

**BS&B PRESSURE SAFETY MANAGEMENT, L.L.C.**  
**TERMS AND CONDITIONS OF SALE AND LIMITED WARRANTY**  
**(1/2017)**

**Definitions** – Hereinafter the term “Seller” shall mean BS&B Pressure Safety Management, L.L.C. or the selling entity appearing on the face of the applicable quotation/proposal, sales order acknowledgment or invoice. “Buyer” shall mean the person to whom, or entity to which, Goods are sold by Seller. “Goods” shall mean all goods, technology, software and services supplied by Seller to Buyer, including, but not limited to, pressure relief devices, explosion suppression equipment, valves, flame arresters or other parts, materials, equipment or services provided by Seller.

**Seller’s Terms Govern** – The sale of all Goods shall be subject to and controlled by these Terms and Conditions of Sale (“Terms and Conditions”). These Terms and Conditions shall apply to the sale of all Goods described or referenced in Seller’s Quotations, Sales Orders, Sales Order Acknowledgments, Invoices or other documentation pertaining to Seller’s sale of Goods. While Buyer’s acceptance of Seller’s quote may be evidenced by the issuance of a purchase order or similar document, Buyer is advised that Seller objects to and rejects all purchase order terms that are different from or in addition to the terms and conditions of the quote, whether or not they would materially alter the quote terms. No other terms and conditions, including any terms and conditions attached to or contained within Buyer’s request for quotation, purchase order or other Buyer documentation shall apply. Buyer’s receipt of the Goods delivered or services performed by Seller shall constitute Buyer’s affirmation that these Terms and Conditions govern the purchase and sale of the Goods. The sales agreement between Buyer and Seller is entered into in the City of Tulsa, Tulsa County, Oklahoma.

**PRODUCT WARRANTY**

**Warranty** - Seller warrants the Goods, when installed, used, maintained, and commissioned (if applicable) in accordance with Seller’s specifications and requirements, against defective workmanship and materials for the time period(s) specified below. Buyer’s failure to use and maintain the Goods in strict compliance with all material operating specifications and at minimum recommended intervals shall void this warranty. Fire and explosion suppression systems must be certified at commissioning, and again quarterly (by Seller or its authorized representative) in order to maintain warranty coverage. Seller does not warrant any article not manufactured by Seller or its affiliated companies; **THOSE GOODS ARE SUBJECT SOLELY TO THE WARRANTIES PROVIDED BY THEIR RESPECTIVE MANUFACTURERS AND PERMITTED TO BE PASSED THROUGH BY SELLER.** Seller will provide a copy of those warranties upon request. Customer service or alteration of the Goods shall void this warranty.

Seller warrants the Goods as follows:

Pressure relief devices, including rupture disk devices, pressure relief valves, explosion vents and buckling pin devices:	<i>12 months from date of shipment</i>
Explosion protection equipment:	<i>12 months from date of shipment</i>
Spare parts for same:	<i>90 days from date of shipment</i>

THE WARRANTIES HEREIN GIVEN ARE EXCLUSIVE AND IN LIEU OF ALL WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER’S SOLE AND EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY SHALL BE, AT SELLER’S OPTION, THE REPAIR OR REPLACEMENT OF THE GOODS, F.O.B. (FOR U.S. DESTINATIONS) OR EX WORKS (FOR NON-U.S. DESTINATIONS), SELLER’S POINT OF SUPPLY.

**Reliance on Seller’s Information, Warranty and Liability Limitations** - Seller manufactures and supplies Goods in reliance upon information and specifications provided by Buyer. A change in process specifications, materials or other operational conditions can affect the performance of the Goods. Seller shall have no liability, of whatever nature, resulting or arising from Buyer’s failure to account for or disclose fully all material operating conditions, design parameters, process specifications (including, but not limited to, fuel grade, Kst rating, process temperatures, vibration involved and presence of corrosive or toxic materials) or system or vessel requirements, from any misrepresentations or omissions by Buyer, or from the system’s operation, discharge or operation of the Goods.

