

HMD Sealless Pumps Limited

Terms and Conditions of Sale

1. Agreement.

The following terms and conditions constitute the entire agreement between HMD Seal/Less Pumps Limited (hereinafter "Seller") and Buyer, except as modified in writing and signed by authorized representatives of both parties. These terms and conditions supersede any and all previous communications, representations or agreements, either oral or written, between the parties with respect to the subject matter. Any terms proposed in Buyer's acceptance of this quotation which add to, vary from, or conflict with these terms are rejected and shall not constitute any part of any contract resulting from this quotation. Any such proposed terms shall have no force or effect, and these herein shall constitute the complete and exclusive statement of the terms and conditions of any contract resulting from this quotation and may be modified only by written instrument executed by the authorized representatives of both parties.

2. Title, Delivery, Risk of Loss and Shipping.

Unless otherwise agreed to by Seller, title to and risk of loss or damage to all products sold by Seller passes to Buyer upon their delivery EX WORKS Seller's facility (Incoterms 2010) to an agent of Buyer, including a common carrier. Where Buyer requires shipment other than as specified, Buyer will be responsible for any additional costs. Delivery dates in this order are estimates and Seller will make good faith effort to meet estimated delivery dates, but will not be responsible for any loss or damage arising from delays, loss or damage in transit. Where Buyer delays in supplying information or approvals necessary to proceed with the order, the shipment date may be extended accordingly. Buyer will furnish written shipping instructions for all products as promptly as possible. In the absence of such instruction, Seller may, at any time beginning 10 days after forwarding notice to Buyer that the products are ready for shipment, do either of the following for the account and at the expense and risk of Buyer: arrange for shipment of the products by a suitable carrier or warehouse the products and invoice Buyer. Seller is not liable for loss or damage attributed to negligence either in selecting the carrier or the warehouse or in agreeing with either of them to contract terms on Buyer's behalf. Notwithstanding anything to the contrary, if liquidated damages apply to an order, then those liquidated damages will be the sole remedy to the exclusion of any other rights and remedies arising out or in connection with late delivery.

3. Testing and Inspection.

a. The goods shall be inspected and where necessary, submitted to the standard tests at the Seller's premises before delivery. If special tests or tests in the presence of the Buyer or its representative are required, then unless otherwise agreed, shall be made at the Seller's facility and will be charged as an extra item. In the event of any delay on the Buyer's part in attending such tests following seven days' notice that the Seller is ready, the tests shall proceed even in the Buyer's absence but shall be deemed to have been done in the Buyer's presence. Where the Buyer is based outside the United Kingdom and Eire, the period of notice referred shall be 14 days.

b. The Seller shall use commercially reasonable efforts to ensure that accurate information is given to the Buyer regarding packing of the product but it shall have no liability to the Buyer in the event of any variation or difference between weight, dimensions and general specification of the packing in which delivery is made and any descriptions of such packing given to the Buyer prior to delivery.

c. Notwithstanding subparagraph b. above, if the products do not appear to conform to this Agreement, then Buyer must notify Seller within 14 days after its receipt and give Seller a reasonable opportunity to inspect the products and make any appropriate adjustment or replacement. Buyer will not delay payment for the products pending their inspection. If Buyer has not made a claim to Seller within 14 days after receipt of the products, they will be deemed accepted and conforming to contract requirements.

4. Prices and Quotations.

All Prices shown in the Price List, order acknowledgement or otherwise quoted are in USD unless otherwise specified by Seller. Seller may adjust prices prior to shipment to reflect any extraordinary changes in material costs or availability. Written quotations automatically expire 30 days after submission to Buyer and are subject to withdrawal or revision within that 30-day period. Seller reserves the right to make corrections due to any typographical or engineering errors, or because of incomplete or inaccurate information provided by Buyer. Prices shown in any published literature are maintained as a general source of information only and are not quotations or offers to sell.

5. Payment and Credit.

Payment terms are net 30 days from date of invoice or in accordance with any Seller approved credit terms. Seller reserves the right to modify or withdraw credit terms and delay product delivery at any time without notice to obtain necessary guarantees, security or payment in advance in the amount of the credit involved. Prior to the extension of credit, Buyer will submit to Seller an application in a form acceptable to Seller. Buyer will execute any other instruments or documentation as Seller from time to time reasonably requires prior to extension of credit to Buyer and Buyer agrees to execute any necessary security agreements covering the products sold and to perform all acts necessary to perfect and assure a security position of Seller.

Any past due accounts are subject to interest at the rate of 1.5% per month or the highest rate allowed by applicable law. In the absence of any specific designation of payment or in the event of failure of Buyer to make timely payment under this or any other contract with Seller, Seller may at its election, apply any payment by Buyer to Buyer's various accounts as Seller deems appropriate. Without prejudice to any other right or remedy available to the Seller, if the Buyer fails to make any payment within 30 days of Seller's notice of delinquency, Seller is entitled to (i) withdraw credit, (ii) suspend performance, and (iii) terminate the Agreement.

