

AZANE INCORPORATED

STANDARD TERMS AND CONDITIONS OF SALE

(Supply and Erect)

(1) Definitions

As used in these Terms and Conditions of Sale:

"Company" means Azane Incorporated

"Contract" means the Quotation and these Terms and Conditions

"Cost" means all expenditure incurred by the Company, including profit, overhead, finance and other charges properly allocable

"Customer" means the party for whom the Works are provided hereunder as named in the Quotation

"Holidays" means a day on which the New York Stock Exchange is closed

"Quotation" means the quotation for the Works provided by the Company to the Customer for the Works

"Site" means the place at which the Works are to be installed.

"Terms and Conditions" means these Terms and Conditions of Sale

"Variation" means any alteration to the Works

"Works" means the goods and services which are the subject of the Quotation and these Terms and Conditions

(2) *General.* These Terms and Conditions constitute the sole terms and conditions upon which the Company agrees to provide the Works pursuant to the Quotation and shall be the exclusive and binding agreement between the Company and the Customer covering the Works. Acceptance of the Quotation is conditioned upon these Terms and Conditions applying in precedence to any other terms and conditions. Any purchase or additional terms contained in any documents furnished by the Customer before or after the Customer's receipt of these terms are rejected by the Company without any further notice or action by the Company.

The Quotation is deemed to be incorporated into these Terms and Conditions by reference. The Company may use sub-contractors in executing the Works. The Customer may cancel its order only with the prior written consent of the Company, which the Company may withhold in its sole discretion. Delivery of goods will be EXW the Company's factory unless otherwise agreed in writing for the Contract. Partial deliveries are permitted. The Company may deliver goods in advance of the delivery schedule. Delivery times for Works are approximate and are dependent upon prompt receipt by the Company of all information necessary to proceed with the work without interruption. If Works delivered do not correspond in quantity, type or price to those contracted, the Customer shall so notify the Company within ten (10) days after receipt. The Company shall be afforded a reasonable opportunity to correct defective Work before other remedies are pursued.

(3) *Price.* The Customer shall purchase the Works at the Contract price. Unless otherwise provided in the Quotation, the Company's rates and prices are fixed for the period stated in the Quotation. If the Works or any part thereof are carried out after such stated period for reasons beyond the control of the Company, such rates or prices may be increased, at the Company's sole discretion, by reference to the increase in the U.S. Consumer Price Index between the date of the Quotation and the date on which the Works or part thereof are carried out. Exercise of such discretion will not in any way affect the Company's entitlement to be paid additional Cost in accordance with Clause (4) below. Unless provided otherwise in the Quotation, prices are based upon goods being delivered and services being executed during normal business hours, Monday to Friday, excluding Holidays. The price in the Quotation is based solely on the information stated in the Quotation and is not based on any conditions of contract of the Customer or under which the Customer is or may be engaged. All prices shall be confidential and the Customer shall not disclose such prices to any unrelated party. Prices exclude shipping, handling, storage and insurance charges, which shall be the obligation of the Customer, unless expressly agreed as part of the Contract price. All prices are exclusive of all sales, use and excise taxes and duties and any other similar taxes, duties and charges of any kind and any penalties and interest imposed by any governmental authority on any amounts payable by the Customer. The Customer shall be responsible for all such charges, costs, taxes and duties; provided that, the Customer shall not be responsible for any taxes solely imposed on, or with respect to, the Company's income, revenues, gross receipts, personnel or real or personal property or other assets. Any of the foregoing which are payable by the Customer will be added to the invoice as a separate charge or, where applicable local tax regulations provide for this, will be payable by the Customer directly to the tax authorities. Where local tax regulations applicable to the Works require, the Customer and Company shall each make timely filings with the tax authorities as required and will provide to each other any information necessary for such purpose.

(4) *Variation.* The Company shall notify any Variation to the Customer in writing and the Company shall charge for any Variation on the following basis:
Omissions - at the amount included in the Quotation or, if not included in the Quotation, on the same basis as an Addition; and Additions - on the basis of the additional Cost incurred by the Company.

(5) *Program.* Where no time or periods of time for the execution of the Works is or are stated in the Quotation, acceptance of the Quotation by the Customer is conditional upon a program for the execution of the Works being mutually agreed between the Company and the Customer, such mutually agreed program to be deemed part of the Contract. The Company shall notify the Customer in writing when the Works are complete in its opinion, which shall be final and conclusive.

