

GC PRODUCTS

TERMS AND CONDITIONS OF SALES AND SERVICE

1. Controlling Terms and Conditions. GC Products, LLC (“GC Products”) is a manufacturer’s agent representing various suppliers and also provides services to repair equipment and products used in the oil field industry. All sales and services by GC Products are governed by these GC Products standard terms and conditions (“Terms and Conditions”) and the terms and conditions of GC Products’ third-party suppliers of products or services (“GC Products Suppliers”) included in the sales and services offered by GC Products. These Terms and Conditions apply to all sales of products and services by GC Products to any Customer and are posted on GC Products’ website. These Terms and Conditions together with any written terms contained in any quotation or sales contract of GC Products (“Sale Contract”) constitute the entire agreement (the “Agreement”). All terms and conditions proposed by any customer of GC Products (“Customer”) are expressly rejected unless contained in a written document signed by an officer of GC Products. Acceptance of a GC Products proposal, submission of orders or receipt of products or services from GC Products constitutes acceptance of all the terms and conditions stated in these GC Products Terms and Conditions and the terms and conditions of GC Products’ Suppliers. In the event of a conflict between these Terms and Conditions and any GC Products’ Suppliers terms passed onto a Customer, these Terms and Conditions take precedence.

2. Purchase Price, Taxes and Payment Terms.

a. Purchase Price and Taxes. Except as otherwise stated in writing, quotations are valid for thirty (30) days from the date of quotation. GC Products may pass on additional costs from GC Products Suppliers and prices will be subject to correction by GC Products pricing department. Prices do not include sales, use, or excise taxes or any other similar taxes, tariffs, duties and charges of any kind imposed by any governmental authority on amounts payable by Customer or any shipping, delivery or insurance costs, all of which are Customer’s responsibility and may be added to GC Products’ invoices.

b. Payment Terms. Except as otherwise stated in a document signed by GC Products, payment of GC Products’ invoices is due within 30 calendar days of the invoice date. Customer waives the right to assert offsets or counterclaims with respect to GC Products’ invoices. Customer may promptly notify GC Products of any disputed invoice prior to the payment due date otherwise the claim is waived. Any amounts not paid when due may be subject to a late payment fee computed daily at a rate equal to the lower of 1.75% interest per month or the highest rate permissible under North Dakota usury laws. Credit terms are subject to review and adjustment by GC Products’ credit department. Customer will be responsible for collection costs (including attorneys’ fees whether or not suit is commenced) incurred with respect to invoices not paid when due.

If GC Products allows merchandise to be returned it will be subject to a restocking charge based on marketable condition, date of purchase, and/or resale value. Special order items may not be returned or canceled.

c. Delays. GC Products will not be liable for any delays caused by suppliers. GC Products and GC Products Suppliers will not be liable for delays or failure of delivery of any goods or other non-performance caused in whole or part by any contingency or event beyond GC Products' reasonable control; including without limitation, acts of government or any agency or subdivision thereof, war, terrorist action, riots, acts of God, machinery breakage, pandemic or epidemic, or any shortage of or inability to secure labor, transportation facilities, fuel, energy, raw materials, supplies, or machinery or products at reasonable prices or from regular sources, or any other contingency beyond their reasonable control.

3. Delivery and Risk of Loss. Delivery dates are approximations unless otherwise stated. GC Products will use commercially reasonable efforts to deliver the goods in accordance with any agreed upon delivery schedules, but GC Products will not be liable for delays in delivery. Delivery is FOB GC Products' docks (under U.C.C. Shipping Terms) unless otherwise agreed to in writing. Freight is prepaid and added to the Sales Order, and shipments are made at the sole cost and risk of the Customer. Customer shall, at its sole cost and expense, be responsible for obtaining all licenses and permits and for satisfying all formalities as may be required to export the goods outside of the United States and to import them into any other country in accordance with then prevailing laws, rules and regulations. If Customer has not specified a carrier, GC Products may select the carrier but will not be deemed thereby to assume any liability in connection with the shipment nor will the carrier be construed to be an agent of GC Products. Delays in securing Customer's approval of any matter will, at GC Products' discretion, extend the date of delivery. GC Products reserves the right to ship prior to the quoted ship date or to ship an invoice in installments.

