

TERMS & CONDITIONS

Sale of Goods

- Acknowledgement of Terms & Conditions.** The Customer acknowledges and agrees that its acceptance of the quote provided by Inline is the Customer's agreement and acceptance of Inline Terms & Conditions as set forth herein (the "Terms & Conditions"). CUSTOMER FURTHER ACKNOWLEDGES THAT THE TERMS & CONDITIONS SHALL GOVERN ALL COMMERCIAL TRANSACTIONS BETWEEN CUSTOMER AND INLINE SERVICES, AND SHALL NOT BE MODIFIED, SUPERSEDED, OR SUPPLEMENTED BY ANY OTHER TERMS AND SHALL APPLY TO ALL OF CUSTOMER'S ORDERS IRRESPECTIVE OF ANY PROVISIONS IN CUSTOMER'S PURCHASE ORDERS OR OTHER BUSINESS FORMS. INLINEREJECTS AND REFUSES TO BE BOUND BY ANY TERMS ADDITIONAL TO OR DIFFERENT FROM THOSE CONTAINED HEREIN.
- Orders.** All orders will be subject to approval and acceptance by Inline and Inline may refuse to approve or accept an order at its own discretion. Customer must assume responsibility for accuracy of orders placed by telephone unless a correct written confirmation is received prior to fabrication. When urgencies require verbal orders, Customer's confirming order should be marked "Confirming Order-Do Not Duplicate". No refund will be allowed for duplicate orders.
- Cancellation.** Cancellation or alteration of an order or return of any goods by Customer may not be made without advance written consent by Inline and, at the option of Inline Services, shall be subject to a cancellation, alteration or return charge acceptable to Inline Services. Such charges shall include, but are not limited to, actual expenses and reasonable allowance for overhead and profit.
- Payment.** Standard payment terms of Inline are NET 30 DAYS with 1.5 % interest per month charged on any past due balance. All accounts are payable in United States funds, free of exchange, collection or other charges. If Customer fails to fulfill the terms of payment or if Inline shall have doubt at any time as to Customer's ability to pay, Inline may suspend production and/or decline to make shipment or delivery except upon receipt of cash or security satisfactory to Inline Services. Inline shall have a continuing security interest in any and all goods in possession or thereafter acquired by customer and all proceeds therefrom to secure payment and Inline is hereby authorized to file this instrument as a financing statement.
- Duration of Quote.** All quotations and budgetary indications are net costs based on quantity and are valid for 60 days from date of issuance. Notwithstanding, all pricing is subject to review and reevaluation without notice.



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6. **Goods Ready For Shipment.** Inline reserves the right to invoice Customer for any or all finished goods ready for shipment, when held at Customer's request or because of other reasons beyond Inline's control.
7. **Taxes.** Customer agrees to bear all sales, use, privilege, or personal property tax and each other tax of every other character by whatever name designated that now is or hereafter may be imposed in any manner by international, federal, state and local authorities on this transaction, or on the goods covered hereby, or on the manufacture, shipment, sale, lease, possession, ownership, or use of the goods; and Customer agrees to pay the same either to Inline or the public authorities upon demand, as may be required.
8. **Delivery.** Delivery of goods shall be F.O.B. point of shipment, all risk of loss shall pass to Customer upon delivery to carrier, and Customer shall be responsible for obtaining insurance if desired. The method and agency of inland transportation and the routing, unless specified on the face hereof, will be selected by Inline, and Inline reserves the right to ship freight collect. Shipping dates are approximate and are based on prompt receipt of all necessary information.
9. **Inspection.** Claims for shortages or defective products must be made by Customer to Inline within 24 hours after receipt of the product. Loss or damage to materials in transit is the responsibility of the carrier.
10. **Delay.** Inline shall not be liable for any delay in performance or delivery due to compliance with or other action taken to carry out the intent or purpose of any international, federal, state or local laws and regulations, fire, explosion, casualty, strike, labor dispute, shortage of material, utility, facility or labor, delay in transportation, breakdown or accident, force majeure, or any cause whether similar or dissimilar beyond the control of Inline. Further, Inline shall have such additional time for performance as may be reasonably necessary under the circumstances and the right to apportion its production among its customers in any manner it determines in its sole and absolute discretion.
11. **Warranty.** Inline warrants that the supplied goods as specified by the Customer, will be free from defects in material and workmanship for twelve (12) months from the date of shipment (the "Warranty Period"). In the case of fabricated equipment this warranty extends to radiographic and/or hardness inspection of welds produced by Inline only insofar as to assure that all examined welds are of a quality level expressly specified for the project prior to fabrication. In the case of cast polyurethane products this warranty



excludes cosmetic defects such as bubbles, voids, porosity, roughness, and other surface blemishes that do not affect the performance of the product. Additionally, this warranty does not extend to improper use, handling or storage of the product, including, but not limited to chemical incompatibility.

12. **Warranty Remedy.** In the event of breach of any warranty provided herein during the Warranty Period, Inline's sole and exclusive liability shall be at its option either to replace, F.O.B. point of shipment, any defective goods, or to accept return, transportation prepaid, of such goods and refund the purchase price; in either case provided that the goods are found by Inline to have been defective at the time of such shipment, that the goods have been installed and/or operated in accordance with Inline's instructions and in accordance with generally approved practice, that no repairs, alterations or replacements have been made by others without Inline written approval, and that Customer notifies Inline in writing within ten (10) days after the defect becomes apparent and promptly furnishes full particulars in connection therewith; and provided that in no event shall the aggregate liability of Inline in connection with breach of any warranty or warranties exceed the purchase price paid for the goods purchased thereunder. Inline may, at its option, require the return of any goods, transportation and duties prepaid, to establish any claim of defect made by Customer. EXCEPT AS EXPRESSLY STATED IN THESE TERMS & CONDITIONS, INLINE DISCLAIMS ANY AND ALL WARRANTIES AND MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, AND DOES NOT WARRANT THAT THE GOODS SOLD THEREUNDER ARE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE.

