

CENTERLINE, INC.

TERMS AND CONDITIONS OF SALE AND REPAIR

1. Definitions:

- A. "Company" means Centerline, Inc.
- B. "Customer" means the purchaser of goods and/or services from the Company.
- C. "Goods" means articles, goods and services to which this document applies, including repairs and replacement of Goods.

2. Contract:

These Terms and Conditions of Sale and repair will apply to all sale, repair and service contracts and transactions between Company and Customer ("Contract(s)"). A Contract shall be formed upon the Company's receipt of Customer's purchase order or other written or oral approval which such purchase order must be in compliance with the provisions and specifics of Company's quotation. No variation, waiver, amendment or addition to the Company's quotation or these Terms and Conditions shall be valid unless agreed in writing by an authorized representative of the Company. If the Customer transmits its own terms and conditions to Company as a part of a contract, and if any of the Customer's terms and conditions vary or conflict with the Company's quotation, these Terms and Conditions or other written agreement between the parties, the Company's terms and provisions, including these Terms and Conditions, shall be paramount and prevailing to resolve any such conflict or inconsistency.

3. Estimates:

Initial estimates of repairs, costs and charges from Company are not contractual. Company cannot provide a quote on Goods to be repaired until it has received the Goods and had an opportunity to fully inspect them. If Company receives Goods from Customer based on an estimate, and after inspection by Company and issuance of a quote, the Customer shall thereafter reject the quote, the Customer shall nevertheless pay Company at its normal shop rates for all work performed and parts supplied in the inspection and analysis of Customer's Goods, unless such payment is otherwise waived by Company. After payment is received from Customer, Company will return the Goods to Customer with transportation costs paid by Customer.

4. Quotations:

All quotations (quotes) are valid for seven (7) days from the date of the quotation, unless stated otherwise in the quotation or earlier revoked by Company. No quotation by the Company nor the publication by Company of any other document shall place Company under any duty or liability to the Customer until, the Customer's purchase order or other valid acceptance is received, and further subject to mutual approval of written drawings, specifications and submittals as described in paragraph 7. Provided further, notwithstanding the issuance of Customer's purchase order or other agreement of sale or repair between the parties, Company may nevertheless thereafter extend the final delivery date subject to availability of any parts required from vendors and/or increase the price on the quotation if the cost of any required parts are increased by Company's vendors after the date of the quote. If it is necessary for Company to extend the delivery date or increase the price on its quotation it shall promptly notify Customer of such event, at which time, Customer shall have 5 business days to elect to cancel the order. Provided that, if Customer timely elects to cancel the order, it shall remain obligated to pay Company for all completed Goods delivered to Customer and for all work performed and parts purchased by Company for the Customer's job. Company will be paid its shop rates for all work performed and parts supplied.

5. Price:

Unless stated otherwise on Company's quotation:

- A. All prices quoted are exclusive of installation, freight, packaging and taxes.
- B. All transportation of Goods is EXWORKS at Customer's cost.
- C. The Customer shall be obligated for and shall pay directly, either to the taxing authority or by way of reimbursement to Company, for all excise taxes, use taxes, sales taxes, business privilege taxes or other assessments which may be due and owing to any federal, state or local taxing authorities by reason of the sale of any Goods to Customer, and Customer agrees to indemnify and hold Company harmless therefrom. All of the foregoing shall be in addition to the quoted sales price.
- D. The contract price shall be paid by the Customer within thirty (30) days of the invoice date (unless stated otherwise by Company). Any goods delivered in separate installments may be billed by Company in separate installments and payment shall be due accordingly. **Upon the event that any payment due by Customer is not paid when due, the amount outstanding shall bear interest at the rate of 1.5% per month until paid.**

6. Cancellation and Modification of Orders:

Except as otherwise provided in paragraph 3 above, no order may be cancelled or modified by the Customer unless requested in writing and accepted by Company in writing, including terms of repricing and delivery. Cancellation charges may apply and will be advised by the Company.

