

## TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE.** All orders are subject to final acceptance by VII Corporation, dba National Utilities Company (hereinafter "NUCO") and may not be altered except in writing by an authorized employee of NUCO. These terms and conditions of sale ("Terms and Conditions of Sale") are between the buyer ("Purchaser") of NUCO's products (the "Product" or "Products") and NUCO. NUCO's acceptance of all orders is contingent upon approval of the Purchaser's credit. NUCO and Purchaser may be referred to herein individually as a "Party" and collectively as the "Parties."

2. **PRICES.**

2.1 *Products Price.* The prices outlined in the Purchase Order do not include any excise, sales, use or other taxes. The prices are therefore subject to an increase in the amount of any such taxes (excluding any tax on NUCO's net income) that NUCO may be required to collect or pay upon the sale or delivery of the Products.

2.2 *Purchase Orders.* Purchase Orders, including any revised and follow-on orders, are non-cancellable except as expressly set out in these Terms and Conditions of Sale. Purchase Orders shall specify: (a) that these Terms and Conditions of Sale are incorporated; (b) order number; (c) NUCO's Products part number or quotation number, as applicable, including a general description of the Products; (d) requested delivery dates; (e) applicable price; (f) quantity; (g) location to which the Products are to be shipped; and (h) location to which invoice is to be sent for payment. Purchase Orders are subject to acceptance or rejection by NUCO. No Purchase Order is accepted by NUCO unless NUCO has issued a written order confirmation. NUCO's sale of Products shall be subject only to these Terms and Conditions of Sale and no other terms and conditions shall apply. All Purchase Order must be submitted via email to sales@nationalutilities.com. All Purchaser Orders submitted as a PDF must be in a native PDF format with accessible text (not a scanned image).

3. **PRICE CHANGES.**

3.1 Prices are subject to change and subject to price adjustment. In the event of any change to the market conditions that are beyond NUCO's reasonable control (including without limitation any raw material price increase, shortage, energy surcharge, labor cost, production cost, effect of currencies exchange rates, new tariffs) and representing a price increase, NUCO reserves the right to adjust the invoiced price to Purchaser. NUCO will notify the Purchaser in writing accordingly. NUCO reserves the right to make any corrections to prices due to clerical errors or errors of omission.

4. **TARIFFS.** Any import or export tariffs applicable to this transaction shall be payable by the Purchaser when and as incurred.

5. **TERMS OF PAYMENT.**

5.1 *Payment Process.* Unless the Purchaser has been approved for credit terms by NUCO, payment for all orders will be made at the time the Purchase Order is placed. In the event Purchaser has been approved for credit terms, payment for that Purchase Order will be due no later than 30 calendar days from the date of the invoice unless a shorter time period is specified on the invoice or otherwise communicated to Purchaser in writing. NUCO will determine in its sole discretion if the Purchaser qualifies for credit terms. If credit terms are granted, NUCO may change the Purchaser's credit terms at any time in its sole discretion and may, without notice to the Purchaser, modify, or withdraw credit terms for any Purchase Order. Partial shipments will be invoiced as they are shipped. NUCO is not required to provide a hard copy of the invoice and may submit invoices electronically. Payments must be made in U.S. currency unless agreed otherwise in writing. Purchaser will send an email to accounting@nationalutilities.com on or before the date of such electronic fund transfer advising remittance detail containing at a minimum Purchaser's Purchase Order number, NUCO invoice number, and amount paid per invoice. Purchaser agrees to pay a \$250.00 service fee for each occurrence of its failure to include the remittance detail and minimum information described above. Disputes as to invoices must be accompanied by detailed supporting information and are deemed waived 15 days following the invoice date. NUCO reserves the right to correct any inaccurate invoices. Any corrected invoice or invalid dispute must be paid by the original invoice payment due date or the issuance date of the corrected invoice, whichever is later. Purchaser must pay the undisputed amount of the invoice within the original invoice payment due date. The foregoing is without prejudice to any other NUCO's rights or remedies which NUCO may have under the applicable law. All collection costs, including reasonable attorneys' fees, arising out from Purchaser's non-payment in accordance with the terms herein shall be payable by Purchaser. Upon written request by NUCO, Purchaser shall provide NUCO with all then-current financial information necessary at any time to review and confirm Purchaser's creditworthiness. Should the Purchaser not be in a position to furnish any of the payment guarantees required by NUCO, NUCO shall be entitled to immediately cancel any deliveries and/or Purchase Orders.