(6) *Site Access.* The Customer shall provide the Company with unimpeded, safe and unrestricted access to the Site to carry out the Works. The Customer shall provide the following at the Site for the use of the Company and at no cost to the Company:
- Suitable space for the Company's site huts, storage, etc.
- Electricity, water and other services for erection and testing.
- Background and emergency escape lighting.
- Use of fixed or temporary access platforms, where required.
- Reasonable access to and use of welfare facilities.
- Security of the Works and the Company's site huts, storage areas, etc.
- Facilities for the disposal of waste.
- Any further requirements as specified in the Quotation.

(7) *Payment.* Upon acceptance of the Quotation, the Customer shall make an initial payment to the Company of 30% of the price stated in the Quotation, and make a second payment equal to the first payment 60 days after Quotation acceptance. On delivery of the Works, another payment equal to 30% of the price stated in the Quotation shall be made to the Company. Upon final handover of the works after commissioning, the Company shall provide to the Customer a written statement detailing the amount then due for all Works performed, any materials on Site or stored in the Company's premises, Variations and any other amount or sum, less any applicable discount. Payment shall be due to the Company within three (3) days following the date of each such monthly written statement by the Company. The Customer shall pay the Company monthly as follows, the following amounts as per such monthly written statement:

(i) Final 10% of the price stated in the Quotation;

(ii) The amount of any Variation; and

(iii) Any other amount or sum due.

The Customer shall, not later than five (5) days after the date on which any payment

(i) becomes due, or

(ii) Would have become due, if

- The Company had carried out its obligations under these Terms and Conditions; and

- No set-off or abatement was permitted by reference to any sum claimed to be due under one or more other contracts, give notice to the Company specifying the amount (if any) of the payment the Customer has made or proposes to make, specifying to what the payment relates and the basis on which that amount is calculated.

Final payment of all monies due to the Company shall be made by the Customer one month after completion of the Works. All payments shall be made without retentions. Sums unpaid thirty (30) days after date of invoice shall be subject to a late payment charge of one and one-half percent (1.5%) per month from the due date, or the maximum amount permitted by law, if less, and, in addition, the Customer shall pay all costs incurred by the Company which relate to the credit extension. In the event of any default in payment, the Customer shall pay all costs of collection. If delivery is delayed or any contract is cancelled by the Customer, the Company shall retain payments already made to the Company and apply said payments to payments required, pursuant to the Customer's and the Company's order or contract. Without prejudice to any other provision of the Contract, if the Customer fails to discharge its obligation to make payment to the Company then, provided the Company has given seven days' advance notice in writing, the Company may suspend the performance of its obligations under the Contract or any other contract with the Customer until such discharge occurs. Such period of suspension, which will include such times as the Company shall require to remobilize its resources, shall not be deemed a delay for which the Company is liable.

The Customer shall be liable to the Company for any additional Cost caused to the Company by any suspension of the Works under these provisions.

(8) *Title.* Unless fully and finally incorporated into any structure, the title to goods supplied by the Company as part of the Works shall remain vested in the Company and the Company shall have a lien and security interest on, in and to goods of the Works wherever located and now existing or hereafter supplied (including insurance proceeds) until payment in full for the Works has been received by the Company. Where applicable law permits, the Company may also claim the rights attaching to a purchase money security interest for goods supplied. The Company shall have the right to file any and all documents and take any action it deems necessary to fully establish protection of its security interest in the Works; however, the failure of the Company to file any such document shall not in any way act as a waiver of the Company's right to such security interest. From delivery, the Works shall be at the sole risk of the Customer and any loss, damage or deterioration shall be borne by the Customer.

(9) *Copyright; Sale Conveys No License.* Copyright in all drawings and other documents prepared by the Company is reserved to the Company. Such drawings and other documents may not be disclosed to any other party without the prior written permission of the Company. Supply of the Works by the Company does not convey any license under any patent, copyright, trade secret or other proprietary right with respect to which the Company can grant licenses. The Company expressly reserves all of its rights with respect to such patent, copyright, trade secret and/or other proprietary rights.

(10) *Insolvency and Demands for Assurances.* Except as may be prohibited by applicable law, the Company may terminate the Contract or any unfulfilled Quotation, order or obligation hereunder with immediate effect upon written notice to the Customer or require full or partial payment or adequate assurance of performance from the Customer without liability to the Company in the event one of the following occurs: (i) the Customer becomes insolvent or unable to pay its debts as they mature; (ii) voluntary or involuntary bankruptcy or insolvency proceedings are instituted by or against the Customer; (iii) a receiver or trustee is appointed for the benefit of the Customer's creditors; (iv) an assignment is made for the benefit of the Customer's creditors; (v) the Customer fails to pay any amount when due under the Contract and such failure continues for thirty (30) days after the Customer's receipt of written notice of non-payment; (vi) the Customer fails to provide an adequate written response within ten (10) days to a demand by the Company for assurance of the Customer's intention and ability to perform under any contract with the Company; or (vii) the Customer commits a material breach of the Contract which, if capable of remedy, is not cured within 14 days of written notice by the Company giving reasonable details of the breach.

