

THE RADFORD COMPANY, AND ITS SUBSIDIARIES, OCV CONTROL VALVES, LLC, AMS MACHINING SPECIALISTS, LLC, AND PRECISION COATINGS, LLC

TERMS AND CONDITIONS OF SALE

The following sets forth the terms and conditions (“**Terms**”) governing all sales by The Radford Company and its subsidiaries, OCV Control Valves, LLC, AMS Machining Specialists, LLC and Precision Coatings, LLC (collectively “**Seller**”). These Terms shall apply to all transactions in which Seller provides any services, consultation or labor (“**Services**”), or provides any goods, products or designs (“**Products**”) to any individual, natural person, company, partnership, limited liability company, limited liability partnership, “d/b/a” or other entity (“**Customer**”) and to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. Acceptance by Customer of any Products from Seller, placing any order with Seller, execution of any purchase order with Seller, acceptance by Customer of a quotation (a “**Quotation**”) issued by Seller and to Seller’s terms and conditions set forth on Seller’s website at www.controlvalves.com (“**Additional Terms**”; reference to the “**Terms**” hereinafter shall include the Additional Terms) or agreement or acknowledgment by Customer to purchase any Products from Seller shall be expressly conditioned upon and deemed as Customer’s unconditional consent and agreement to these Terms. All terms or conditions included within any written, electronic or oral communication, order, purchase order, facsimile, email, acknowledgment or other document from Customer which are in addition to, purport to vary, supplement or are in conflict with these Terms are expressly rejected and shall be deemed inapplicable to any agreement between Seller and Customer and inapplicable to the sale of any Products or the provision of any Services by Seller to Customer. The placing or submission of any order or acceptance of any Quotation (an “**Order**”) by Customer for any Products or Services shall constitute the affirmative agreement of Customer to the Terms. All negotiations, proposals and representations, if any, made prior to an Order are merged herein, and these Terms shall constitute the complete and exclusive statement of the terms and conditions of all agreements between Customer and Seller. Customer agrees that any attempt by Customer to disavow the applicability of the Terms shall be ineffective and of no force or effect. Customer acknowledges that placement or acceptance of any Order or Quotation for Products or Services by Customer shall be deemed inclusive of the Terms and acknowledgement of acceptance of the Terms by Customer.

- I. **ORDERS** – Placement of an Order with Seller or acceptance of a Quotation from Seller shall be deemed an offer to enter into a contract with Seller for the purchase of Products or Services from Seller subject to these Terms and the terms set forth in the Order or Quotation. No contract or agreement shall exist between Customer and Seller until such time as Seller issues a written acceptance of the Order to Customer, Seller confirms receipt of the Order, Seller commences production of the Products, Seller provides any Services or Seller takes any other action consistent with the acceptance of an Order or Quotation. If the written acceptance by Seller of an Order

contains additional or different terms and conditions from those set forth in the original Order, no contract nor agreement shall exist between Seller and Customer until such time as Customer agrees in writing to the additional or different terms and conditions. Seller shall be entitled to rescind the acceptance of any Order which contains additional or different terms from Customer's original Order at any time prior to receipt by Seller of Customer's written agreement and acceptance of the additional terms and conditions imposed by Seller on Customer's original Order. Customer is responsible for insuring that the Order is complete and accurate in all respects. All Orders shall be for a minimum of \$75.00.

- II. SUPPLY OF SERVICES** - Seller shall provide the Services to Customer in accordance with the service specifications set forth in the Order in all material respects. Seller shall use all reasonable efforts to meet any performance dates for the Services that have been agreed in writing between Seller and Customer, but any such dates shall be estimates only and time shall not be of the essence for the performance of the Services. Seller shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services.
- III. CHANGES** - Customer agrees to pay all costs arising by virtue of any change, modification or addition to the items contained in the Order. Any such change, modification or addition shall otherwise alter the terms and conditions of the original Order. Customer agrees that the delivery date of any Order may be delayed as a result of any changes made by Customer and in such event, the scheduled delivery date shall be modified accordingly.
- IV. CANCELLATION** - After acceptance hereof by Seller and prior to commencement of work, Customer shall have the right to cancel the Order, provided, however, that upon cancellation of the Order, Customer agrees to pay a minimum cancellation fee to Seller equal to ten percent (10%) of the total sales price of Products or Services ordered, and in the case of items manufactured to Customer's specification, all charges and expenses pertaining to such manufacture to date of receipt of cancellation. Such payment or payments shall be made within thirty (30) days of such cancellation. The payments of such cancellation fee by Customer to Seller shall be in addition to Seller's remedies at law or equity.
- V. PRICING** - Any Quotations provided by Seller shall not be deemed an offer by Seller and shall not form part of any Order unless and until such Order is accepted by Seller. All Orders accepted by Seller shall be deemed confirmation of the prices set forth in the Order or Quotation unless Seller specifically advises of different pricing. Unless otherwise agreed in writing by Seller, all prices are EX WORKS ("EXW") Seller's factory, Tulsa, Oklahoma, and shall be adjusted to conform to Seller's prices in effect at the date of shipment.