It is the responsibility of the owner / operator of facilities in which explosion suppression systems are utilized to comply with National Fire Protection Association (“NFPA”) Standard 652, related NFPA Standards and the user requirements of NFPA 69. Seller is neither

the “authority having jurisdiction” under those Standards nor can Seller be authorized to act as such. Seller shall commission explosion suppression systems, subject to additional charge, which verifies only that such systems have been electrically connected for use according to Seller’s installation and operation manual and that equipment placement is according to Seller’s application drawings which are derived from Buyer’s application disclosure. Seller’s explosion suppression equipment addresses only a deflagration event originating from within the object on which the explosion suppression equipment is mounted. Buyer must ensure that other equipment within its facility or process is independently and adequately protected in a manner that will not only provide for safe operation of that equipment, but will also protect against a deflagration propagating towards (and potentially damaging) the Seller-protected equipment.

Seller does not warrant Goods against loss or damage caused directly or indirectly by improper system design; by the improper use, maintenance or installation (including improper torque) of the Goods; or by corrosion, erosion, malfunction or release from this or any other device caused by acids, chemicals, fumes, rust, dirt, debris, thermal shock, shock waves or other external agencies over which Seller has no control.

SELLER’S AGGREGATE TOTAL LIABILITY TO BUYER FOR ANY AND ALL LOSS OR DAMAGE ARISING OUT OF BUYER’S USE OR INABILITY TO USE THE PRODUCT SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE PRODUCT. SELLER SHALL NOT BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE ARISING OUT OF BUYER’S PURCHASE, INSTALLATION OR USE OF THE PRODUCT, AND IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES RESULTING FROM ANY SUCH CAUSES.

No agent, distributor, employee or other representative has the right to modify or expand Seller’s standard warranty applicable to the Goods or to make any representations as to the Goods other than those set forth in Seller’s product literature and any such affirmation, representation or warranty, if made, should not be relied upon by Buyer and shall not form a part of these Terms and Conditions.

#### **SERVICES WARRANTY**

**Warranty** - Seller warrants its labor, repair, installation, maintenance, and commissioning services for a period of ninety (90) days from the date of service. No warranty is provided for any required or recommended inspection.

#### **GENERAL TERMS AND CONDITIONS**

**Indemnity** - Seller manufactures and supplies its Goods in reliance upon specifications and other information provided by Buyer. Buyer agrees to indemnify, defend and hold Seller and its officers, employees, affiliated entities and agents harmless from any claims, judgments, damages, fines, penalties, costs, liabilities (including sums paid in settlement of claims) or loss, including attorney’s fees and expenses, arising from or related to Buyer’s specification, purchase, installation or use of the Goods and not solely as the result of Seller’s fault or negligence. Buyer shall indemnify and protect Seller, including assuming the legal defense and costs, from claims filed against Buyer and/or Seller by any third party and not arising solely as the result of Seller’s fault or negligence.

**Limited License** - Buyer acknowledges that the Goods, components of the Goods, and methods of making and using the Goods are protected by intellectual property rights owned by Seller. Seller is and shall remain the sole and exclusive owner of any software and any intellectual property incorporated into or embodied in the Goods at all times. The Goods are offered for sale and sold by Seller hereunder expressly subject to the condition that such sale does not convey any license, expressly or by implication, estoppel or otherwise, under any intellectual property rights of Seller with respect to any invention of Seller or any third party, patented or not patented, embodied in Seller’s Goods, processes, sales literature or manufacturing operations; except that Seller hereby grants to Buyer, under Seller’s intellectual property rights, a limited, non-exclusive, non-transferable, non-sub-licensable, non-assignable license to use such intellectual property solely as necessary to use the Goods in Buyer’s business. Seller expressly reserves all of its rights under such intellectual property rights, and no manufacture to Buyer’s specifications grants any ownership by or conveyance to Buyer of or to any property right in any invention of Seller. Buyer shall not attempt to reverse engineer or otherwise discover Seller’s intellectual property, patentable, patented or non-patented inventions, trade secrets, secret processes or other confidential information embodied or contained in Seller’s Goods.