7. Delivery:

- A. The delivery dates stated are only approximate, and are not conditions of the Contract and are contingent upon the receipt of all payments due and information required to proceed with the order without delay. Any delay by Customer, its contractors or its representatives in supplying Company with plans, specification, directions or other information required to complete and deliver the Goods will extend the delivery date by an amount of time equal to such delay on the part of Customer. The final delivery date will be established by agreement between Company and Customer after a compliant purchase order or other confirmation is received from Customer, Company has had an opportunity to fully inspect any goods to be repaired and both parties have approved all drawing, depictions and other submittals which describes the work to be performed, and which have been approved by both parties.
- B. No order may be delayed or rescheduled by the Customer unless agreed to by the Company in writing.
- C. In the event of such agreed delay or rescheduling, the price of the Goods shall be subject to increase, and the Customer may pay any storage charges or other charges required to safeguard the Goods. The Customer agrees to pay the Company's invoices for the Goods (or, if not completed, that portion of the Goods which is ready for delivery) as though delivery were made on the original estimated date of delivery.

8. Warranties and Disclaimers:

IN REGARD TO ANY GOODS WHICH CONSTITUTES NEW PARTS OR FINISHED PRODUCTS WHICH COMPANY HAS ACQUIRED FROM A THIRD PARTY, SUCH AS A DISTRIBUTOR, AND TO THE EXTENT ASSIGNABLE, COMPANY AGREES TO ASSIGN TO CUSTOMER ALL OF THE ORIGINAL MANUFACTURER'S WARRANTIES ON SUCH GOODS. COMPANY PROVIDES NO WARRANTY OF ITS OWN ON ANY SUCH ITEMS. COMPANY WARRANTS ITS WORK, ASSEMBLY, REPAIRS AND OTHER SERVICES PROVIDED BY COMPANY AGAINST DEFECTS IN WORKMANSHIP FOR A PERIOD OF ONE YEAR FROM COMPLETION OF COMPANY'S SERVICES (BASED ON THE SHIPPING DATE TO CUSTOMER) OR FOR 2,000 HOURS OF USE OF THE GOODS BY CUSTOMER, WHICHEVER FIRST OCCURS. ALL ASSIGNABLE WARRANTIES, INCLUDING LIMITATIONS AND DISCLAIMERS, FROM THE ORIGINAL MANUFACTURERS OR OTHER OEM SHALL APPLY IN REGARD TO THIRD PARTY PARTS INCORPORATED INTO REPAIR WORK. CUSTOMER'S REMEDIES UNDER ANY WARRANTY HEREIN MADE BY COMPANY ARE LIMITED TO REPAIR OR REPLACEMENT OF THE GOODS BY COMPANY, AT THE COMPANY'S PREMISES OR THE PLACE OF INSTALLATION OF THE GOODS, AT COMPANY'S OPTION, OF ANY DEFECTIVE WORKMANSHIP OF THE COMPANY. ANY REPAIR OR REPLACEMENT OF THE GOODS BY ANY PARTY OTHER THAN COMPANY SHALL VOID THIS WARRANTY. IF IT IS DETERMINED THAT THE WARRANTY HAS BEEN PROPERLY INVOKED BY CUSTOMER AND THAT COMPANY IS LIABLE THEREUNDER, COMPANY WILL PAY FOR ANY FREIGHT AND SHIPPING COSTS OF DELIVERING THE GOODS TO AND BETWEEN CUSTOMER'S AND COMPANY'S PLACE OF BUSINESS. OTHER THAN THE FOREGOING, COMPANY MAKES NO WARRANTY OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, IN REGARD TO THE SERVICES OR GOODS. ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BY COMPANY AND ARE EXCLUDED FROM THIS AGREEMENT. COMPANY SPECIFICALLY DISCLAIMS LIABILITY FOR CONSEQUENTIAL AND INCIDENTAL DAMAGES, DIRECT OR INDIRECT, LOSS OF USE AND LOSS OF PROFITS. THE ABILITY OF COMPANY TO DISCLAIM WARRANTIES MAY BE LIMITED IN SOME JURISDICTIONS. TO THE EXTENT THAT ANY LIMITATIONS SHOULD APPLY, THE REMAINDER OF ALL OTHER RESTRICTIONS AND LIMITATIONS SET FORTH HEREIN SHALL NEVERTHELESS APPLY. NO PRIOR OR SUBSEQUENT ORAL STATEMENT, MARKETING LITERATURE OR REPRESENTATION MADE BY COMPANY OR ANY OF ITS AGENTS, EMPLOYEES OR REPRESENTATIVES SHALL BE BINDING UPON COMPANY AND THIS AGREEMENT CONSTITUTES THE EXCLUSIVE AND ENTIRE AGREEMENT BETWEEN COMPANY AND CUSTOMER REGARDING WARRANTY.