5.2 *Expedite Fees.* An expedited fee will be applied whenever the Purchaser requests that NUCO expedite any Products beyond normal response times. Expedite fees are non-refundable and will be invoiced in accordance with Section 5.

5.3 *Shipment Hold.* If the Purchaser has exceeded its credit limit and partial payment is received, NUCO reserves the right to release purchase shipments on a Product availability aged order basis. If the Purchaser's credit terms are Cash Before Ship (CBS) and payment is not received within 30 calendar days after the order placement or if the Purchaser is thirty (30) days or more late on an invoice, NUCO reserves the right to hold shipment until payments are made to bring Purchaser's account current.

6. **SCHEDULE CHANGES AND CANCELLATION.** Changes and/or cancellations to existing schedules or Purchase Orders are subject to NUCO's acceptance and any applicable cancellation charges (and possible increase in price due to rescheduling). Cancellation charges will be determined by the type of Products and the stage of completion. In any and all cases unless otherwise agreed in writing by the NUCO, the Purchaser may not cancel any order. NUCO may, subject to the Purchaser providing thirty (30) days' notice in writing, accept requests for temporary holds on orders for rescheduling purposes for a period not to exceed thirty (30) days. NUCO is not obligated to accept multiple temporary holds for the same Purchase Order. If at that time a reschedule is not received, NUCO reserves the right to recommence shipments in accordance with the original schedule or cancel the order.

7. **RETURNS.** No Products shall be returned to NUCO, whether for inspection, repair, replacement, or any other reason, without prior approval from NUCO. Products and parts must be returned in new or like-new condition with complete identification in accordance with NUCO's instructions or the shipment may not be accepted. All returns must be sent to the designated location provided by NUCO in writing. When authorization has been obtained to return any Products, NUCO may charge the Purchaser a restocking fee of twenty-five percent (25%) of the Purchase Order and any applicable additional transportation charges.

8. **CLAIMS.** Any claims for shortages, damages, or delays shall be made by the Purchaser directly to the carrier. NUCO shall supply additional copies of all invoices and transportation receipts and other information necessary for the filing of any claim against the carrier by the Purchaser.

9. **TITLE AND SECURITY INTEREST.** Title to Products, and risk of damage thereto or loss thereof, shall pass to the Purchaser at the time NUCO makes the Products available to Purchaser for shipment. Notwithstanding the foregoing, Purchaser hereby grants to NUCO a security interest in all Products delivered to Purchaser, and in all accessions to, replacements of, and proceeds from sale of such Products, as security for the performance by Purchaser of all of Purchaser's obligations arising under this Agreement. The Purchaser hereby irrevocably appoints NUCO the Purchaser's attorney-in-fact, with full authority to take any action and to execute and file any instrument that NUCO may deem necessary to carry out the provisions of this agreement, including without limitation to execute and file any UCC financing statements the NUCO deems necessary and appropriate.

10. **SHIPMENT AND DELIVERY.** Unless otherwise specified by Purchaser in writing at least thirty (30) days prior to a requested shipment date, NUCO shall determine in its discretion the means of shipment and shall not be responsible for arranging insurance on the Products. NUCO shall invoice Purchaser for any and all shipping, handling, customs, insurance, and similar charges incurred by NUCO in shipping Products to Purchaser, and Purchaser shall pay such charges pursuant to Section 5. Purchaser shall be deemed to have accepted the Products upon the date title to such Products passes to Purchaser; provided, however, that nothing in this Section 10 shall be deemed to limit Purchaser's warranty rights outlined in Section 12. NUCO shall use reasonable efforts to ship Products to Purchaser in accordance with the Purchase Order. NUCO reserves the right to ship Products as early as necessary to accommodate NUCO's overall delivery schedules. Notwithstanding the foregoing and without limiting the generality of Section 18, NUCO shall not be liable for damages of any kind as a result of a delay in delivery for any reason, or increased costs incurred by NUCO caused by or related to Purchaser's acts or omissions.