(11) *Remedy.* The Customer's exclusive remedy against the Company shall be for the Company to repair or replace any defective Works during the applicable warranty period, and any such repair or replacement shall be at no charge to the Customer. Costs of providing access for inspection and repairs will be met by the Customer. No other remedies (including, but not limited to, special, incidental or consequential damages or damages for lost profits, lost sales, or any other financial loss) shall apply to the sale of the Works to the Customer.

(12) *Limited Warranty.* The Company warrants to the Customer that the Works shall conform to the Company's published specifications and shall be free from defects in material and workmanship when properly maintained and used under normal operating conditions for a period of 12 months from the commissioning of the package on-site or for a period of 18 months from the package being complete and ready for shipment from the Customer's factory (whichever is sooner). During this time, any components which are shown to the Company's satisfaction to have proved defective, other than due to fair wear and tear, are covered under this standard warranty, and will be repaired or replaced free of charge upon them being sent back to the Company's factory by the owner or owner's representative. Damages to components as a result of modifications made to the system or controls without knowledge, consent, and written approval from the Company are not covered under this warranty and are made at the Customer's sole risk and responsibility. The Company shall take reasonable steps to ensure the Works are in conformity with applicable laws and regulations; however, the Customer acknowledges that the Works may be used in various jurisdictions for various applications subject to disparate regulations and therefore that the Company cannot warrant compliance with all applicable laws and regulations. ALL WARRANTIES NOT SET FORTH SPECIFICALLY IN THESE TERMS AND CONDITIONS OR THE QUOTATION ARE EXCLUDED AND THE COMPANY (i) MAKES NO OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE WORKS, (ii) DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND (iii) DISCLAIMS ANY REPRESENTATION OR WARRANTY THAT THE WORKS CONFORM TO FEDERAL,

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STATE OR LOCAL LAWS, REGULATIONS, ORDINANCES, CODES OR STANDARDS, EXCEPT AS EXPRESSLY SET FORTH BY THE COMPANY IN WRITING.

(13) *Limitation of Liability.* THE COMPANY'S LIABILITY ON ANY CLAIM OF ANY KIND, WHETHER BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE FOR ANY EXPENSE, INJURY, LOSS, OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH THE PROVISION OF ANY SERVICE OR THE DESIGN, MANUFACTURE, SALE, DELIVERY, INSPECTION, REPAIR, MAINTENANCE, INSTALLATION, OR USE OF THE WORKS SHALL IN NO CASE EXCEED THE PURCHASE PRICE OF THE WORKS WHICH GIVES RISE TO THE CLAIM. IN NO EVENT SHALL THE COMPANY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR CONTINGENT DAMAGES OR FOR LOST GOODWILL FOR BUSINESS REPUTATION, LOST PROFITS, LOSS OF USE, LOSS OF DATA, WORK STOPPAGE, LIABILITY OF THE CUSTOMER TO ITS CUSTOMERS OR OTHERS, DIMINUTION IN VALUE, IMPAIRMENT OF OTHER PRODUCTS OR COST OF SUBSTITUTE PRODUCTS, WHETHER OR NOT THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. The limitations of the Company's liability hereunder apply to the maximum extent permitted by applicable law. This limitation of liability is a material basis for the parties' bargain and reflects the bargained-for allocation of risks between the Company and Customer, without which the Company would not have agreed to provide the Works at the price charged.

(14) *No Indemnification.* The Company is not responsible for any loss or damage arising out of any work performed on the Customer's premises, unless the loss or damage is proximately caused by the Company's negligence. The Company makes no representations or promises concerning indemnification of the Customer except as set forth in these Terms and Conditions.

(15) *Force Majeure.* The Company shall not be responsible, in any manner, for any failure or delay in the performance of any of its obligations hereunder caused by a strike, lockout or other industrial disturbance, act of public enemies, any government action, any civil or military action, insurrection, riot, landslide, hurricane, drought, fire, earthquake, explosion, flood, storm, act of God, embargo, delay in transportation or any other cause or event not reasonably within the Company's control.