THE WARRANTY IS SPECIFICALLY CONDITIONED UPON THE FOLLOWING:

- A. Receipt of written notice from the Customer of claimed defects within the warranty period.
- B. Reasonable opportunity of Company to inspect and repair such defects.

C. **Payment of the entire contract price.**

D. **The Goods having been installed, erected or operated in conformity with any instructions provided to Customer by Company, and/or any OEM instructions, if applicable, and the Goods having been used in normal use and service for the purpose for which they are designed, having received normal and periodic maintenance, having not been subjected to misuse, negligence or accident and having not been altered or repaired by anyone other than Company's representatives in any respect with affects its condition or operation.**

E. **The Company's obligation pursuant to this warranty against defects in workmanship shall terminate if Customer undertakes repair or replacement of alleged defective parts without the prior written consent of the Company.**

F. **The Company shall not be held responsible for errors in drawings, specifications or samples after they have been submitted and approved by the Customer or its representative.**

9. Title, Security and Risk of Loss Interest:

All new Goods sold by Company to Customer, which are not otherwise incorporated into Goods already owned by Customer, shall remain the sole and absolute property of the Company as legal and equitable owner until such time as Customer has paid Company the full purchase price due for the Goods, together with the full price of any other Goods subject to any other contract between Company and Customer. Notwithstanding the foregoing, Customer hereby grants to Company a purchase money security interest in the Goods. The security interest shall include all additions, accessions and substitutions thereto and therefore and all accessories, parts and equipment now or hereafter affixed thereto or used in connection therewith. The security interest shall also include the proceeds and products of the Goods, including insurance proceeds, and all money and property owned by Customer which hereafter may be possessed or controlled by Company. This security interest is given to secure all of the obligations of Customer to Company including the complete payment and satisfaction of all purchase and sale orders between the parties, plus all interest due thereon and all expenditures by Company involving the performance of or enforcement of any agreement, covenant or warranty given by Customer in favor of Company, all costs, attorney fees and other expenditures of Company in the collection and enforcement of any obligation or liability of Customer to Company and in the collection and enforcement of and realization upon Company's security interest in the Goods. Customer agrees to execute one or more financing statements or other instruments of encumbrance and perfection in any form satisfactory to Company, in order to perfect or continue perfection of the security interest of Company which arises hereunder, and for all jurisdictions in which Company determines filing or other perfection of such interest is necessary or desirable. Notwithstanding the timing of the transfer of ownership of the Goods, and/or the existence of a security interest in the Goods, Customer shall solely bear the risk of loss to the Goods, including all damages, diminishment in value, transit claims and any and all other injuries or damages which may result to or by the Goods from the time that the Goods leave Company's place of business by any freight or delivery service.

10. Default:

Customer shall be in default under this agreement should it fail to timely make any payment owing to Company under this or any other agreement between them, whether or not related to the Goods which are the subject of this specific order; or upon the breach, omission or failure of performance by Customer of any agreement, covenant or provision contained herein or under any other contract or agreement between these parties. The dissolution, termination of existence or insolvency of Customer, the appointment of a receiver over any part of Customer's property, an assignment for the benefit of creditors by Customer or the commencement of any proceeding under any bankruptcy or insolvency law by or against Customer shall also constitute an event of default by Customer.