11. **INSPECTION AND ACCEPTANCE.** Purchaser will inspect Products within a reasonable period after delivery, not to exceed thirty (30) calendar days (the "Inspection Period"). Products will be presumed accepted unless NUCO receives written notice of rejection explaining the basis for rejection within the Inspection Period. NUCO will have a reasonable opportunity to repair or replace rejected Products, at its option, in accordance with Section 12.

12. **WARRANTY.**

12.1 NUCO warrants that Products sold hereunder shall be free of defects in materials or workmanship. If during the Inspection Period as stated in Section 11 (the "Warranty Period") by NUCO of any Products, such Products supplied are stated to be defective in materials or workmanship the Purchaser shall forthwith notify NUCO in writing of the alleged defects and shall (at NUCO's option) return the Products at its own expense to NUCO within fifteen (15) calendar days of Purchaser's written notification regarding the alleged defect, unless NUCO has approved a longer Product return period in writing. NUCO shall refund reasonable transportation costs, if any, of such Products to NUCO's premises (or where otherwise directed by NUCO) provided that its obligations to replace or repair any Products shall not apply to:

- (a) Any Products which, upon inspection and determination by NUCO, have been altered by Purchaser or a third party or modified to include third party components;
- (b) Any Products which have been subject to accident or damage caused by any negligent act or omission or circumstances beyond the reasonable control of NUCO, and provided further that the warranty for Products which have been replaced or repaired pursuant to the provisions hereof shall be only for the unexpired portion of the original Warranty Period;

- (c) Any Products which, having been inspected by NUCO are not found to be defective, or outside of the Warranty Period;
- (d) Wear and tear due to the normal use of the Products by Purchaser; or
- (e) Misuse or abuse of the Products, or its operation, storage, maintenance, or management in a manner contrary to NUCO's instructions.

NUCO reserves its right to charge reasonable costs to Purchaser for no fault-found inspections and associated redelivery costs.

12.2 The undertaking to replace or repair Products which are defective in materials or workmanship set forth in this Section 12 herein shall be the full extent of NUCO's liability in respect of the sale of Products under these Terms and Conditions of Sale. ALL WARRANTIES, CONDITIONS, OR REPRESENTATIONS EXPRESS OR IMPLIED (INCLUDING MERCHANTABILITY, PERFORMANCE, OR FITNESS FOR PURPOSE), STATUTORY OR OTHERWISE, AND WHETHER ARISING HEREUNDER OR UNDER ANY PRIOR AGREEMENT OR IN ORAL OR WRITTEN STATEMENTS MADE BY OR ON BEHALF OF NUCO IN THE COURSE OF NEGOTIATIONS WITH PURCHASER OR HIS REPRESENTATIVE ARE HEREBY EXCLUDED.

13. **RELATIONSHIP BETWEEN PARTIES.** This Agreement shall not create a partnership, joint venture, agency, employer/employee, or similar relationship between NUCO and Purchaser. Purchaser shall be an independent contractor and is not and shall not represent itself to be an employee, partner, or joint venturer of NUCO and may not obligate NUCO or otherwise cause NUCO to be liable under any contract. Purchaser shall be solely responsible for payment of its taxes and payment of its employees and subcontractors including payment of all amounts pertaining to applicable Social Security, workers compensation, unemployment insurance, and all other legal requirements.

14. **SPECIFICATIONS.** NUCO reserves the right to change specifications or to discontinue models at any time. There is no obligation to retain previous specifications or to incorporate modifications on instruments sold previously.

