached bill of material

AVAILABILITY: Four core units in stock – 4-5 Week Lead Time for one unit

INCOTERMS: EXW Houston, TX

TERMS: 50% Down Payment; Remainder Due Prior to Shipping

Submitted By: John Conine

John Conine
Sales Director
Worldwide Power Products
Tel: 713.434.2300
Email: jconine@wpowerproducts.com

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Bill of Material

Quantity (1) Rebuilt Caterpillar G3516 LE Natural Gas Generator Set

- Engine Manufacturer: Caterpillar
- Engine Model: G3516 LE
- Arrangement: 117-6698
- Spec: 2T6599
- Starter: Electric
- Generator Manufacturer: CAT SR4B
- Voltage: 400V
- 1435 Hp @ 1500 RPM
- 50 Hz
- 3 Phase
- 1,000 kW Prime
- Power Factor: 0.8PF
- Zero Hour Major Overhaul w/ IPD Parts
- 12 Month Parts and Labor Warranty
- Reconditioned Generator End
 - New Bearing, Cleaned, Dipped, Baked, Tested
- 12:1 Compression Ratio
- ProAct 3 Governor - new
- Altronic Ignition System - new
- Instrument Gauge Panel
- Gas Regulators

There will not be any price protection available.

The package quoted is manufacturer's standard. Welding, painting, and all internal parts are manufacturer's standard. Offloading is to be provided by others.

Additional field assistance is available from Worldwide Power Products at the current rates.

Worldwide Power Products does not have copies of other states/cities/counties regulations and, Therefore, we may not meet these regulations.



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Worldwide Power Products accepts no penalty charges for any liquidated damages due to late deliveries.

Worldwide Power Products takes exception to ALL items that are not in above quote. Equipment supplied will be limited to that described in this proposal.

Terms and Conditions

The Quote or Purchase Agreement attached hereto and the following Terms and Conditions shall constitute the agreement of the parties (the "Agreement"), and shall control the terms of any contracts relating to the sale of Goods by Worldwide Power Products, LLC ("Seller"). "Goods" shall mean all material, equipment, parts, products, and services, if any, described in the Quote or Purchase Agreement, and unless otherwise stated in the Quote or Purchase Agreement all Goods shall be manufacturer's standard, including but not limited to welding, painting and all internal parts. This offer of sale expressly limits any acceptance to the terms and conditions of this Agreement only, and shall supersede and replace any preprinted terms and conditions on a Purchaser's purchase order or other documents, oral or written communications, course of dealings or usages of trade. No additions to or variations from the terms and conditions of this Agreement, whether contained in a purchase order, confirmation, shipping release, or elsewhere shall be binding upon Seller unless expressly agreed to in writing by Seller, and Seller hereby objects to all such additional or different terms. Purchaser's execution and return to Seller of Seller's Quote or Purchase Agreement, or any written or verbal direction from Purchaser to Seller to proceed with furnishing the Goods and referencing the Quote Number and date, or Purchaser's acceptance of any Goods to be provided hereunder, whichever occurs first, shall constitute Purchaser's acceptance of this Agreement.

1. **Price and Payment:** All prices, fees, charges and taxes are expressed in United States Dollars. All prices of Goods in the Quote or Purchase Agreement are good for thirty (30) days from the date of the Quote or Purchase Agreement, and shall expire if the Quote or Purchase Agreement is not accepted within such thirty (30) day period. Notwithstanding Seller's agreement to honor the price of Goods stated in the Quote or Purchase Agreement, Seller shall not be obligated to hold for Purchaser any Goods identified in a Quote or Purchase Agreement for such thirty (30) day period, and may sell such Goods to a third party. Shipping and freight charges, and taxes shown in the Quote or Purchase Agreement are estimates only, and Purchaser shall pay actual shipping and freight charges and taxes. All payments due hereunder shall be by made by wire transfer or check from a U.S. bank to Seller, at Seller's bank or principal office in Houston, Harris County, Texas USA. Payments shall be made in strict accordance with the payment terms stated on the Quote or Purchase Agreement. Invoice payments are due within ten (10) days of the invoice date. Late payment shall bear interest at the rate of Fifteen Percent (15%) per annum, provided, however, Seller does not intend to and shall not contract for, charge or collect interest which exceeds the maximum rate permitted by law, and any such excess interest shall be applied first to any unpaid portion of the purchase price of the Goods or other charges owed to Seller, and at such time as the purchase price and such charges are paid in full, any remaining excess shall be refunded to Purchaser. Any and all deposits, down payments or advance payments are non-refundable, whether or not Seller consents to cancellation of the purchase of any Goods under this Agreement.