13. **Limitation of Liability.** IN NO EVENT SHALL INLINE BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFIT, LOSS OF USE, LOSS OF GOODWILL, LOSS OF PRODUCTION, LOSS OF REVENUE, WHETHER FOR BREACH OF CONTRACT, BREACH OF WARRANTY, TORT OR OTHERWISE. Notwithstanding anything in the agreement or any related document to the contrary, Inline total liability, whether under warranty, indemnity, contract, tort, insurance or otherwise, shall exceed \$1,000,000, inclusive of any payments to customer by Inline insurance carriers.

14. **INDEMNIFICATION.**

- a. Except as provided in Section 14(b), Customer SHALL PROTECT, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS INLINE and its affiliates and their respective agents, employees, employers, officers, partners, respective subsidiaries, shareholders, members, managers, legal representatives, attorneys, successors, and assigns and (all collectively the "INLINE GROUP") FROM AND AGAINST ANY LIENS, LOSS, CLAIM, DEMAND, FINE, PENALTY, ACTION, CAUSE



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OF ACTION, LIABILITY, DAMAGE OR COST, INCLUDING COURT COSTS AND ATTORNEY'S FEES OF ANY NATURE WHATSOEVER, OCCASIONED BY, BASED UPON, ARISING OUT OF, OR OTHERWISE IN RESPECT OF THESE TERMS & CONDITIONS AND/OR OPERATION OF THE PIPELINE OR ANY FACILITIES, ANY PERSONAL INJURY, INCLUDING DEATH, OR ANY DAMAGES OR LOSS OF ANY PROPERTY, WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF, OR THE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR INTENTIONAL ACT OF ANY PERSON, REGARDLESS OF WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, OR CONCURRENT, ACTIVE OR PASSIVE OR ANY OTHER THEORY OF LEGAL LIABILITY; INCLUDING CONDITIONS, PATENT OR LATENT, BREACH OF REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, BREACH OF CONTRACT, STRICT LIABILITY, OR TORT; PROVIDED HOWEVER, CLIENT SHALL NOT INDEMNIFY THE INLINEGROUP AND SHALL NOT BE LIABLE FOR INJURIES OR DAMAGES RESULTING FROM THE GROSS NEGLIGENCE OR WILFULL MISCONDUCT OF ANY OF THE INLINEGROUP. EXCEPT AS OTHERWISE PROVIDED HEREIN, IT IS THE INTENT OF THE PARTIES THAT ALL INDEMNITY OBLIGATIONS ASSUMED BY THE PARTIES HEREUNDER BE WITHOUT MONETARY LIMIT AND SHALL NOT BE LIMITED BY ANY AMOUNTS OF INSURANCE.

- b. INLINE SHALL PROTECT, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS Customer and its affiliates and their respective agents, employees, employers, officers, partners, respective subsidiaries, shareholders, members, managers, legal representatives, attorneys, successors, and assigns and (all collectively the "CUSTOMER GROUP") FROM AND AGAINST ANY LIENS, LOSS, CLAIM, DEMAND, FINE, PENALTY, ACTION, CAUSE OF ACTION, LIABILITY, DAMAGE OR COST, INCLUDING COURT COSTS AND ATTORNEY'S FEES OF ANY NATURE WHATSOEVER, OCCASIONED BY, BASED UPON, ARISING OUT OF, OR OTHERWISE IN RESPECT OF THESE TERMS & CONDITIONS AND/OR OPERATION OF THE PIPELINE OR ANY FACILITIES, ANY PERSONAL INJURY, INCLUDING DEATH OF ANY MEMBER OF INLINEGROUP, OR ANY DAMAGES OR LOSS OF ANY PROPERTY OF ANY MEMBER OF INLINEGROUP (EXCLUDING ANY TOOLS OF INLINEWHILE IN THE PIPELINE OR OTHERWISE IN THE CARE, CUSTODY OR CONTROL OF THE CUSTOMER GROUP), WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF, OR THE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR INTENTIONAL ACT OF ANY PERSON, REGARDLESS OF WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, OR CONCURRENT, ACTIVE OR PASSIVE OR ANY OTHER THEORY OF LEGAL LIABILITY; INCLUDING CONDITIONS, PATENT OR LATENT, BREACH OF REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, BREACH OF CONTRACT, STRICT LIABILITY, OR TORT; PROVIDED HOWEVER, INLINESHALL NOT INDEMNIFY THE CUSTOMER GROUP AND SHALL NOT BE LIABLE FOR INJURIES OR DAMAGES RESULTING FROM THE GROSS NEGLIGENCE OR



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15. **Instructions.** No statements, recommendations, or assistance given by Inline as to the usage of goods by the Customer shall constitute a waiver by Inline of any of the provisions hereof or affect Inline's liability as herein defined. Technical advice as to properties and usage of materials, design, installation and use of products, engineering and other matters are provided as part of Inline customer service policy and are intended only as guidelines. Although they are believed to be accurate based on Inline's best knowledge and experience, Inline assumes no obligation or liability for any results obtained in their use or application, and they are not to be construed as establishing any warranty, expressed or implied.
16. **Successors and Assigns.** These Terms & Conditions shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.
17. **No Modification.** No modification to these Terms & Conditions will be valid unless accompanied by a written agreement signed by an authorized representative of Inline that specifically references this Section 17 of the Terms & Conditions.



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