11. Company's Remedies:

Upon an event of any breach, omission, failure or default on the part of Customer, or upon Company's reasonable belief that circumstances exist or have occurred by which its ability to collect any monies due or to become due from Customer is impaired, Company shall have all the remedies allowed by this contract and by applicable law, including but not limited a claim for all damages caused and the right to cease any further production, services, repairs or delivery of Goods under this or any other contract or agreement between Customer and Company, and all rights to retrieve and sell collateral as provided by the Uniform Commercial Code of any state in which this agreement is enforceable.

12. Non-waiver:

No act, delay or omission, including Company's waiver of any right or remedy because of any known or unknown default hereunder, shall constitute a waiver of any of Company's rights and remedies under the law or this agreement or under any other agreement between the parties. All rights and remedies of Company are cumulative and may be exercised singularly or concurrently and the exercise of any one or more remedy will not be a waiver of any other, at the same time, or at a later time. No waiver, change, modification or discharge of any of Company's rights or if Customer's duties will be effective unless in writing and signed by a duly authorized officer of Company and any such waiver will not be a bar to the exercise of any right or remedy on any subsequent occasion.

13. Governing Law and Venue:

All transactions between Company and Customer shall be interpreted and enforced in accordance with the substantive laws of the State of Oklahoma including, without limitation, the Oklahoma Uniform Commercial as amended from time to time. With respect to any suit, action or proceeding related to a sale of Goods under this agreement, or any other agreement between the parties, each party irrevocably submits to the exclusive jurisdiction of the District Court of Kay County, Oklahoma and the United States District Court located in the Western District of Oklahoma, and waives any objection which it might have at any time to venue of any proceedings brought into any such court, or that such court does not have jurisdiction over such party.

14. Severability:

If any provision of this agreement shall be for any reason held to be invalid or unenforceable, such invalidity or enforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

15. Costs and Fees:

The Customer shall be liable for and agrees to pay Company for all costs, attorney fees and other expenses and disbursements by Company in the enforcement or collection of any invoice, obligation or liability of Customer to Company, or the realization upon or the enforcement of collection of any collateral in which Company has a security interest. Customer agrees promptly to reimburse Company for all such expenditures, and until such reimbursement, the amounts of such expenditures shall be considered a liability of Customer to Company which is secured by this agreement and shall bear interest accordingly.

16. Integration:

This instrument, along with the Customer's purchase order and the Company's quotation and sales order, constitute the entire agreement between these parties, except as to any written amendments executed by an authorized representative of Company. In the event of any conflict between the terms of the Customer's purchase order, these Terms and Conditions of Sale, the Company's quotation and the Company's sales order, the conflict shall be resolved in the following order of preference and priority: (1) these Terms and Conditions, (2) Company's quotation and sales order, and (3) Customer's purchase order and Customer's terms and conditions. Neither party shall be bound by any other prior terms, conditions, statements, representations or writings not otherwise herein contained. All previous negotiations, statements and preliminary instruments by the parties or their representatives are merged in this instrument and the Company's sales order.

17. Customer's Indemnification:

The Customer shall defend, indemnify and hold the Company harmless from any loss, damage, expense, claim, costs or attorney fees related to or arising out of claims for antitrust violations, unfair trade practices or infringement of patents, trademarks, copyrights or other intellectual property rights resulting from Company's compliance with Customer's design specifications, installation instructions, drawings or other directions supplied by or on behalf of Customer to Company in relation to the Goods.

18. Force Majeure:

A force majeure delay shall mean any delay caused by, but not limited to, an act of God; government action or failure of the government to act; war or acts of the public enemy; strike or other labor trouble; fire; floods; severe weather; riots or other causes beyond Company's reasonable control, provided that any such delay is not caused, in whole or in part by the acts or omissions of Company and further that Company is unable to make up for such delay with reasonable diligence. If any force majeure delays Company's performance, the delivery date or time for compliance will be extended by a period of time reasonably necessary to overcome the effect of such delay, without penalty to Company.

19. No Third Party Beneficiaries

Nothing in these terms and conditions, or any other agreement between Customer and Company, expressed or implied, is intended to confer upon any person or entity other than the parties hereto and their respective permitted successors and assigns any rights, benefits or obligations hereunder.