If Goods are not paid for in full in cash at the time of delivery, Seller shall retain and Purchaser hereby grants to Seller a security interest in such Goods within the meaning of the Uniform Commercial Code together with all and any substitutions, additions, or accessions to such Goods, and in any and all proceeds from the sale, exchange or disposal of such Goods, to secure payment of the purchase price. Purchaser shall, as a condition of shipment, execute and deliver to Seller a security agreement, financing statement, and/or such other documentation as requested by Seller to evidence such security interest. Purchaser further appoints Seller as its attorney-in-fact to execute any such financing statement or security agreement in the place and stead of Purchaser. At Seller's option, in the event Purchaser fails to execute any such financing statement of security agreement upon request by Seller, the entire balance of the purchase price shall become immediately due and payable, and Seller shall have all rights and remedies available to it under the Uniform Commercial Code, at law or in equity. Purchaser further agrees to execute and deliver to Seller any notes or other evidences of indebtedness as to the unpaid purchase price as may be requested by Seller. However, any such note or other evidences of



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indebtedness shall be evidence of Purchaser's obligation to pay the unpaid purchase price only, and is not to be considered or construed to be payment for the Goods.

2. **Sales and Other Taxes:** Unless otherwise stated herein or in the Quote or Purchase Agreement, the prices specified herein do not include any federal, state, municipal, or local property, license, privilege, business, occupation, stamp, documentary, sales, use, excise, gross receipts, duties, or custom charges, value added or other similar taxes which may now or hereafter be applicable to, measured by, or imposed by any governmental authority or with respect to (1) the transaction described herein or any contract of sale resulting therefrom, or (2) the Goods described herein or their sale, value, or use, or (3) the performance of any services described herein. If the transaction is exempt from tax, Purchaser shall provide the Seller with a tax exemption certificate or other documentation acceptable to the governing taxing authorities. Otherwise, applicable taxes shall be shown separately on Seller's invoice, and Purchaser agrees to pay to the Seller any such taxes, and within thirty (30) days of Seller's written notice to Purchaser, Purchaser shall pay or reimburse to Seller all penalties and interest in connection with such taxes which the Seller or the Seller's subcontractors or suppliers are required to pay.

3. **Delivery:** Unless otherwise stated in the Quote or Purchase Agreement, or other Incoterms for delivery are agreed to between Purchaser and Seller as evidenced by Seller's invoice, all Goods shall be delivered and all prices are Ex Works Seller's facility in Houston, Texas, and notification that Goods are ready for shipment shall constitute delivery to the Purchaser. Prices include the cost of packing and crating required for normal domestic transportation. Legal title to, beneficial ownership of, right to possession of and risk of loss and damage to all Goods described herein shall pass from Seller to Purchaser upon such delivery. If Seller arranges for shipment of Goods, method of shipment shall be at Seller's discretion unless specifically designated in writing by Purchaser, and Purchaser shall pay all shipping charges. In the event that any Goods will be shipped out of the continental limits of the United States of America, all fees and expenses relating to export documentation, export-packing, marking or importation into the country of destination shall be the responsibility of the Purchaser. All offloading is to be provided by Seller or others.

Seller reserves the right to make delivery in installments unless otherwise expressly stated herein. All such installments may be separately invoiced and such invoices shall be promptly paid, notwithstanding any delivery or payment terms herein to the contrary. Delay in delivery of an installment shall not relieve Purchaser of its obligations to accept remaining deliveries.

