

All services described or referred to herein are expressly conditioned upon the terms and conditions set forth below. Any order for or any statement of intent to purchase any such services or any direction to proceed with the work shall constitute assent to said rates, terms and conditions, and a representation that Purchaser is solvent. In the event of any conflict, inconsistency or difference between said rates, terms and conditions and any purchase order, said rates, terms and conditions shall govern. Any additional or different rates, terms or conditions set forth in any communication from Purchaser are hereby objected to by Seller and shall not be effective or binding unless assented to in writing by an authorized representative of Seller. Hereinafter Seller shall be construed to be Salinnova GmbH, Germany; www.salinnova.com

AS OF JULY 1, 2019

RATES, TERMS AND CONDITIONS NOTED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE.

SECTION 1. RATES AND APPLICATIONS.

A. Rates for 8 hour day:

	EU26
1. Field Technician	€ 1,420.00
2. Engineer	€ 1,760.00
3. Millwright/Craft Labor	€ 1,045.00
4. Subcontracted Services	Cost Plus 30%

Labor rates will be discounted 20% for the following product lines: Standard Products, other product lines - contact the factory.

B. Add the following to service rates.

1. Transportation
 - (i) Travel from home base to customer site will be billed at €135.00 per hour, plus overtime as applicable.
 - (ii) Daily travel at customer site will be billed at €135.00 per hour.
 - (iii) Travel in personal vehicle will be billed at the rate reflecting the current Internal Revenue Service automobile standard mileage reimbursement.
2. Airfare, lodging, rental car, telephone, laundry, and job related expenses shall be charged at cost plus 15%. One personal call per day is allowed.
3. All rates apply from date of departure from base point to return to base point and from portal to portal at the Plant Site.
4. Stand-By Rate:
If the work extends from one week to the next, but no work is performed over the weekend, Purchaser shall, at its option, pay for the technician's roundtrip to base point including travel expenses, time and other expenses or retain the technician near the Plant Site and pay the technician's living expenses and straight time daily rates for each Saturday and Sunday not worked.
5. Equipment
 - a. Special tooling and equipment will be proposed/ billed on a case-by-case basis.
 - b. All consumable items provided and used (i.e. machining bits, welding rod, etc.) will be billed at cost plus 15%.
6. **A minimum of eight (8) hours per day shall be charged.**

C. Overtime

Seller shall charge work exceeding eight (8) hours per day Monday through Friday and all work on Saturday at the rate of one and one-half (1-1/2) times the applicable rate. Seller shall charge travel on Saturday at the rate of one and one-half (1-1/2) times the applicable rate and any work or travel on Sunday or any United States nationally recognized Holiday at the rate of two (2) times the applicable rate. Technicians work a maximum of twelve (12) hours per day. Two technicians will be required for a double shift.

D. Minimum Billing

TU-1301 (14 January 2008)

Purchaser shall incur a minimum charge consisting of one eight (8) hour day plus transportation, lodging, and job-related telephone expenses.

E. Cancellation/Delays

In the event Services are scheduled for specific date(s) and then cancelled or delayed with less than three (3) days written notice to the Seller, Purchaser shall incur a minimum charge of €1,320.00. See Section 4.

F. General

At Seller's request, Purchaser shall provide, at Purchaser's expense, a payment bond or an irrevocable demand letter of credit in an amount to cover the estimated cost of the work. When technicians are required at a specific job site for more than forty-five (45) days, Seller reserves the right to assign a replacement or relief at the end of this period and every fourth week thereafter. The associated travel cost and time shall be billed to Purchaser's account. Personnel performing the foregoing described services provide no tools or safety equipment other than basic personal protection (i.e. steel-toe boots). Arrangements must be made in advance, if tools, monitoring, measuring, and safety equipment are required.

Personnel performing shall present time sheets showing days and hours worked for Purchaser's approval and signature before leaving jobsite. No written reports will be provided at the time service personnel are released from the job site and such release will not be conditional upon provision of a written report.

G. Invoicing/Payments

Payment shall be in Euro €, upon receipt of invoice. For extended assignment, invoices shall be rendered and payments shall be due at one month intervals.

SECTION 2. DEFINITIONS.

The following terms have the meanings set forth below unless the context indicates otherwise. Words importing the singular include the plural and vice versa when the context requires.

'Equipment' means operational spare parts or renewal parts or any other material (including tooling) or parts, or any combination thereof, furnished by Seller to Purchaser under this Agreement.

'Owner' means any person or entity with a legal or equitable interest in the Plant which entitles such person or entity to bring suite for damages in the event of injury or damage.

'Plant' means any site or customer facility for fluid pumping, petroleum recovery, production, transport, and refinement.

'Plant Site' means the location of the Plant.

'Product' means any process, equipment, information, service, output or other thing of value which incorporates or results directly or indirectly from the Equipment or Services.