15. **TERMINATION.**

15.1 Either Party may terminate this Agreement and any or all unperformed Purchase Orders by giving written notice to the other Party upon the occurrence of any of the following events:

- (i) the other Party materially breaches this Agreement and fails to remedy the breach within sixty (60) calendar days after receipt of written notice that specifies the grounds for the material breach;
- (ii) the other Party fails to make any payment required to be made under this Agreement when due, and fails to remedy the breach within three (3) calendar days after receipt of written notice of non-payment; or
- (iii) any insolvency or suspension of the other Party's operations or any petition is filed or proceeding made by or against the other Party under any state, federal, or other applicable law relating to bankruptcy, arrangement, reorganization, receivership, or assignment for the benefit of creditors or other similar proceedings.

15.2 Either Party may terminate this Agreement at any time without cause or penalty upon providing the other Party with ninety (90) days' advance written notice.

15.3 NUCO may immediately suspend performance under this Agreement at Purchaser's expense if NUCO determines that performance may cause a safety, security, or health risk. Termination does not affect any debt, claim, or cause of action accruing to any Party against the other before the termination. The rights of termination provided in this clause are not exclusive of other remedies that either Party may be entitled to under this Agreement or in law or equity.

15.4 Should the Purchaser not be in a position to furnish any of the payment guarantees required by NUCO, NUCO shall be entitled to immediately terminate these Terms and Conditions of Sale by written notice.

16. **DESIGN AND TECHNICAL INFORMATION.** Unless otherwise agreed in writing between the Parties, NUCO claims proprietary rights in the items and information associated with the Purchase Order to which these Terms and Conditions of Sale apply. Drawings and technical information are issued by NUCO in confidence for engineering information and mutual assistance only and may not be publicly disseminated, reproduced, or used by Purchaser without NUCO's prior written consent.

17. **CONFIDENTIAL INFORMATION**

17.1 Each Party agrees to keep confidential all information, including, but not limited to, commercial, design, and technical information, and materials ("Confidential Information") of the other Party, which comes to its knowledge in the course of the business relationship. All information provided to either Party shall be deemed confidential unless otherwise specified in writing. Each Party is allowed to share Confidential Information with its affiliates on a need-to-know basis.

17.2 Confidential Information shall not include information that:

- (a) Is publicly known at the time disclosure to another Party or becomes publicly known through no fault of the Party;
- (b) Was in a Party's possession free of any obligation of confidence at the time of disclosing communication;
- (c) Is developed independently by a Party without reference to any Confidential Information, as evidenced by contemporaneous written records; or
- (d) Is rightfully obtained by the Party from a third party authorized to disclose without restriction.

18. **LIMITATION OF LIABILITY.** IN NO EVENT WILL NUCO BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, COVER, OR PUNITIVE DAMAGES, LOST PROFITS, OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO NONCONFORMANCE OR DEFECT IN GOODS OR ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY PURCHASER OR COULD HAVE BEEN REASONABLY FORESEEN BY PURCHASER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT WILL NUCO'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNTS PAID BY PURCHASER FOR THE GOODS SOLD.

19. **GOVERNMENT REGULATIONS.** NUCO shall comply with all laws and regulations to which NUCO is subject pertaining to the manufacture of the Products. For the avoidance of doubt, "laws and regulations" do not include recommendations of standard-setting organizations. NUCO shall not be responsible for non-compliance with laws arising out of the combination, operation, or use of the Products with products not supplied by NUCO where the use of the Products without such combination, operation, or use would be in compliance with such laws.

20. **EXPORT CONTROLS/TRANSFER AND USE CONTROLS.** The Products supplied by NUCO under this Agreement may be subject to export controls under the laws and regulations of the United States (U.S.), the United Nations, the European Union, or the country of export pursuant to applicable law. Such regulations include but are not limited to the U.S. Export Administration Act and Trading with Enemy Act and the International Traffic in Arms Regulation (ITAR). Purchaser shall comply with such laws and regulations governing export, re-export, transfer, and use of NUCO's Products and will obtain all required U.S., UN, EU, and local authorizations, permits, or licenses. NUCO and Purchaser each agree to provide the other Party with information, support documents, and assistance as may reasonably be required by the other in connection with securing authorizations or licenses. Purchaser's obligations under this clause shall survive the expiration or termination of this Agreement. Purchaser shall not take any action in connection with NUCO's Products deemed to support a boycott of any country un-authorized by the Government of the United States, the European Union, or any government and pursuant to applicable law, or otherwise take any action which will place NUCO or any other associated company of NUCO in jeopardy of breaching or violating any such laws or regulations or interpretations thereof.

