

**STANDARD TERMS AND CONDITIONS**

THE QUOTATION, IF ANY, PROVIDED BY AMERICAN BLOCK MANUFACTURING COMPANY ("SELLER") TO BUYER IS EXPRESSLY LIMITED TO BUYER'S ACCEPTANCE OF THESE TERMS AND CONDITIONS (THESE "CONDITIONS"). BUYER'S ACCEPTANCE OR DELIVERY OF, OR PAYMENT FOR, SELLER'S GOODS (THE "GOODS") SHALL CONSTITUTE BUYER'S AGREEMENT TO THESE CONDITIONS. NO CONDITIONS, OTHER THAN THOSE STATED HEREIN, AND NO AGREEMENT OR UNDERSTANDING, ORAL OR WRITTEN, IN ANY WAY PURPORTING TO MODIFY THESE CONDITIONS, WHETHER CONTAINED IN BUYER'S PURCHASE OR SHIPPING FORMS, OR ELSEWHERE, SHALL BE BINDING ON SELLER AND ANY SUCH ATTEMPTED MODIFICATIONS ARE HEREBY REJECTED BY SELLER. ALL PROPOSALS, NEGOTIATIONS, AND REPRESENTATIONS, IF ANY, MADE PRIOR, AND WITH REFERENCE HERETO, ARE MERGED HEREIN.

All non-export quotations and sales are F.O.B. point of shipment unless otherwise specified on the quotation provided by Seller and/or the purchase contract. Seller's responsibility ceases upon delivery of Goods to carrier and title shall transfer and risk of loss on Goods shall be borne by Buyer at that point. Any Hot Shot or other premium transportation charges requested by Buyer will be for the account of Buyer. A minimum shipping and handling charge shall apply to any order of less than five hundred dollars (\$500.00). Prices are subject to adjustment to reflect the Seller's price in effect at time of shipment. No claims for price adjustments will be honored unless presented within one (1) year from date of invoice. All quotations are subject to change without notice and to prior sale of goods.

Seller's sole and exclusive liability and the exclusive remedy of Buyer with respect to Goods manufactured and sold by Seller that are proved to Seller's satisfaction as defective or otherwise failing to materially conform to the specifications of the purchase contract shall be, at Seller's sole option, replacement or repair of the Goods or refund of the purchase price. Buyer's remedy for defective or materially nonconforming Goods not manufactured by Seller and furnished hereunder is limited to any warranty extended and honored by the original manufacturer. Buyer's remedies are limited as aforesaid regardless of whether Buyer's claim is based on principles of contract or tort. All claims, regardless of their nature, must be made promptly in writing following delivery of the Goods to Buyer, but in no event later than one (1) year from date of tender of delivery. Seller must be given a reasonable opportunity to investigate any such claim.

Goods that are not manufactured by Seller are sold "as is", except to the extent the original manufacturer honors any applicable warranty made by such manufacturer. Secondhand goods are sold "as is". Leased goods, new or used, are leased "as is".

With respect to any work performed on Goods furnished by Buyer (including, but not limited to, repairing, welding, machining, fabricating, heat treating, or forging), Seller agrees to make every commercially reasonable effort to perform fully such work in accordance with Buyer's written specifications, if any, provided by Buyer to Seller. Seller shall only be responsible for damage to such goods caused by Seller's negligence, in which case Buyer's remedy shall be limited exclusively to the price of the work to be performed by Seller on the article damaged. Claims must be made promptly in writing following delivery of the goods to Buyer, but no later than the three (3) months from delivery after the Goods are put into operation, or not more than one (1) year after date delivery was tendered, whichever time period is shorter. Seller must be given a reasonable opportunity to investigate any such claim.

THE WARRANTIES IN THESE CONDITIONS ARE GIVEN EXPRESSLY AND IN PLACE OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE WARRANTIES DESCRIBED HEREIN. ALL IMPLIED WARRANTIES FOR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE DISCLAIMED BY THE SELLER. IN NO EVENT SHALL SELLER BE LIABLE FOR INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OR ANY COSTS OR EXPENSES INCURRED IN CONNECTION WITH BUYER OBTAINING THE BENEFITS IT ANTICIPATED FROM PURCHASE OF THE GOODS FROM SELLER. SELLER'S LIABILITY ARISING UNDER THESE CONDITIONS FOR THE MANUFACTURE, SALE, DELIVERY, RESALE, REPAIR, REPLACEMENT, USE OF ANY GOODS PURCHASED UNDER THESE CONDITIONS (OR FAILURE TO DO ANY OF THE FOREGOING) (INCLUDING LIABILITY ARISING FROM BREACH OF CONTRACT OR FROM TORT, WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITY), IN NO CASE SHALL EXCEED THE TOTAL AMOUNT OF THE GOODS PAID FOR HEREUNDER AND INVOLVED IN THE CLAIMED BREACH, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND MISREPRESENTATION) OR NON-PERFORMANCE THEREOF. BUYER AGREES THAT IT IS TO BE SOLELY RESPONSIBLE FOR, AND WILL HOLD SELLER HARMLESS FROM ANY CLAIMS, REGARDLESS OF THEIR BASIS, BY BUYER OR THIRD PARTIES THAT MAY ARISE FROM THE GOODS AFTER DELIVERY, EXCEPT FOR THE REPLACEMENT, REPAIR, OR REFUND OF THE PURCHASE PRICE, AT SELLER'S SOLE OPTION, FOR GOODS MANUFACTURED BY SELLER IN ACCORDANCE WITH THE EXPRESS TERMS OF THESE CONDITIONS.