Any delivery dates stated herein are approximate, and are dependent upon: (i) Seller's prompt receipt of all information and documentation required of Purchaser for performance of Seller's obligations; and (ii) Purchaser's compliance with the payment and other terms of this agreement. Seller will make every reasonable effort to meet any delivery dates requested by Purchaser. **Any failure to deliver or delay in delivery due to any preference, priority, allocation, or allotment order issued by the government, whether federal, state or local, Acts of God or a public enemy, acts of government foreign or domestic, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, freight embargoes, unusually severe weather, unavailability of materials or shipping space, delays of carriers or suppliers or delays of any subcontractors, or causes beyond Seller's reasonable control, shall be excused and shall not constitute a default under this agreement, and Seller shall not be liable for any damages arising out of or related to any such failure or delay.**

If Purchaser requests an extension of time to ship the Goods from Seller's plant, and Seller in its sole discretion agrees to such extension, Seller may place such Goods in storage either at Seller's plant or at an offsite location, and Purchaser shall pay Seller a reasonable fee for such storage within ten (10) days of receipt of Seller's invoice therefore, and such fee shall include compensation for all costs and expenses of storage, including but not limited to costs or preparing the Goods for storage, handling, transportation, storage and insurance. Any such extension shall not alter the delivery date, and Seller's delivery obligations shall be deemed fulfilled, and Legal title to, beneficial ownership of, right to possession of and risk of loss and damage to all Goods described herein shall have passed from Seller to Purchaser upon notification that Goods are ready for shipment.

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4. **Acceptance:** All Goods shall be finally inspected and accepted within ten (10) days after delivery. Failure of Purchaser to provide Seller with an itemized list of any shortages or defects in writing within such ten (10) day period, or to permit Seller a reasonable opportunity to correct any listed shortages or defects, shall constitute acceptance of the Goods. In the event of multiple shipments, each individual shipment shall be separately accepted. Purchaser expressly waives any right to reject Goods that substantially conform to the specifications relating thereto, and any right to revoke acceptance after such ten (10) day period.

5. **Changes:** Seller reserves the right to change the details of any and all Goods, provided that such change does not materially and adversely affect the performance or critical dimensions of such Goods, and any such changed Goods shall be deemed in conformance with Purchaser's specifications and requirements. Upon Purchaser's acceptance of this Purchase Agreement, Purchaser may not change the specifications, requirements or details of any of the Goods under any conditions whatsoever, unless agreed to in writing by Seller.

6. **Cancellation:** Purchaser may not cancel the purchase of any Goods under this Agreement, except with Seller's prior written consent. **In the event of any cancellation, Seller may retain as liquidated damages as a reasonable estimate of administrative costs incurred by Seller in connection with the sale and cancellation, and not as a penalty, any and all deposits, down payments or advance payments, whether or not Seller consents to cancellation of the purchase of any Goods under this Agreement.** In the event Seller consents to any cancellation, Purchaser shall pay Seller all loss, cost and expense arising out of or related to such cancellation, including but not limited to: (1) the agreed price of completed Goods identified to the contract, less any resale or salvage value to Seller; (2) all costs of handling, packing and freight to return delivered Goods to Seller; (3) all costs incurred by Seller in connection with partially completed Goods, including but not limited to costs of materials, supplies, fabrication and assembly, and a reasonable allowance for overhead and profit, less any resale or salvage value to Seller; (4) all costs, expenses and liabilities of Seller arising out of related to Seller's cancellation or termination of any related purchase or vendor agreements; and (5) Seller's anticipated profit on cancelled Goods with respect to which production had not yet commenced at the time of cancellation. If Seller does not consent to any cancellation of the purchase of any Goods under this Agreement, such cancellation shall constitute a breach of this Agreement.

7. **Warranty:** To the extent that Goods are warranted by their original manufacturers, and to the extent that such warranties are assignable to Purchaser, Seller shall assign to purchaser any such manufacturer warranties, subject to all terms and conditions of such warranties, without recourse, and such manufacturer warranties shall be Purchaser's sole and exclusive remedy as to any defective Goods, unless otherwise stated in the Quote or Purchase Agreement,.

Purchaser is responsible for performing all regular maintenance and repair on the Goods purchased from Seller. The foregoing warranties do not apply and shall be void in the event of any damage or defect arising out of or related to: improper installation, misalignment, improper or inadequate repair or maintenance, abuse, misuse or use outside Purchaser's specified parameters, alteration, acts of vandalism or terrorism, accident or Acts of God, normal wear and tear, or such other causes as stated in the manufacturer's warranty.

SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS, AND SELLER HERBY EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED OR STATUTORY WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PURCHASER ACKNOWLEDGES THAT SELLER'S MARKETING AND PRODUCT INFORMATION DO NOT CONSTITUTE WARRANTIES OF PERFORMANCE OR QUALITY, PURCHASER HAS EXAMINED OR REFUSED TO EXAMINE THE GOODS, AND THAT THERE ARE NO IMPLIED WARRANTIES WITH REGARD TO ANY CONDITION OR DEFECT WHICH A REASONABLE EXAMINATION SHOULD REVEAL. UNDER NO CIRCUMSTANCES SHALL SELLER BE RESPONSIBLE FOR ANY DAMAGES TO OTHER PROPERTY OF PURCHASER, LOSS OF USE OR DOWNTIME, LOSS OF PROFIT OR GOODWILL, OR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO ANY DEFECT IN THE GOODS, OR UNDER THIS WARRANTY.



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8. **Force Majeure:** Seller shall not be liable for damages, including but not limited to any liquidated damages applicable to any agreement of Purchaser whether or not made known to Seller, and Seller shall not be in default of this agreement by reason of any failure or delay in delivery due to any preference, priority, allocation or allotment order issued by any governmental authority, whether federal, state or local, strikes, lockouts, labor shortages, fire, flood, war, embargo, riot, acts of a public enemy, epidemic, quarantine restrictions, natural disaster or other casualty, government regulations or requirements, shortages or unavailability of raw material, supplies, fuel, power or transportation, delay of carriers, unusually severe weather, Acts of God, or any other causes beyond Seller's reasonable control, whether of similar or dissimilar nature to those enumerated. Seller shall have such additional time within which to perform as may be reasonably necessary under the circumstances.

9. **WAIVER OF CONSEQUENTIAL DAMAGES:** NEITHER SELLER NOR PURCHASER SHALL HAVE ANY LIABILITY TO THE OTHER FOR, AND SELLER AND PURCHASER HEREBY EXPRESSLY WAIVE ANY AND ALL CLAIMS FOR ANY CONSEQUENTIAL, SPECIAL, INDIRECT, INCIDENTAL, AND PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THE SALE OR PURCHASE OF THE GOODS, THE GOODS OR ANY DEFECT IN THE GOODS, THE FAILURE OF EITHER PARTY TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT, OR ANY BREACH OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY CLAIM FOR LOSS OF USE OR DOWNTIME, LOST PRODUCTIVITY, LOST REVENUE OR LOST PROFITS, DAMAGE TO ANY PROPERTY OR EQUIPMENT, OR MULTIPLE DAMAGES UNDER ANY DECEPTIVE TRADE PRACTICE OR CONSUMER PROTECTION LAWS.

10. **LIMITATION OF LIABILITY:** UNDER NO CIRCUMSTANCES SHALL ANY LIABILITY OF SELLER TO PURCHASER, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF OR RELATED TO THE GOODS, THIS AGREEMENT OR ANY BREACH HEREOF, EXCEED THE AMOUNT OF THE TOTAL PRICE OF THE GOODS AS STATED IN THE QUOTE OR PURCHASE AGREEMENT.

11. **INDEMNIFICATION:** (a) EXCEPT WITH RESPECT TO CLAIMS RELATING TO BODILY INJURY OR DEATH OF AN EMPLOYEE AS DEFINED IN THE PARAGRAPH BELOW, PURCHASER AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS (COLLECTIVELY "INDEMNIFY") SELLER, ITS PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES, (COLLECTIVELY THE "INDEMNIFIED PARTIES" OR INDIVIDUALLY AN "INDEMNIFIED PARTY") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGEMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY'S FEES (COLLECTIVELY "CLAIMS"), FOR BODILY OR PERSONAL INJURIES, INCLUDING DEATH, TO ANY PERSON, OR DAMAGES TO OR DESTRUCTION OF PROPERTY, INCLUDING THE LOSS OF USE THEREOF, ACTUALLY OR ALLEGEDLY OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE USE, OPERATION, HANDLING OR TRANSPORTATION OF THE GOODS, WHILE THE GOODS ARE IN THE POSSESSION, CUSTODY OR CONTROL OF PURCHASER, INCLUDING BUT NOT LIMITED TO CLAIMS OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY PURCHASER, ITS EMPLOYEES, AGENTS OR ANY CONTRACTOR OF PURCHASER OF ANY TIER, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES, OR ANY OTHER PARTY FOR WHOSE ACTS PURCHASER IS LIABLE. PURCHASER'S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY, EVEN IF SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS INDEMNITY AGREEMENT IS INTENDED TO INDEMNIFY THE AFOREMENTIONED