'Services' means work, direction of work, technical information or technical consulting and advice or other services furnished by Seller to Purchaser under this Agreement for use in or in connection with the Plant. Services may be performed on or off of the Plant Site and include such activities as the installation, testing, alignment, startup, operation, repair, and maintenance of the Equipment.

TYPE OF SERVICES INCLUDE:

1. Pump services which provide normal supervision of installation, testing, alignment, startup, operation, repair, and maintenance.
2. Field Engineer services which provide on-site project management, evaluation, and repair assistance in the areas of component hydraulics, metallurgy, vibration, and dynamics.
3. Millwright Craft Labor services provide the 'hands-on' work under the technical direction and liability of Ruhrpumpen.
4. Subcontracted services include, but are not limited to:
 - a. Reliability/Vibration Specialist services which provide normal instruction, monitoring, data collection, and evaluation of equipment vibration.
 - b. Services which provide on-site Field Machining.
 - c. Expertise in system design, electrical equipment, mechanical seals, bearings or other Sellers suppliers that may be needed to support and resolve pump related issues.

SECTION 3. SALES AND SIMILAR TAXES..

In addition to the rates and prices specified herein, the amount of any present or future sales, use, excise, or other similar tax applicable to the work hereunder shall be paid by Purchaser, or in lieu thereof Purchaser shall provide Seller with a tax-exemption certificate acceptable to taxing authorities.

SECTION 4. CANCELLATION.

Purchaser may cancel this Agreement only upon written notice and upon payment to Seller of reasonable and proper cancellation charges.

If in the opinion of Seller the financial condition of Purchaser does not justify continuance of the work to be performed hereunder on the terms of payment agreed upon, Seller may require full or partial payment in advance or shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Purchaser or in the event any proceeding is brought against Purchaser, voluntarily or involuntarily, under the bankruptcy or any insolvency laws, Seller shall be entitled to cancel this Agreement at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its reasonable and proper cancellation charges.

SECTION 5. SUSPENSION.

In the event Purchaser elects to suspend work under this Agreement, Purchaser shall notify Seller one week in advance of the suspension date. This notification shall be in writing and include the anticipated suspension period. Seller shall advise Purchaser of the price adjustment which shall be based on Seller's ability to reallocate manpower, material, and equipment during the suspension period.

SECTION 6. WARRANTIES.

A. Equipment.

Seller warrants that the Equipment shall be free from defects in material, workmanship, and title; be of best quality and conform to the terms of the purchase order.

Accessories supplied by Seller but manufactured by others carry whatever warranty the manufacturers of such accessories conveyed to Seller and which can be passed on to Purchaser.

Seller's obligations under this warranty shall expire one (6) months from initial Equipment start-up or one (1) year after shipment, whichever occurs first.

B. Services.

Seller warrants that the Services shall be performed in accordance with industry practices.

Seller's obligations under this warranty shall expire ninety (90) days after the Services are performed.

C. Conditions Applying to Warranties.

1. The warranty for Equipment is conditioned upon the Equipment's being received, unloaded, stored, handled, installed, tested, maintained, and operated in a proper manner.
2. Neither the warranty for Equipment nor the warranty for services shall be applicable in the event that failure to meet such warranty is the result of acts or omissions of persons (other than Seller or Seller's suppliers in connection with the work performed by them hereunder), accidents or alteration, abuse or misuse of the Equipment or alteration or misuse of the Services.
3. The conditions of any tests and the basis of any calculations in connection with the warranties for Equipment or Services shall be acceptable to Seller and Purchaser, and representatives of either may witness the tests. Measurement readings shall be based on Plant instrumentation, if applicable, and actual readings shall be utilized. In lieu thereof Purchaser or Seller may, at its expense, provide temporary special test instruments. Purchaser and Seller reserve the right to inspect and calibrate any instruments to ensure accuracy of measurements, and such expenses shall be borne by the party exercising such right.

D. Remedy

1. If the Equipment or any part thereof does not conform to the warranty for Equipment, Seller shall thereupon promptly correct such non-conformity by repair or replacement FCA Seller's factory.
2. If any of the Services do not conform to the warranty for Services, Seller shall perform such Services again at no additional cost to the Purchaser.
3. Purchaser shall give Seller written notice of any defect, damage, or nonconformity as soon as possible in order to permit Seller to make a timely investigation of the facts.
4. In connection with the performance of any corrective work, Purchaser shall perform all removal and reinstallation of the Equipment. Purchaser shall, at its expense, be responsible for removing, reinstalling, replacing, or supplying any equipment, materials or structures which are necessary to provide reasonable access to the Equipment to be repaired or replaced. Purchaser shall perform any decontamination or radiation protection necessary in connection with the removal or on-site repair of the Equipment without cost to Seller.
5. Title to and risk of loss of any Equipment being repaired shall remain with Purchaser at all times during the correction period wherever the repair takes place; provided, however, that Seller shall bear the risk of loss of any Equipment being repaired while such Equipment is away from the Plant Site. Seller shall pay transportation costs, with respect to any replacement Equipment.