- VI. TERMS OF PAYMENT** - Payment shall be due within thirty (30) days of the date of any invoice issued by Seller. Any amounts not paid in full within thirty (30) days shall bear interest at the rate of eighteen percent (18%) per annum on the unpaid balance of the invoice until paid in full. If such interest rate is ever determined to exceed the maximum rate permitted by law, then any payments in excess of the maximum permitted interest rate shall be deemed payments for the Products purchased and the applicable interest rate automatically shall be deemed reduced to the maximum interest rate permitted by law.
- VII. CREDIT APPROVAL** - Shipments, deliveries, performance of work and credit terms shall at all times be subject to the Seller's approval. Seller may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon terms and conditions satisfactory to Seller.
- VIII. TAXES** - Unless otherwise indicated or agreed in writing by Seller, all prices specified exclude all sales, excise and any other applicable taxes payable on account of the transaction, and all such taxes shall be the sole responsibility of Customer. Seller will invoice and collect from Customer any taxes which Seller is required by applicable law to collect and remit. If subsequent to completion of an Order it is determined that Seller is required to collect any taxes from Customer and remit the same, Seller shall issue a supplemental invoice to Customer which Customer shall pay within thirty (30) days. Customer agrees to indemnify and hold harmless Seller for all taxes which Customer is obligated to pay in connection with any Order.
- IX. DELIVERY** - Seller shall deliver the Products to, or provide the Services at, the location set out in the Order or such other location as the parties may agree (“**Delivery Location**”) at any time after the Seller notifies the Customer that the Products are ready for delivery or the Services are ready to be provided. Delivery of the Products shall be completed upon arrival at the Delivery Location or, where the Products are to be delivered at the Seller's business premises, upon transfer of the Products to Customer. If the Customer fails to accept or take delivery of the Products within three business days of the date that Seller notifies Customer that the Products are ready, then, except where such failure or delay is caused by a Force Majeure Event or the Seller's failure to comply with its obligations under the Order, delivery of the Products shall be deemed to have been completed at 9:00 o'clock a.m. on the third business day after the day on which the Seller notified the Customer that the Products were ready, Seller shall store the Products until physical delivery occurs, and Customer shall remain liable for risk of loss of the Products and all related costs and expenses (including insurance) incurred by Seller during such period that Seller stores the Products. If ten business days after the day on which the Seller notified the Customer that the Products were ready for delivery the Customer has not taken delivery of the Products, Seller may resell or otherwise dispose of part or all of the

Products, or take any action or pursue any remedy permitted under the Oklahoma Uniform Commercial Code as a result of a breach of the agreement by Customer. Seller shall use its best efforts to deliver the Products on or before the date requested by Customer. Deliveries of Products completed or in process may not be delayed by Customer for more than sixty (60) days beyond the original delivery date without prior written approval of Seller. Delivery shall be excused for any delay or failure in performance due to or caused by acts of God, natural disasters, weather, war, riot, terrorism, embargoes, fires, explosion, strikes or other disputes with employees, shortages, delays from suppliers, delay in transportation, accidents, compliance with applicable laws or regulations, or any other cause, without limitation, beyond Seller's control ("**Force Majeure Events**"). Seller shall not incur or suffer any claims for damages nor be liable to Customer for any delays or failure to deliver Products or Services as a result of the foregoing. Risk of loss of the Products shall pass to Customer at the time of delivery of the Products. Title to the Products shall not pass to Customer until Seller has received payment in full.

- X. SHIPMENT** - Customer shall pay all costs and expenses of shipping the Products, including shipment of Products to a destination outside the territory of the Continental United States. All shipments shall be shipped EXW from Seller's dock.
- XI. RIGHT OF INSPECTION AND CLAIMS** - Customer shall inspect the Products immediately following delivery. Any claims arising in connection with said inspection for shortage, damage to the Products, defects, or failure of the Products to meet any specifications, must be received by Seller in writing within ten (10) days of the delivery date, setting forth the nature of the claim. Upon notification of any such claim, Seller shall have the option of inspecting the Products at Customer's business or requiring Customer to ship the Products prepaid to Seller for inspection. Access to Seller's facilities and those of its subcontractor's shall be granted to Customer, its agents and representatives upon request, for purposes of inspection or observation. All material, workmanship and tests performed by Seller shall be subject to Customer's inspection at its discretion. Where witness of any test is specified, Seller shall give five days' advance notice to Customer. Failure of Customer to witness any specified test shall be deemed a waiver by Customer of the right to witness such test. All Products are shipped EXW from Seller's dock. Seller shall not have any liability for any claims to the Products which arise once the Products are delivered to the shipper for transport and Customer shall look solely to the shipper for any claims relating to the Products which occur during transport and shipment.
- XII. TOLERANCES** - All tolerances will be in accordance with Seller's standards, which will be provided upon request.
- XIII. RETURNED ITEMS** – No Products may be returned more than one year from the date of Delivery. Products delivered one year or less may not be returned without