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INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE. NOTWITHSTANDING THE FOREGOING, IF SUBCHAPTER C OF CHAPTER 151 OF THE TEXAS INSURANCE CODE APPLIES TO THIS AGREEMENT, THIS INDEMNITY PROVISION SHALL NOT APPLY TO THE EXTENT THAT IT REQUIRES PURCHASER TO INDEMNIFY AN INDEMNIFIED PARTY AGAINST A CLAIM CAUSED BY THE NEGLIGENCE OR FAULT, THE BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, OR RULE, OR THE BREACH OF CONTRACT OF THE INDEMNIFIED PARTY, ITS AGENT OR EMPLOYEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF THE INDEMNIFIED PARTY.

(b) INDEMNITY FOR EMPLOYEE CLAIMS: PURCHASER AGREES TO AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS (COLLECTIVELY “INDEMNIFY”) SELLER AND ITS REPRESENTATIVES, PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES (COLLECTIVELY THE “INDEMNIFIED PARTIES” OR INDIVIDUALLY AN “INDEMNIFIED PARTY”) FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, DEMANDS, INJURIES, JUDGEMENTS, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO ALL EXPENSES OF LITIGATION, COURT COSTS AND ATTORNEY’S FEES (COLLECTIVELY “CLAIMS”) , FOR BODILY INJURY OR DEATH OF ANY EMPLOYEE OF PURCHASER, ITS AGENTS, OR ITS CONTRACTORS OF ANY TIER (COLLECTIVELY “EMPLOYEE” FOR THE PURPOSE OF THIS SECTION), ACTUALLY OR ALLEGEDLY OCCASIONED BY, CONTRIBUTED TO OR ARISING OUT OF, IN WHOLE OR IN PART, THE USE, OPERATION, HANDLING OR TRANSPORTATION OF THE GOODS, WHILE THE GOODS ARE IN THE POSSESSION, CUSTODY OR CONTROL OF PURCHASER, INCLUDING BUT NOT LIMITED TO CLAIMS DUE TO NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, VIOLATION OF ANY STATUTE, RULE OR REGULATION OR OTHER ACT OR OMISSION BY PURCHASER, ITS EMPLOYEES, AGENTS OR ANY CONTRACTOR OF PURCHASER OF ANY TIER, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES, OR ANY OTHER PARTY FOR WHOSE ACTS PURCHASER IS LIABLE. PURCHASER’S OBLIGATION TO INDEMNIFY SHALL APPLY EVEN IF SUCH CLAIMS ARE ACTUALLY OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE STRICT LIABILITY OR THE ACTS, OMISSIONS, OR NEGLIGENCE OF AN INDEMNIFIED PARTY, EVEN IF SUCH NEGLIGENCE OR OTHER ACTS OR OMISSIONS ARE ACTIVE OR PASSIVE, DIRECT OR INDIRECT, SOLE OR CONCURRENT. THIS INDEMNITY AGREEMENT IS INTENDED TO INDEMNIFY THE AFOREMENTIONED INDEMNIFIED PARTIES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, AS PROVIDED ABOVE.

12. **Intellectual Property:** Purchaser shall defend, indemnify and hold harmless Seller from any and all claims, demands, suits, judgments, liabilities, loss, cost and expense, including but not limited to attorneys fees incurred, in connection with any actual or alleged infringement or violation of any patent, copyright, trademark or other intellectual property right arising out of or related to Seller’s compliance with any plans, drawings, specifications or design criteria furnished by Purchaser.