4. Title Transfer and Risk of Loss. Title and risk of loss shall transfer to the Customer upon the delivery of the products to the carrier.

5. Inspection, Acceptance and Return of Products.

a. Inspection and Acceptance. Customer shall promptly inspect all shipments after arrival and notify GC Products in writing within ten (10) days of arrival of any claims that the goods do not conform to specifications or have damage or any other nonconformity. Claim notices must be accompanied by reference to GC Products' bill of lading and other order numbers. Customer agrees to provide pictures and other requested support for claims and allow GC Products a reasonable opportunity to inspect products to enable GC Products to verify the alleged nonconformity or damage. Customer's failure to timely notify GC Products in writing of any alleged nonconformity or damages constitutes a waiver of any such claims. Customer's rejection of any products shall not shift risk of loss of such product until the product is returned to GC

Products, freight prepaid, pursuant to GC Products' written authorization. Any claims for damage or shortage in transit must be filed by Customer against the transportation company.

b. Return of Products. Products may not be returned except as authorized by GC Products. Returned products are subject to inspection. Authorized returned products must be returned as directed by GC Products. Customer is responsible for all handling and transportation costs. Merchandise return may be subject to a restocking charge based on marketable condition, date of purchase, and/or resale value. Special order items may not be returned.

6. Product Changes. In the interest of continuous product improvement, GC Products and GC Products' Suppliers reserve the right to change specifications and/or design without incurring obligation.

7. Limited Warranty. GC Products warrants to the initial purchaser for a period of no more than one year after the shipment of the products that are products of GC Products' manufacture or GC Products services (to repair equipment or parts) are free of defects in material and workmanship if properly installed, maintained, and operated under normal conditions, with competent supervision. Correction of such defects by repair or replacement, at GC Products' discretion, shall constitute fulfillment of all GC Products' obligations. Claimed defective products or parts or defective service on equipment or parts must be returned pursuant to a material return authorization by GC Products or GC Products Supplier with transportation charges prepaid for inspection. GC Products shall not be responsible for loss, damage or expenses directly or indirectly arising from the use of its product or any product or equipment it has serviced, or from any other cause. GC Products assumes no liability for expenses or repairs performed by Customer or anyone other than GC Products, unless agreed to in writing by GC Products. GC Products Supplier warranties are as stated in the GC Products Supplier provided documentation and given solely by the GC Products Supplier.

Notwithstanding anything to the contrary, GC Products and GC Products Suppliers make no warranty with respect to any products that are warranted separately by their respective manufacturers and GC Products and GC Products Suppliers are not liable for field labor required for repair of such items at any time.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, GC PRODUCTS MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE PRODUCTS SOLD HEREUNDER, SERVICES PROVIDED OR ADVICE PROVIDED, INCLUDING, BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN, NON-INFRINGEMENT, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE OR ANY OTHER MATTER. NO AGENT, EMPLOYEE OR REPRESENTATIVE OF GC PRODUCTS HAS ANY AUTHORITY TO BIND GC PRODUCTS TO ANY AFFIRMATION, REPRESENTATION, OR WARRANTY EXCEPT AS STATED IN THESE TERMS AND

CONDITIONS OR IN A WRITTEN DOCUMENT SIGNED BY AN OFFICER OF GC PRODUCTS.