**Price** - Prices shown are current and may be subject to correction. If prices are different than shown on Buyer’s Purchase Order, Seller’s prices shall control. In the event Buyer-local certifications, regulations, directives or other requirements are outside of Seller’s standard product line offering, Buyer shall so advise Seller of such requirements and Seller shall assume any resulting costs.

**Taxes and Duties** – Unless otherwise indicated on the face of Seller’s quotation or sales order acknowledgment, prices specified and/or quoted are exclusive of freight, insurance, taxes (sales, value added, excise or other taxes) or duties.

**Terms of Payment** - Unless otherwise agreed in writing by Seller, payment is due 30 days from date of invoice. Past due charges of 1.5% per month will be levied on all past due amounts, from the date of invoice. All sales are subject to approval by Seller’s credit

department. Seller reserves the right to require pre-paid payment terms or other payment security from any Buyer. Buyer hereby grants to Seller a purchase money security interest in the Goods sold to Buyer and the proceeds thereof in the amount of the purchase price until such purchase price is indefeasibly paid in cash in full. Buyer hereby authorizes Seller to file such financing statements and other instruments that Seller desires to perfect, protect or enforce Seller's security interest.

***Delivery and Shipment*** – Shipment terms (including responsibility for payment of freight and insurance), title passage and risk of loss or damages shall be F.O.B. (U.S. destinations) or Ex Works (non-U.S. destinations), Seller's point of manufacture. Buyer shall be the "responsible party" for export purposes. All prepaid freight shipments are subject to shipping and handling charges to Buyer unless otherwise agreed in writing. Seller reserves the right, at its option, to amend the delivery date of any shipment and any such commercially reasonable amendment shall not constitute a breach by Seller. Seller shall have no liability, directly or indirectly, for loss or delay, or for the failure to perform or make delivery, due in whole or in part to any cause or occurrence beyond the reasonable control of Seller. Commercially reasonable delays, including those arising from force majeure or factors beyond Seller's reasonable control (including but not limited to customer requirements changes or additions, customer delays, unavailability of materials, sub-contractor delays, etc.), shall not be subject to or give rise to damages, liquidated damages, penalties, expediting obligations or cancellation. Seller reserves the right to deliver in more than one shipment and to invoice shipments separately. Unless otherwise agreed, packing and markings will be as per standards for domestic shipments. Special packaging, marking, export crating, export processing, shipping and/or handling, freight and insurance will be undertaken as extras at Buyer's cost.

***Export Compliance*** – Buyer acknowledges that the Goods may be manufactured in the United States, the European Union or elsewhere, and Buyer agrees and affirms that its purchase of the Goods complies with all export laws, rules and regulations currently in force in the United States, the European Union and any country in which Buyer is located or does business. Buyer certifies that the product is not intended for utilization or inspection by, or shipment or trans-shipment to, any country, entity, individual or end-use proscribed by the laws, regulations or directives of the United States, the European Union or any other country through or into which the Goods may pass.

***Quotations*** - Seller's quotations are valid for thirty (30) days, unless otherwise agreed by Seller, and represent no obligation unless and until Buyer accepts Seller's offer within the quotation validity period.

***Packing and Marking*** - All packing and marking will be in accordance with Seller's standard practices for domestic shipments. Special packaging, marking, export packing, etc. will be subject to extra charges.

***Delivery/Shipping Dates*** - Shipment and delivery dates are estimates only, based on current conditions and Seller's ability to secure labor, materials and parts.

***Cancellation*** - If orders accepted by Seller are canceled by Buyer, Buyer shall pay all reasonable costs, expenses, losses, and damages sustained by Seller in connection with such cancellation, including administrative and engineering expenses.

***Return of Merchandise*** - Goods may not be returned without Seller's prior written consent and shipping instructions. All Seller-approved returns of Goods are subject to a restocking charge.

***Attorney's Fees and Costs of Collection*** - Buyer agrees to pay any and all reasonable attorney's fees and costs of collection incurred by Seller in collecting any sums due under this Agreement.

***Applicable Law and Jurisdiction*** - This Agreement shall be governed by the laws of the State of Oklahoma, U.S.A. Any action relating to this Agreement shall be brought exclusively in the state or federal courts located in Tulsa, Oklahoma, U.S.A.