first receiving authorization in writing from Seller. Authorized returns must be shipped prepaid to Seller at 7400 East 42nd Place, Tulsa, Oklahoma 74145, or such other location as Seller may designate. Seller reserves the right to refuse any Product for credit. Special equipment, items not of current design, and items which have been used or installed may not be returned for credit. If approval is granted, Customer agrees to pay a thirty-five percent (35%) restocking charge on standard Products of current design, within warranty period; provided such returned items are in the original package or crate when received. If authorized returns are not in the original package or crate when received, Customer shall pay all costs of inspection, reconditioning, testing, repainting and packaging in addition to the 35% restocking charge.

- XIV. DRAWINGS AND SPECIFICATIONS** - If drawings and specifications are submitted for approval after an Order is received, the manufacturing and delivery schedule will not begin until approved drawings are received by Seller. Any drawings or specifications submitted after placement of an Order shall be subject to additional charges by Seller.
- XV. PATENT INFRINGEMENT** - If any of the items in the Order are furnished to Customer's specifications, Customer shall indemnify and hold harmless Seller, its employees, officers, representatives, agents, parents, subsidiaries, successors and assigns, of, from and against any and all claims, lawsuits, actions, liabilities, damages, judgments, expenses, costs and legal fees, resulting directly or indirectly from any claim of or related to patent infringement of any patent used, referenced or utilized, in whole or in part, in connection with the Products. Subject to the foregoing, Seller warrants that any Products will not infringe upon any U.S. or foreign letters patent. Seller shall indemnify and hold harmless Customer, its employees, officers, representatives, agents, parents, subsidiaries, successors and assigns, of, from and against any and all claims, lawsuits, actions, liabilities, damages, judgments, expenses, costs and legal fees, resulting directly or indirectly from any claim of or related to patent infringement of any patent used, referenced or utilized, in whole or in part, in connection with the Products.
- XVI. PROPRIETARY DATA AND EQUIPMENT** - Patterns, drawings or other data, designs, tools, jigs, dies, equipment of other items furnished by Customer to Seller shall remain Customer's sole property and Seller shall not use or share such items or information for any purposed except in conjunction with Customer's Orders without Customer's written consent.
- XVII. NONWAIVER BY SELLER** – No waiver or variance of any of the Terms shall be binding on Seller unless in writing, and any waiver or variance of any of the Terms by Seller in writing shall not be construed as a waiver or variation of any other of the Terms. Any such waiver or variation shall be clearly stated in a document entitled

“Amendment of Seller’s Terms and Conditions” and must be executed by Seller’s President and/or an officer of the Company. Execution by Seller of any Customer’s purchase order, acknowledgment, receipt or any other document provided by Customer shall not be deemed an agreement or acquiescence by Seller to any terms or conditions which Customer seeks or attempts to impose upon an Order or any Products or Services.

XVIII. INDEMNIFICATION AND HOLD HARMLESS. Customer agrees to indemnify, release, defend and save harmless The Radford Company, its divisions and subsidiaries (OCV Control Valves, LLC, AMS Machining Specialists, LLC, and Precision Coatings, LLC), and its directors, officers, employees, agents, representatives, successors and assigns, customers and users of its and their products, whether acting in the course of their employment or otherwise, against all suits, actions or proceedings at law or in equity and from all claims, demands, losses, judgments, damages, costs, expenses or liabilities resulting from the death or injury to any person or damage to any property arising out of or in any way connected with the performance or use of any Products (excluding only those Products which are defective, for which this indemnification and hold harmless provision shall not apply).

XIX. WARRANTY AND EXCLUSION OF OTHER WARRANTIES - Seller warrants that all Products manufactured or produced by Seller, shall be free from defects in material and workmanship under normal use and conditions for the purpose for which such Products were manufactured for a period of five (5) years from the date of shipment provided the Products are installed and used in accordance with all applicable instructions and limitations ("**Warranty Period**") subject to the exclusions and limitations hereinafter set forth. This Warranty excludes any new component parts, electronics, rubber goods, plastic components and parts, accessories, equipment furnished by a third party which is used in connection with the Products and any components manufactured by a third party which has a limited warranty. The warranty for any new component parts, accessories and equipment furnished by a third party shall be limited to the warranty provided by such third party and Seller shall transfer and assign such warranty to Customer. The warranty period for any rubber goods, rubber components and plastic components and parts shall be limited to one year. Seller does not warrant and expressly disclaims any Seller warranty of any new component parts, accessories of equipment furnished by a third party which is used in connection with the Products. The Customer promptly shall notify Seller in writing during the Warranty Period if any of the Products are defective. Customer shall return any defective Products to Seller at such location as Seller shall designate, initially at Customer's cost. If the Products are confirmed by Seller to be defective, Seller shall reimburse Customer for the cost of returning the Products. Any warranty shall be void and not applicable if a) Customer continues to use such Products after discovery of any defects, the defects occurred because the Customer failed to follow