E. Repaired or Replacement Equipment; Re-performed Services.

When Equipment is repaired or replaced or a Service is re-performed, the Equipment repaired or its replacement or the re-performed Service shall be subject to the same warranties, the same conditions, and the same remedies provided for the original Equipment or Service; provided that the warranty period for the repaired or replacement Equipment or re-performed Service shall be for the same duration as the warranty period for the original Equipment or Service extending from the date of repair or replacement of the repaired or replacement Equipment or the re-performance of the Service; provided, however, that the warranty period shall expire in no event later than twenty-four (24) months after the delivery of the original Equipment or performance of the original Service plus the time (subsequent to the day written notice is received by Seller of non-conformance or failure) taken by Seller to repair or replace the Equipment or to re-perform the Service.

F. Exclusivity of Warranties.

THE EXPRESS WARRANTIES SET FORTH HEREIN ARE THE EXCLUSIVE WARRANTIES OF SELLER, AND NO OTHER WARRANTY, EXPRESS OR IMPLIED IN FACT OR BY LAW, IS APPLICABLE, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

SECTION 7. GENERAL LIMITATIONS OF LIABILITY.

Seller's total liability to Purchaser for all claims of any kind, whether based on contract, tort (including negligence), strict liability or otherwise, for any loss or damage arising out of, connected with, or resulting from the performance or breach of this Agreement shall in no event exceed the amount of the price of the specific Equipment or Service which gives rise to the claim. In applying the monetary limitation of Seller's total liability, such liability shall be reduced by the sum of (1) any damages paid to Purchaser by Seller, (2) any costs incurred and settlements made by Seller under Section 6 and (3) any refund of the price for the Equipment or Services in the event of a rescission.

In all cases where Purchaser's claim, whether based upon contract, tort (including negligence), strict liability or otherwise involves defective work or nonconforming Equipment or Services, or damage resulting therefrom, Purchaser's exclusive remedies and Seller's sole liability shall be those specifically provided in Section 6.

Seller shall not be responsible for the acts and workmanship of the employees, contractors, subcontractors, or agents of Purchaser.

Seller shall not be liable for any property damage (including the equipment within the work description) or personal injury caused by (a) the negligence or fault of Purchaser's employees, contractors, subcontractors, agents, or material men, (b) failure to observe Seller's advice, (c) failure or malfunctioning of any tools, equipment, facilities or devices not furnished by Seller, which is caused by defects therein not observable by Seller's visual inspection or (d) use of instruments or the making of adjustments by Purchaser's employees, contractors, subcontractors, or agents.

In addition when maintenance service is performed, Seller's liability for any loss or damage shall not include units or parts of equipment upon which maintenance was not performed, loss or damage caused by defects not observable by Seller or units or parts returned to use at the request of Purchaser.

In no event, whether based upon contract, tort (including negligence), strict liability or otherwise, and whether arising before or after completion of its obligations under this Agreement, shall Seller be liable to Purchaser for losses or damages caused by reason of unavailability of the Plant, Plant shutdowns or service interruptions (including but not limited to loss of use, profits, or revenue, inventory or use charges, cost of purchased or replacement power, interest charges, cost of capital or claims of customers), or special, consequential or penal damages of any nature, and Purchaser will indemnify Seller against any such claims by third party, including without limitation Owner.

The liability, if any, for any claims, whether based upon contract, tort (including negligence), strict liability or otherwise, for any loss or damage arising out of, connected with, or resulting from, the performance or breach of this Agreement, shall be limited to specifically identified written claims submitted prior to the expiration of the applicable warranty period set forth in Section 6.

The provisions of this Section shall also protect Seller's suppliers, shall apply to the full extent permitted by law regardless of fault and shall survive termination, cancellation or completion of the work hereunder.

Purchaser shall not sell the Equipment, Services, or Product or otherwise transfer any interest therein without first securing from the transferee limitations of liability at least equivalent to that afforded Seller and its suppliers as provided in this Section and, if applicable, nuclear liability protection as provided in Section 8.

SECTION 8. GENERAL.

Any assignment (including by operation of law or otherwise) of this Agreement or any rights hereunder by Purchaser without written consent of Seller shall be void.

No understanding, promise, or representation, and no waiver, alteration or modification of any of the provisions hereof shall be binding upon Seller unless approved in writing by an authorized representative of Seller.

The rights and obligations of the parties under this Agreement shall be interpreted and governed in all respects by the laws of the State of Oklahoma.

Seller will perform all work in accordance with all federal and state safety and health laws, including but not limited to the United States Occupational Safety and Health Act of 1970 and all standards, rules, regulations and orders issued pursuant to such federal and state safety and health laws.

This Agreement contains the complete agreement between the parties. All previous and collateral agreements (including letters of intent or purchase orders issued by Purchaser), representations, warranties, promises and conditions relating to the subject matter hereof are superseded by this Agreement. Any understanding, promise, representation, warranty, or condition not incorporated in this Agreement shall not be binding on either party.

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