8. Limitation of Liability. GC PRODUCTS SHALL HAVE NO LIABILITY TO ANY PERSON OR ENTITY FOR, AND CUSTOMER HEREBY EXPRESSLY WAIVES, ALL INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND PUNITIVE DAMAGES OF ANY DESCRIPTION, WHETHER ARISING OUT OF WARRANTY OR OTHER CONTRACT, NEGLIGENCE OR OTHER TORT, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, FORSEEABLE BUSINESS LOSSES, LOSS OF PROFITS AND RELIANCE DAMAGES. THE PARTIES EXPRESSLY AGREE THAT THE LIMITATIONS SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SHALL SURVIVE THE DETERMINATION OF ANY COURT OF COMPETENT JURISDICTION THAT ANY REMEDY PROVIDED HEREIN FAILS OF ITS ESSENTIAL PURPOSE. UNDER NO CIRCUMSTANCES SHALL GC PRODUCTS' LIABILITY FOR ANY PRODUCT OR SERVICE HEREUNDER FOR ANY CAUSE EXCEED THE PURCHASE PRICE PAID TO GC PRODUCTS BY CUSTOMER FOR THE PRODUCT OR SERVICE IN RESPECT OF WHICH THE CLAIM IS MADE. No action may be brought by Customer against GC Products after one (1) year from the date of delivery of the product or date of invoice for any service, and Customer agrees that this provision shall be grounds for dismissal or any suit or claim asserted by Customer after such time.

9. Indemnification. Customer shall indemnify (and at GC Products' option, defend) and hold GC Products, its affiliates and their respective officers, directors, members, managers, insurers, representatives, agents and employees harmless from any and all claims, suits, demands, losses, liabilities, damages (including injury and death) and expenses (including reasonable attorneys' fees) (collectively, "Claims"), arising out of or relating to: (a) Customer's or its agents provided specifications, design, parts or operation; (b) Customer's use, misuse or disposal of the products supplied by GC Products or GC Products Suppliers; or (c) Customers' non-compliance with any law.

10. Confidentiality. All non-public, confidential or proprietary information provided by GC Products to Customer is confidential, solely for the use in performing hereunder and may not be disclosed, used or copied unless authorized in advance by GC Products in writing. Without limiting the foregoing, proposals and drawings are the sole propriety of and are disseminated by GC Products to Customer only for the express use of Customer's consideration of the products and services provided by GC Products and are not to be disclosed by Customer to, or used by any third party for any purpose unless authorized by GC Products. Confidential Information shall not include information which Customer can demonstrate by written records: (a) is or becomes publicly known through no wrongful act on Customer's part; (b) is known to Customer prior to receiving such information from GC Products; (c) becomes known to Customer from a source other than GC Products, without restrictions and not in violation of GC Products' right; or (d) is independently developed by Customer without reference to or use of the Confidential Information. Notwithstanding anything to the contrary, nothing herein shall prohibit Customer from disclosing

Confidential Information pursuant to an order of a governmental or judicial authority, provided Customer shall (where legally permitted) provide prior notice to GC Products to afford GC Products reasonable opportunity to object to the discloser or obtain a protective order, and Customer shall reasonably cooperate in such effort at GC Products' expense. This Section does not supersede any previous Confidentiality Agreements of GC Products and Customer but instead supplements any such prior agreements with the intent of providing each party with a maximum protection possible.

11. Additional Service Center Terms

Except as otherwise stated in writing, estimates for service are valid for 30 days after estimate is provided. If approval to repair equipment is not received within 30 days of receiving the estimate, GC Products reserves the right to assess reasonable equipment storage fees. If approval to repair the equipment is not received, and the Customer does not agree to retrieve the un-repaired equipment within an agreed upon reasonable timeframe, the Customer agrees the equipment will become property of GC Products after 30 days of the lapse of the agreed upon timeframe. ALL DECLINED SERVICE ESTIMATES ARE SUBJECT TO A \$250.00 USD INSPECTION AND ESTIMATE FEE.

12. Other Terms. GC Products and GC Products Suppliers' failure to object to the provisions contained in Customer's purchase order or other communications shall not be deemed a waiver of these Terms and Conditions nor acceptance of such Customer provisions. All matters relating to or arising from dealings with GC Products and Customer will be governed and controlled by the laws of the State of North Dakota, notwithstanding conflict of law provisions. Customer agrees to bring any claim, cause of action, suit or demand allegedly arising out of or related to the transactions between GC Products and Customer exclusively in the state or federal courts located in Williams County, North Dakota. Customer irrevocably consents to jurisdiction in, and venue of such courts. CUSTOMER IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR CONNECTION WITH DEALINGS WITH GC PRODUCTS.