All federal, state, dominion, provincial or municipal taxes now or hereafter imposed in respect to the Goods sold by Seller and/or the processing, manufacture, delivery, transportation and/or proceeds of the Goods herein specified shall be for the account of the Buyer, and if taxes are required to be paid by the Seller, the amount thereof shall be added to and become part of the price payable by the Buyer

Payment shall be made in legal tender of the United States of America. Buyer shall make such arrangements for terms of payment as Seller's treasurer shall from time to time require. All orders are subject to the continued review of Seller and if, in its opinion, the financial position of Buyer has so changed prior to delivery as to render Seller insecure, Seller may suspend production and/or refuse to make delivery pending satisfactory modification of the terms of payment. If Seller retains an attorney to collect Buyer's past-due account, Buyer agrees to pay reasonable attorney's fees incurred by Seller. Buyer shall pay interest of eighteen percent (18%) per annum for all accounts after the due date; provided, however, in no event shall Buyer be required to pay a rate of interest beyond the maximum allowed by applicable law.

In the event of any delay in Seller's performance due to fire, explosion, strike, shortage of utility, facility, material or labor, delay in transportation, breakdown or accident, compliance with any other action taken to carry out the intent or purpose of any law or regulation, or other causes beyond Seller's control, Seller shall not be liable for any direct or indirect damage or loss due to any such causes. Seller uses reasonable efforts to ship within the time specified, but does not guarantee to do so and shall not be liable for any damage caused by delay in delivery, irrespective of the cause of delay.

Except for export sales as described below, Goods are delivered F.O.B point of shipment. Seller reserves the right to make partial deliveries. Delivery delays requested by Buyer are subject to storage charges, unless Seller agrees otherwise in writing. All orders are accepted with the understanding that Seller is not responsible for delays or non-performance caused by strikes, fires, riots, sabotage, acts of war, governmental regulations, acts of God, or other causes beyond Seller's control.

Any clause required to be included in a contract of this type by any applicable law or administrative regulation having the effect of law shall be deemed to be incorporated herein. It is hereby certified that the goods manufactured and sold by Seller are produced in accordance with the Fair Labor Standards Act.

Seller and Buyer may be subject to United States laws and regulations controlling the export and re-export of the Goods. Seller will not provide any certification or other documentation not agree to any contract provision or otherwise act in any manner which may cause Seller to be in violation of United States laws, including, but not limited to, the Export Administration Act 1979 and regulations issued pursuant thereto. Buyer shall neither export nor re-export, directly or indirectly, any Goods used hereunder, or the direct product thereof to any country to which such export or re-export is restricted by United States law or regulation without the prior issuance to Buyer of an export license or other proper authorization, if required, by the appropriate federal agency or entity. Seller makes no representation or warranty that the required license or other proper authorization should or shall be obtained. All orders shall be conditional upon the granting of any required license or proper authorization. Buyer shall obtain, at its own risk and expense, any required license or proper authorization, and Buyer shall remain liable to accept and pay for the Goods if the required license or proper authorization is not granted or is revoked. Unless otherwise specified on the face hereof, all international sales shall be Ex Works Seller's manufacturing plant, in accordance with International Chamber of Commerce Incoterms (2010) edition, as modified by these Conditions. Buyer shall bear all costs and risks involved in taking the Goods from the Seller's premises.

After Seller's receipt of a written purchase confirmation signed by Buyer, no order cancellations, returns, or specification changes will be permitted unless authorized in writing by Seller. If cancellation is approved in writing by Seller, Buyer shall be subject to cancellation and restocking charges of no more than the purchase order price. Any post-shipment cancellation or return of Goods permitted by Seller may, at the sole discretion of Seller, subject Buyer to cancellation and restocking charges and all freight, insurance and other costs incurred in shipment and return of the Goods.

This sale is made pursuant to and shall be construed under the laws of the State of Texas. Buyer and Seller shall resolve disputes arising out of or relating to the purchase or use or operation of the Goods through binding arbitration. The arbitration shall be governed by the rules of the American Arbitration Association. The location of any arbitration shall be in Houston, Harris County, Texas. The substantive laws of the State of Texas shall govern the arbitration to the extent they are not in conflict with the then existing rules of the American Arbitration Association. The award, decision, or filing rendered by the arbitration shall be final, and judgment may be entered upon it in accordance with the applicable law in any court having appropriate jurisdiction.