6. Taxes.

Buyer is responsible for any and all taxes (not including any income and excess profit taxes) which may be imposed by any taxing authority, arising from the sale, delivery or use of the products. If Seller is responsible for collection and payment, then Buyer will pay to Seller upon Seller's request.

7. Specifications.

Any general specifications referred to in this Agreement are standard form specifications covering products of substantially identical type and character to those being purchased, but there may be variations in the details of design and construction of any particular products actually sold to Buyer. Seller reserves the right to make changes in the details of design and construction of any product.

8. Changes.

Buyer may request modifications to the amount, scope or nature of the products to be supplied by a written change request. If, in Seller's opinion, any modification will affect the price or delivery schedule, then Seller will be under no obligation to perform any modification until the parties agree to any changes. Buyer shall confirm that such change is authorized and accepted by issuing a revised order.

9. Termination.

If Buyer terminates this Agreement, Buyer will pay to Seller:

- (a) the contract price of work or performed through the date of termination;
- (b) costs incurred in the performance of work terminated;
- (c) subcontractor's settlement costs; and
- (d) fair and reasonable profit on work terminated.

10. Warranties, Remedies and Limitations

a. Defective Products

(i) Seller warrants that the products will be free from defects in material and workmanship for the earlier of (i) 12 months from commissioning, or (ii) 18 months from delivery date. Seller's liability and Buyer's remedy under this warranty is limited to repair or replacement, at Seller's election, of products or parts returned to Seller which are shown to Seller's reasonable satisfaction to be defective. Buyer must provide written notice of the defect to Seller within 30 days of identification of any defect. Transportation charges for the return of defective products to Seller and their reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with Seller's written shipping instructions. If services are to be furnished, Seller warrants to Buyer that such services will be performed in a good and workmanlike manner. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such services shown to Seller's reasonable satisfaction to have been defective; provided that written notice of such defective services is provided to Seller within thirty (30) days after the performance of such services.

(ii) Seller's warranty does not extend to used products or products or services not manufactured or provided by Seller; however, Seller will pass-through to Buyer any supplier warranty.

(iii) Seller's warranty does not extend to any product found to have been subjected to abnormal operating conditions, the use of unapproved parts to the extent such parts are found to be the cause of the failure, or failure to follow the installation, operation and maintenance instructions provided by Seller.

b. Title

Seller warrants to Buyer that it will convey good title to the products sold. Seller's liability and Buyer's remedy under this warranty are limited to the removal of any title defect or, at the election of the Seller, to the replacement of the products or parts thereof which are defective in title; provided, however, that the rights and remedies of the parties with respect to patent infringement are limited to the provisions of subparagraph c. below.

c. Patent Infringement

(i) Seller agrees that it will, at its own expense and at its sole option, defend or settle any claim, suit, or proceeding brought against Buyer based on an allegation that any product furnished under this order directly infringes any claim of any United States patent. This obligation is effective only if: (a) Buyer has made all payments due; (b) the product is the Seller's design and not made in accordance with drawings, samples, or manufacturing specifications designated by Buyer; (c) Seller is notified of said allegation promptly in writing; and (d) Seller is given full opportunity and authority, information, and assistance to conduct the defense of said claims, suit, or proceeding, including settlement and appeals. If all the foregoing conditions are met, Seller will either settle such claim, or pay all court awarded damages, excluding indirect, incidental, special, consequential and punitive damages. In the event of a final adjudication by a court of competent jurisdiction enjoining the use or sale of the product, or if the provisions of any negotiated settlement prohibit the use or sale of the product, Seller will, at its sole option and its own expense, either: (a) procure for Buyer the right to continue using the product; (b) replace it with a substantially equivalent non-infringing product; (c) modify it so it becomes non-infringing but substantially equivalent; or (d) if none of the above is reasonably available, terminate the Buyer's right to use the product and refund the price originally paid by Buyer to Seller. The foregoing obligation does not apply to the following: (a) any claim of infringement resulting from changes or modifications made to or from the product by the Buyer; (b) any settlement of a claim, suit, or proceeding made without Seller's written consent; and (c) any claim of infringement for products on a U.S. Government application. The foregoing states the entire liability of Seller with respect to infringement or violation of third party intellectual property rights in connection with products furnished under this order.

(ii) If any product furnished under this order is made in accordance with drawings, samples, or manufacturing specifications designated by Buyer or is not the Seller's, Buyer agrees to defend, indemnify and hold Seller harmless from any and all claims of infringement.

d. Exclusive Warranties.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHETHER OR NOT ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. No agreement varying or extending the foregoing warranties will be binding upon Seller unless in writing, signed by a duly authorized officer of Seller.

11. Excusable Delays.

Seller is not responsible for delay or non-delivery when due to acts of God or the public enemy, compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it proves to be invalid, fires, riots, labor disputes, unusually severe weather, or any other cause beyond the reasonable control of Seller.

