

SHARP IRON GROUP TERMS AND CONDITIONS OF PURCHASE

WI-700.300, REV C, April 2018

1. Acceptance. Sharp Iron Group's (SIG), commencement of work on the goods or services subject to a purchase order shall be deemed an effective mode of acceptance of that purchase order. Any acceptance of a purchase order is limited to acceptance of the express terms. A purchase order shall be deemed acceptance of an offer by SIG and such acceptance is limited to the express terms. Any additional or different terms contained in any previous offer by SIG shall be deemed immaterial to any new purchase orders.

2. Termination for Convenience. Buyer reserves the right to terminate an order for its sole convenience. In the event of such termination, SIG shall immediately stop all work hereunder, and shall immediately cause its suppliers or subcontractors to cease such work. Buyer will reimburse SIG for reasonable expenses, including indirect costs and lost profits, resulting directly from any such termination for convenience. SIG shall not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by SIG or subcontractors which SIG could reasonably have avoided.

3. Termination for Cause. Buyer may terminate an order for cause in the event that SIG fails to comply with any of the terms and conditions of the order or fails to provide Buyer, upon request, with adequate assurance of performance. Buyer will reimburse SIG only for direct expenses incurred up to the date of termination. No indirect costs or lost profits will be allowed. If it should be determined that Buyer has improperly terminated the order for cause, such termination shall be deemed a Termination for Convenience (see para. 2).

4. Changes. Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery, and method of transportation. If any such changes cause an increase in the cost, or the time required for the performance, an equitable adjustment shall be agreed upon and shall be modified in writing accordingly. SIG agrees to accept any such changes subject to this paragraph.

5. Warranty. SIG expressly warrants that all goods or services shall conform in every respect to specifications and drawings provided by Buyer or upon which an order is based and shall be new and free from defects in material or workmanship. SIG warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods or services, and that any goods will be adequately contained, packaged, marked, and labeled. Inspection, testing, acceptance or use of the goods or services furnished hereunder shall not affect SIG's obligation under this warranty, and such warranty shall survive inspection, testing, acceptance and use. SIG agrees to replace or correct defects, for a period of one (1) year from the date of shipment, in any goods or services not conforming to the foregoing warranty promptly, without expense to Buyer, and when notified of such nonconformity by Buyer, provided Buyer elects to provide SIG with the opportunity to do so. In the event of failure of SIG to correct defects and/or replace nonconforming goods or services promptly, Buyer, after reasonable notice to SIG, may make such corrections or replace such goods and services and charge SIG for the cost incurred by Buyer in doing so.

6. Price Warranty. SIG warrants that the prices for the goods or services sold to Buyer hereunder are not less favorable than those currently extended to any other customer of SIG for the same or similar articles in similar quantities. SIG warrants that prices shown on the purchase order shall be complete and no additional charges of any type shall be added without Buyer's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, and crating.

7. Force Majeure. Buyer may delay delivery or acceptance of an order, or terminate it completely, as a result of circumstances beyond Buyer's control which make performance commercially impractical including, but not limited to, acts of God, fire, unusually severe weather, flood, acts of war, government action, accident, labor difficulties or shortage, or inability to obtain materials, equipment or transportation. In the event of a delay, SIG shall hold goods subject to such delay at the direction of the Buyer and shall deliver them when the causes affecting the delay have been removed. Payment shall then be due in accordance with paragraph 8. In the event of termination, Buyer will reimburse SIG only for direct expenses incurred up to the date of termination. No indirect costs or lost profits will be allowed. If it should be determined that Buyer has improperly terminated the order by Force Majeure, such termination shall be deemed a Termination for Convenience (see para. 2).

8. Payment. Payments shall be conditional upon goods or services being supplied in accordance with the purchase order and upon supply to Buyer of a proper invoice from SIG. Such invoice shall correctly specify the purchase order number, order date, a description of the goods or services supplied, the date of supply, the sum due and properly addressed. Unless otherwise negotiated, terms of payment shall be Due upon Receipt.