(16) *Export Control.* The products, items, technology or software covered by the Contract may be subject to various laws including U.S. and foreign export controls. The Company is committed to complying with all relevant export laws and any export of the Works outside the U.S. contrary to U.S. law is prohibited. The Customer is responsible for applying for export licenses, if required, based on end user or country of ultimate destination. The Company's obligations are conditioned upon the Customer's (and, if the Customer is a contractor, its customer's) compliance with all U.S. and other applicable export control laws and regulations. The Customer shall not trans-ship, re-export, divert or direct Products other than in and to the ultimate country of destination declared by the Customer and/or specified as the country of ultimate destination in the Contract or on the Company's invoice. The Customer agrees to indemnify and hold Seller harmless from any and all costs, liabilities, penalties, sanctions and fines related to the Customer's (or its Customer's) non-compliance with applicable export laws and regulations. The Customer represents and warrants that it (and, where it is a contractor, so far as it is aware, its customer) is not subject to any trade sanctions imposed by the U.S., UK, EU and/or UN and that it is in compliance and shall comply with all applicable laws and regulations relating to trade restrictions and/or export controls (including trade sanctions imposed by the US, UK, EU and/or UN) with respect to Works sold hereunder, and shall provide evidence of compliance with the foregoing as the Company may reasonably request from time to time.

(17) *Bribery.* The Customer represents and warrants that it is in compliance and shall comply with all applicable anti-bribery and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, and has not, directly or indirectly, offered, paid, promised, or authorized the giving of money or anything of value to any government official for the purpose of influencing any act or decision of such government official. The Customer is not on, nor is the Customer associated with any organization that is on, any list of entities maintained by the United States government that identifies parties to which the sale of goods or services is restricted or prohibited.

(18) *Hazardous Applications.* Unless specifically agreed to in writing by an authorized officer of the Company, goods supplied by the Company shall not be used in connection with any nuclear facility or any other application or hazardous activity where the failure of a single component could cause substantial harm to persons or property. If so used, the Customer agrees to indemnify and hold the Company harmless from any and all causes of action, claims, costs, liabilities, and losses that arise from or relate to the use of the Company's goods in such facilities, applications, or activities.

(19) *Confidential Information.* All non-public, confidential or proprietary information of the Company and the Customer, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by or on behalf of the Company to the Customer or vice versa, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Contract, including preliminary discussions and the Quotation, is confidential, solely for the use of performing or receiving the benefit of this Contract and may not be disclosed or copied unless authorized in advance by the disclosing party in writing. Upon the disclosing party's request, the other party shall promptly return all documents and other materials received from the disclosing party (except for copies maintained by automated electronic system back-ups, which shall remain confidential until erased). The disclosing party shall be entitled to apply for injunctive relief for any violation of this condition. This condition does not apply to information that is: (a) in the public domain; (b) known to the other party at the time of disclosure; or (c) rightfully obtained by the other party on a non-confidential basis from a third party.

(20) *Assignment.* The Customer shall not assign any of its rights or delegate any of its obligations under the Contract without the prior written consent of the Company. Any purported assignment or delegation in violation of this condition is null and void. No assignment or delegation relieves the Customer of any of its obligations under the Contract.

(21) *Complete Agreement.* The Contract constitutes the entire agreement between Buyer and Seller relating to the subject matter hereof, and supersedes all prior and contemporaneous discussions, understandings, and agreements related to the subject matter hereof.

(22) *Relationship of the Parties.* The relationship between the parties is that of independent contractors. Nothing contained in the Contract shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

(23) *Applicable Law.* These Terms and Conditions shall be interpreted and governed by the laws of the State of California without reference to its conflicts of law principles, and shall be binding upon and inure to the benefit of the respective heirs, successors, and assigns of each of the parties hereto. The Customer consents to service by mail at its address designated on the Quotation, such service to be effective three (3) regular business days after deposit in the United States of America mail, addressed as aforesaid, postage prepaid.

(24) *Severability.* The provisions of these Terms and Conditions will be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof will not affect the validity and enforceability of the other provisions hereof.

(25) *Dispute Resolution.* If a dispute arises which cannot be settled by negotiations, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Rules before resorting to other dispute resolution procedure. If any controversy or claim arises out of or relating to these Terms and Conditions, or the breach thereof, which cannot be settled by negotiation or mediation, it shall be settled by arbitration administered by AAA in accordance with its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

(26) *Attorneys' Fees.* The prevailing party in any proceedings brought hereunder shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses incurred thereby, including court costs and reasonable attorneys' fees.

(27) *Consent to Conduct Business Electronically.* The Company and the Customer may use and rely upon electronic records and electronic signatures (i) for the execution and delivery of the Quotation and these Terms and Conditions and any other agreements, undertakings, notices, disclosures or other documents, communications or information of any type sent or received in accordance with these Terms and Conditions, and (ii) in providing their obligations or exercising their rights under these Terms and Conditions.