



SUN
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TERMS & CONDITIONS

1. **Acknowledgement of Terms & Conditions.** Customer acknowledges and agrees that its acceptance of the quote provided by SUN Pipeline Solutions is Customer's agreement and acceptance of SUN Pipeline Solutions' Terms & Conditions as set forth herein (the "Terms & Conditions"). CUSTOMER FURTHER ACKNOWLEDGES THAT THE TERMS & CONDITIONS SHALL GOVERN ALL COMMERCIAL TRANSACTIONS BETWEEN CUSTOMER AND SUN PIPELINE SOLUTIONS, AND SHALL NOT BE MODIFIED, SUPERSEDED, OR SUPPLEMENTED BY ANY OTHER TERMS AND SHALL APPLY TO ALL OF CUSTOMER'S ORDERS IRRESPECTIVE OF ANY PROVISIONS IN CUSTOMER'S PURCHASE ORDERS OR OTHER BUSINESS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. SUN PIPELINE SOLUTIONS REJECTS AND REFUSES TO BE BOUND BY ANY TERMS ADDITIONAL TO OR DIFFERENT FROM THOSE CONTAINED HEREIN.
2. **Orders.** All orders will be subject to approval and acceptance by SUN Pipeline Solutions and SUN Pipeline Solutions 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.
3. **Cancellation.** Cancellation or alteration of an order or return of any goods by Customer may not be made without advance written consent by SUN Pipeline Solutions and, at the option of SUN Pipeline Solutions, shall be subject to a cancellation, alteration or return charge acceptable to SUN Pipeline Solutions. Such charges shall include, but are not limited to, actual expenses and reasonable allowance for overhead and profit.
4. **Payment.** Standard payment terms of SUN Pipeline Solutions 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 SUN Pipeline Solutions shall have doubt at any time as to Customer's ability to pay, SUN Pipeline Solutions may suspend production and/or decline to make shipment or delivery except upon receipt of cash or security satisfactory to SUN Pipeline Solutions. SUN Pipeline Solutions 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 SUN Pipeline Solutions is hereby authorized to file this instrument as a financing statement.
5. **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.
6. **Goods Ready For Shipment.** SUN Pipeline Solutions 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 SUN Pipeline Solutions' control.

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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 SUN Pipeline Solutions 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 SUN Pipeline Solutions, and SUN Pipeline Solutions 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 SUN Pipeline Solutions within 24 hours after receipt of the product. Loss or damage to materials in transit is the responsibility of the carrier.
10. **Delay.** SUN Pipeline Solutions 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 SUN Pipeline Solutions. Further, SUN Pipeline Solutions 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.** SUN Pipeline Solutions 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 SUN Pipeline Solutions 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, SUN Pipeline Solutions' 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 SUN Pipeline

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Solutions to have been defective at the time of such shipment, that the goods have been installed and/or operated in accordance with SUN Pipeline Solutions' instructions and in accordance with generally approved practice, that no repairs, alterations or replacements have been made by others without SUN Pipeline Solutions' written approval, and that Customer notifies SUN Pipeline Solutions 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 SUN Pipeline Solutions in connection with breach of any warranty or warranties exceed the purchase price paid for the goods purchased thereunder. SUN Pipeline Solutions 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, SUN PIPELINE SOLUTIONS 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 SUN PIPELINE SOLUTIONS 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, SUN Pipeline Solutions' total liability, whether under warranty, indemnity, contract, tort, insurance or otherwise, shall exceed \$1,000,000, inclusive of any payments to customer by SUN Pipeline Solutions' insurance carriers.

14. **INDEMNIFICATION.**

a. Except as provided in Section 14(b), Customer SHALL PROTECT, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS SUN Pipeline Solutions 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 "SUN PIPELINE SOLUTIONS 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, 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 SUN PIPELINE SOLUTIONS GROUP AND SHALL NOT BE LIABLE FOR INJURIES OR DAMAGES RESULTING FROM THE GROSS NEGLIGENCE OR WILFULL MISCONDUCT OF ANY OF THE SUN PIPELINE SOLUTIONS GROUP. EXCEPT AS OTHERWISE PROVIDED HEREIN, IT IS THE INTENT OF

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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. SUN Pipeline Solutions 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 SUN PIPELINE SOLUTIONS GROUP, OR ANY DAMAGES OR LOSS OF ANY PROPERTY OF ANY MEMBER OF SUN PIPELINE SOLUTIONS GROUP (EXCLUDING ANY TOOLS OF SUN PIPELINE SOLUTIONS WHILE 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, SUN PIPELINE SOLUTIONS SHALL NOT INDEMNIFY THE CUSTOMER GROUP AND SHALL NOT BE LIABLE FOR INJURIES OR DAMAGES RESULTING FROM THE GROSS NEGLIGENCE OR WILFULL MISCONDUCT OF ANY OF THE CUSTOMER GROUP. 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..
15. **Instructions.** No statements, recommendations, or assistance given by SUN Pipeline Solutions as to the usage of goods by the Customer shall constitute a waiver by SUN Pipeline Solutions of any of the provisions hereof or affect SUN Pipeline Solutions' 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 SUN Pipeline Solutions' customer service policy and are intended only as guidelines. Although they are believed to be accurate based on SUN Pipeline Solutions' best knowledge and experience, SUN Pipeline Solutions 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.

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17. **No Modification.** No modification to these Terms & Conditions will be valid unless accompanied by a written agreement signed by an authorized representative of SUN Pipeline Solutions that specifically references this Section 17 of the Terms & Conditions.

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