any oral or written instructions for storage, commissioning, installation or use of the Products, b) the defect is a result of any drawing, design or specification supplied by the Customer, c) the Product has been altered or repaired without Seller's written consent, or, d) the defect arises as a result of normal wear and tear, wilful damage, negligence, abnormal storage or working conditions or a Force Majeure Event. These exclusions shall apply to any repaired or replacement Products supplied by the Seller and the Warranty Period for the repaired or replacement Products shall be deemed to be equal the remaining Warranty Period that applied to the original Products that were repaired or replaced.

THE WARRANTY PROVIDED HEREIN IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PURPOSE, WHETHER ARISING BY LAW, CUSTOMER OR CONDUCT, AND IS LIMITED TO THE REPAIR OR REPLACEMENT BYSELLER AT ITS FACTORY IN TULSA, OKLAHOMA, AT SELLER'S OPTION, OF ANY PART OR COMPONENT WHICH BECOMES DEFECTIVE WITHIN THE WARRANTY PERIOD. ALL SUCH OTHER WARRANTIES AND REPRESENTATIONS ARE CANCELLED. THE FOREGOING RIGHTS AND REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER RIGHTS AND REMEDIES OF CUSTOMER WHATSOEVER, WHETHER STATUTORY OR OTHERWISE, AND WHETHER BASED ON A CONTRACT, TORT OR OTHERWISE, AND IN NO EVENT SHALL SELLER BE LIABLE FOR ANY LABOR CLAIMS OR ANY OTHER SPECIAL, DIRECT, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING DIRECTLY OR INDIRECTLY FROM THE USE OF THE PRODUCTS OR FROM SERVICES PROVIDED BY SELLER. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR CHARGES FOR LABOR OR EXPENSES IN MAKING REPAIRS OR ADJUSTMENT TO THE PRODUCTS. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR CHARGES SUSTAINED IN THE ADAPTATION OR USE OF SELLER'S ENGINEERING DATA AND SERVICES. NO REPRESENTATIVE OF SELLER IS AUTHORIZED TO CHANGE OR AMEND ANY OF THE FOREGOING OR ASSUME ANY ADDITIONAL LIABILITY OR RESPONSIBILITY ON BEHALF OF SELLER IN CONNECTION WITH ANY PRODUCT OR SERVICES. SELLER'S LIABILITY IS EXPRESSLY LIMITED TO MATERIAL REPLACEMENTS EXW TULSA, OKLAHOMA.

- XX. COMPLIANCE WITH FEDERAL LAWS** - Seller agrees that its performance will be in compliance with all applicable and relevant Federal and State laws, rules, regulations and orders.

XXI. REPRESENTATIONS - Customer acknowledges and agrees that it has not relied upon any statement, promise, representation, assurance or warranty made or given by or on behalf of Seller which is not set forth herein or in the Order. Any prior statements, promises, representations, warranties or assurances, if any, between Customer and Seller, superseded and replaced by the Terms. Any samples, drawings, descriptive matter, or advertising produced by Seller and any descriptions of the Products or illustrations or descriptions of the Services contained in the Seller's catalogues, brochures or website are produced for the sole purpose of giving an approximate idea of the Products and/or Services described in them, but they shall not form part of the Order or have any contractual force.

XXII. GOVERNING LAW/JURISDICTION - The Order and all matters related thereto including the Terms, shall be governed by and construed under the laws of the State of Oklahoma. For all purposes, Customer agrees that any contract between Customer and Seller was made in Tulsa County, State of Oklahoma and that the place of performance of such contract is Tulsa County, State of Oklahoma. Jurisdiction for any dispute under the terms of the Order or these Terms lies exclusively in the State or Federal courts sitting in Tulsa, Oklahoma. The parties hereby expressly waive all rights to demand or seek a trial by jury. Customer further waives all right to seek or recover any incidental, consequential or punitive damages for any breach of the Terms, and agrees that any such damages shall be limited as provided in the Terms. In the event of litigation, the prevailing party shall be entitled to recover its, his or her costs, expenses and reasonable legal fees from the non-prevailing party.

Customer hereby acknowledges and agrees by placing an Order or accepting a quotation for Products or Services that Customer has read and reviewed the foregoing Terms and agrees to the same.