12. LIMITATION OF LIABILITY

a. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA, DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

b. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE PRODUCTS SOLD UNDER THIS AGREEMENT.

c. Nothing in this Agreement shall limit or exclude the liability of the Seller for:

- (i) death or personal injury resulting from negligence;**
- (ii) fraud or fraudulent misrepresentation;**
- (iii) breach of the terms implied by Section 12 of Sale of Goods Act 1979; or**
- (iv) the indemnity contained in Clause 14.**

13. Export Compliance.

Products may be subject to export and other foreign trade controls restricting resale or transfers to other countries and parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States. The Buyer is responsible for providing any information for the Seller to determine if the Order is subject to any export control Law. Buyer shall complete an end-user statement or a customer statement of end-use (as required by the Seller) on a format acceptable to the Seller and to keep Seller informed of any changes impacting this document during the execution of the Contract. If any Products are considered "dual use" as per applicable regulations, Seller will: (1) inform the Buyer of the classification of the Products, (2) provide the necessary documents to the Buyer, and, (3) if the Seller is the exporter, will obtain the necessary export authorizations. Seller is not responsible for a denial of a license. Buyer shall not export, re-export, transfer, or otherwise dispose of the Products directly or indirectly, except as permitted by applicable laws and regulations. Buyer shall not do anything that would cause the Seller or its affiliates to be in breach of applicable laws and regulations. Furthermore, Buyer shall protect, indemnify and hold harmless the Seller and its

affiliates from any fines, damages, costs, losses, liabilities, penalties, and expenses incurred as a result of Buyer's failure to comply with this clause.

14. Indemnification.

Each party will indemnify, hold harmless, and defend the other against any and all losses, damages, liabilities, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind ("Losses") including reasonable attorneys' fees, that are incurred directly and specifically by the other from a claim by a third party for death, personal injury, or property damage arising as a direct result from: (a) the indemnifying party's material breach of this Agreement; and/or (b) the indemnifying party's negligence or willful misconduct in connection with the performance of its obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, the indemnifying party is not obligated to indemnify, hold harmless or defend the other party against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from, in whole or in part, the other party's or any other third party's acts or omissions.

15. Cost of Collection

Buyer shall pay all costs of collection, including but not limited to reasonable attorney's fees, court costs and collection agency fees involved in the collection of (a) past due accounts; (b) amounts owed to Seller by Buyer by reason of Buyer's breach of the order or any term or condition hereof and (c) any and all amounts owed by Buyer to Seller for any other reason whatsoever.

16. Confidential Information.

All non-public, confidential or proprietary information of Seller, including but not limited to specifications, designs, plans, drawings, documents, data, business operations or pricing, disclosed to Buyer, whether orally or disclosed or accessed in written, electronic or other form, and whether or not marked or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all confidential documents and other materials received from Seller. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

17. Assignment.

Buyer may not assign this Agreement or any rights or obligations arising under this Agreement without Seller's consent.

18. Governing Law and Dispute Resolution.

This Agreement, and its construction, is to be interpreted in accordance with and governed by, the laws of England and Wales. Any dispute relating to this Agreement shall be finally settled by arbitration in London, England, in accordance with the latest Rules of Arbitration of the London International Chamber of Commerce. The parties expressly agree that this Agreement is not subject to United Nations Convention on Contracts for the International Sale of Goods (CISG).

19. Brexit.

When the United Kingdom ceases to be a member of the European Union (such cessation referred to as a "Brexit"), then with effect from the date of such event,

a) if there is any change in the laws applicable to the sale of products in the United Kingdom, or the import/export of products to or from the United Kingdom, then each party is responsible for ensuring its own compliance with such revised laws;

b) if tariffs, VAT, duties, excise taxes on importation, or other charges are imposed upon the sale, licensing or other transfer of goods to or from the United Kingdom to or from a member state of the European Union, those tariffs will be paid by Purchaser unless prohibited by applicable law;

c) Seller is excused to the extent its performance or delivery is prevented or delayed due to Brexit-related conditions affecting such performance or delivery; including but not limited to additional, new, or delayed customs checks on goods shipped (or key personnel employees traveling) between the EU and the United Kingdom, changes in maritime shipping routes, the imposition of hard borders, air traffic interruptions, market dis-integration, insurance or funding issues; and

d) if any other material adverse effect on the activities contemplated under this Agreement or the rights or obligations of either party hereunder occur, then the parties shall negotiate in good faith an adjustment or amendment to the terms hereof if necessary, to preserve each party's rights, as such rights were reasonably contemplated by the parties as of the Effective Date. If the parties cannot agree to an adjustment or amendment pursuant to this Section 12(d) within 15 days after Seller's written notice to Purchaser, then Seller may terminate this Agreement without penalty.

20. Modifications and Headings.

No modification of this order will be binding unless in writing signed by both parties. Headings used in these terms and conditions are for convenience of reference only and are not be deemed or construed as in any way limiting or extending the language of the provisions to which such headings may refer.

21. Waiver.

No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this 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.

22. Severability.

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.