13. **Exculpatory Clause:** The parties agree that Seller will not be liable to Purchaser for damages, including but not limited to economic loss and/or destruction, damage to or loss of use of property, arising out of, or occasioned by, directly or indirectly, the failure or defectiveness of any Goods furnished by Seller pursuant to this Agreement, including all cases in which the defect or failure, or the resultant damage results from, the design, manufacture, marketing, distribution, or operation of any Goods supplied under this Agreement, or from the failure of Seller to provide timely warnings concerning the Goods supplied under the terms of this Agreement whether that failure or defectiveness is the sole or contributory cause of the resultant damage. It is the expressed intention of the



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Purchaser and the Seller that this section is designed and intended to protect Seller from the consequences of defects in the design, manufacture, marketing, distribution, or operation of any Goods supplied under the terms of this Agreement, or from the failure of Seller to provide timely warnings concerning the Goods supplied under the terms of this Agreement.

14. **Entire Agreement/No Waiver/No Assignment/Modification/Interpretation:** The Quote or Purchase Agreement and these Terms and Conditions constitute the entire agreement between the parties with respect to the subject matter hereof, and supersedes any prior or contemporaneous agreements, written or oral. Any waiver of any rights or remedies under this Agreement must be in writing and signed by the party against whom it is enforced. This Agreement may not be assigned by the Purchaser to any person without the prior written consent of the Seller. Any modification of this Agreement must be in writing and signed by both parties. If any provision of this Agreement is found to be invalid or unenforceable for any reason, such provision shall be deemed severed from this Agreement, and this Agreement shall remain in force and effect as if such invalid provision had never been part of this Agreement. The headings and captions contained in this Agreement are for the convenience of the parties only, and shall not affect the interpretation of the text.

15. **Additional Assurance:** Purchaser shall execute such additional documents and take such additional actions as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

16. **Dispute Resolution:** All terms and conditions of this agreement shall be enforced and construed in accordance with the laws of the State of Texas, excluding any provision that would direct the application of the laws of another jurisdiction. Except for any equitable relief specifically provided for in this Agreement, any controversy or claim arising out of or relating to this Agreement or the breach hereof, shall be settled by binding arbitration in Houston, Texas according to the Commercial Arbitration Rules of the American Arbitration Association (AAA). The parties agree that venue in Houston, Texas is convenient and proper. Written notice of a demand for arbitration must be mailed to the other party and to the AAA within ninety (90) days after the occurrence of the claimed breach or other event giving rise to the controversy or claim, identifying the provision or event that is the basis of the controversy or claim and the remedy sought, or such claim shall be deemed waived. The party filing such demand shall pay the administrative fee to initiate arbitration, but such fee shall be subject to final apportionment between the parties by the arbitrator. The arbitrator's fee shall be shared equally by the parties, but such fee shall be subject to final apportionment between the parties by the arbitrator. No suit or other proceeding at law based on such claim or controversy shall be filed by either party other than a suit to enforce this agreement to arbitrate, or a suit to confirm, enforce, vacate, modify or correct the award of the arbitrator, which suit or proceeding shall be filed in the State or Federal court of appropriate jurisdiction in Harris County, Texas. Notwithstanding the foregoing, Seller may seek any equitable remedy specifically provided for in this Agreement. Seller shall be entitled to recover from Purchaser in addition to any damages due as a result of Purchaser's breach of this Agreement, the reasonable attorneys' fees incurred in connection with the enforcement of Seller's rights under this Agreement, as well as the reasonable attorney's fees incurred by Seller if Seller is the prevailing party in defense of any claims brought by Purchaser arising out of or related to this Agreement.

17. **Compliance with Export and Import Laws:** EXPORTATION FROM THE UNITED STATES OF GOODS SOLD OR DELIVERED TO PURCHASER BY SELLER AND/OR THE RE-EXPORTATION OF SUCH GOODS FROM ANY OTHER COUNTRY MAY BE PROHIBITED OR RESTRICTED UNDER FEDERAL LAWS AND/OR REGULATIONS OF THE UNITED STATES. ACCORDINGLY, NO EXPORTATION OF SUCH GOODS FROM THE UNITED STATES AND NO RE-EXPORTATION THEREOF FROM ANY OTHER COUNTRY SHALL BE PERMITTED, EXCEPT IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF THE UNITED STATES, AND PURCHASER SHALL BE RESPONSIBLE FOR COMPLIANCE WITH SUCH LAWS AND REGULATIONS, AND FOR OBTAINING ALL APPLICABLE LICENSES AND/OR PERMITS. This provision constitutes an independent covenant and continuing obligation of Purchaser, which shall survive termination of this Agreement.