9. Inspection/Testing. Buyer shall have the right to inspect such goods or services and to reject any or all of said goods or services which are in Buyer's good faith judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for, may be returned to SIG at its expense. In the event Buyer receives goods or services whose defects or nonconformity is not apparent on examination, Buyer reserves the right to require replacement.

10. Title and Risk of Loss. Unless otherwise specified in writing, title and risk of loss of all goods covered by an order shall pass to the Buyer upon shipment from SIG's facility.

11. Confidentiality; Advertising. SIG shall consider all information furnished by Buyer (hereinafter referred to as "Information") to be confidential and shall not disclose any such Information to any other person, or use such Information itself for any purpose other than providing goods or services which have been mutually agreed upon by accepted purchase orders. Information shall include without limitation, any customer, prospect and price lists, plans, photographs, designs, component designs, drawings, blueprints, specifications, inventions, technical data, trade secrets, and any other materials relating to an order or to the business of Buyer. All Buyer Information is and shall remain the property of Buyer. In no event will SIG use less than the degree of care and means that it uses to protect its own confidential information of like kind, but in any event not less than reasonable care to prevent the unauthorized disclosure or use of Buyer's Information. SIG will not, without the prior written consent of the Buyer, advertise, publicly announce or provide to any other person information relating to the existence or details of an order or use the Buyer's name in any format for any promotion, publicity, marketing or advertising purpose.

12. Buyer Property. All equipment, jigs, tools, drawings, fixtures, dies, moulds, patterns, materials and other such items supplied to SIG by or at the expense of Buyer shall remain Buyer's property. SIG will maintain such items in good working order. SIG shall ensure that the above items are clearly marked and stored as being the legal property of the Buyer and that they are not used for contracts for any third party.

13. Ownership of Work Product. All materials, and any inventions (whether or not patentable), works of authorship, trade secrets, ideas, concepts, trade names and trade or service marks created or prepared for Buyer (collectively "Inventions"), shall belong exclusively to Buyer. Standard goods manufactured by SIG and sold to Buyer without having been designed, customized, or modified for Buyer does not constitute Inventions. Furthermore, any works conceived or reduced to practice by SIG which were developed entirely on SIG's own time without using equipment, SIGs, facilities, or Buyer's information do not constitute Inventions. SIG hereby assigns the worldwide right, title and interest in and to the Inventions to Buyer. Buyer shall have the right, at Buyer's option and expense, to seek protection by obtaining patents, copyright registrations, and filings related to proprietary or intellectual property rights. SIG agrees to execute, and to cause its employees to execute, such documents, applications, and conveyances and to supply information as Buyer shall request, in order to permit Buyer (at Buyer's expense) to protect, perfect, register, record and maintain its rights in the Inventions and effective ownership of them throughout the world.

14. Insurance. In the event that SIG's obligations require performance of services by SIG's employees, or persons under contract to SIG, to be done on Buyer's property, or the property of Buyer's customers, SIG agrees that all such work shall be done on an independent contractor basis and that the persons doing such work shall not be considered employees of the Buyer. SIG and/or independent/sub-contractor, if applicable, shall maintain all necessary insurance coverage, including public, product, auto liabilities and worker's compensation insurance.

15. Indemnification. SIG shall indemnify, defend and hold harmless Buyer, its directors, officers, parents, affiliates, subsidiaries, employees, agents, successors, and assigns against any suits, actions or proceedings at law or in equity (including costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) and all claims, losses, damages, judgments, obligations, liabilities and expenses arising out of or resulting in any way from any defects in the workmanship or materials of the goods or services purchased.

16. Jurisdiction. All agreements shall be construed in accordance with, and disputes shall be governed by laws of the State of Texas.

17. Equal Employment Opportunity Clause. The Equal Employment Opportunity Clauses as set forth in 41 CFR 60-1.4(a) and 41 CFR 60-741.5(a) are incorporated herein by reference.