21. **AGREEMENT.** Unless otherwise agreed in writing, these Terms and Conditions of Sale on the face and reverse of the acknowledgement constitute the entire agreement and understanding of the parties and shall not be modified by standard clauses in the Purchaser's Purchase Order or elsewhere.

22. **MODIFICATIONS.** NUCO may unilaterally modify, amend, supplement, or otherwise change this Agreement upon at least ten (10) days' prior written notice to Purchaser. Any such future modification, amendment, supplement, or other change (a "Change") shall apply only with respect to Purchase Orders accepted after the effective date of such Change. As used herein, the term "Agreement" shall include any such future Change. Without limiting the generality of the foregoing, NUCO may establish terms and conditions that apply to one or more particular Products.

23. **NOTICE** Any notice or communication permitted or required hereunder shall be in writing and shall be delivered in person or by courier or mailed by certified or registered mail, postage prepaid, return receipt requested, unless otherwise specified in these Terms and Conditions of Sale or agreed upon by NUCO. If notice is given in person or by courier, it shall be effective upon receipt; if notice is given by mail, it shall be effective three (3) business days after deposit in the mail.

24. **ASSIGNMENT.** Purchaser shall not assign any of its rights or delegate any of its obligations under the Agreement without NUCO's prior written consent. Any purported assignment or delegation in violation hereof is null and void. No assignment or delegation relieves the Purchaser of any of its obligations under the Agreement. NUCO shall be entitled to delegate, transfer, or assign its rights and obligations arising from the Agreement, in whole or in part, to any affiliated company of NUCO. NUCO may, without the Purchaser's consent, assign the right to receive any amount due.

25. **CHOICE OF LAW.** All matters arising out of or relating to the Agreement are governed by and construed in accordance with the laws of Texas without giving effect to any choice or conflict of law provision or rule (whether of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of Texas. This Agreement will

not be governed by the United Nations Convention on the International Sale of Goods, nor by the United Nations Convention on the Formation of Contracts for the International Sales of Goods, the application of which is expressly excluded.

26. **WAIVER.** No waiver by NUCO of any of the provisions of the Agreement is effective unless explicitly set forth in writing and signed by NUCO. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from the Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

27. **SEVERABILITY.** If any term or provision of the Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

28. **NO THIRD-PARTY BENEFICIARIES.** The Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these terms.

29. **FORCE MAJEURE.** NUCO shall not be liable to the Purchaser, nor be deemed to have defaulted or breached the Agreement, for any failure or delay in fulfilling or performing any term of the Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond NUCO's reasonable control including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lock-outs, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting

carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage. If, due to any such circumstances, shortages should occur in NUCO's supply of any specific goods, NUCO may allocate deliveries to its customers as it determines in its sole discretion.

**30. CONTACT INFORMATION.**

Website: [nationalutilities.com](http://nationalutilities.com)  
Address: 1700 Hickory Dr. Haltom City, TX 76117  
Office: 817-838-2020  
Sales: [sales@nationalutilities.com](mailto:sales@nationalutilities.com)  
AP: [accounting@nationalutilities.com](mailto:accounting@nationalutilities.com)

31. **JURY WAIVER.** NO PARTY TO THIS AGREEMENT, OR ANY ASSIGNEE, SUCCESSOR, HEIR OR PERSONAL REPRESENTATIVE OF SUCH A PARTY SHALL SEEK, AND EACH SUCH PARTY HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER LITIGATION PROCEDURE ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE DEALINGS OR THE RELATIONSHIP BETWEEN THE PARTIES, WHETHER SOUNDING IN CONTRACT, TORT, OR ANY OTHER THEORY. EACH OF THE PARTIES HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTY THAT THE PROVISIONS OF THIS SECTION 31 CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH SUCH PARTY IS RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT AND THE PARTIES ARE FULLY AWARE OF THE LEGAL CONSEQUENCE OF ENTERING SUCH WAIVER.