

GULF STATES ENGINEERING CO., INC.,
PURCHASE ORDER TERMS OF SALE GSESTC-06/2025

CONTRACT OF ACCEPTANCE. The terms and conditions of sale set forth herein, and all drawings specifications, descriptions and all other documents attached hereto and incorporated herein by reference constitute the entire agreement between **GULF STATES ENGINEERING CO., INC.**, hereinafter called Seller, and Buyer. SELLER'S ACCEPTANCE OF THIS ORDER IS EXPRESSLY CONDITIONED ON BUYER'S ASSENT TO THE TERMS CONTAINED HEREIN. The Terms and Conditions of Seller's Proposal and Acknowledgement shall prevail over any conflicting or different terms in Buyer's Order unless Buyer notifies Seller in writing of its objections thereto within fifteen (15) days from receipt of Seller's Acknowledgement. The failure of Seller to object to any provision in conflict herewith whether contained on Buyer's Purchase Order or otherwise, shall not be construed as a waiver of the provisions hereof nor as an acceptance thereof.

SHIPPING SCHEDULE AND DELIVERY. Seller will not be liable for deviations in meeting shipping schedules nor for any losses or damage to Buyer (or any third party) occasioned by deviations in the performance of any of Seller's obligations under this contract or by loss of or damage to the products when caused by or in any manner arising from any casualty, riot, acts of Buyer, acts of government or military authority, strikes or other labor difficulties, shortages of labor, supplies or transportation facilities or any other similar or different cause or causes beyond its control or the control of its suppliers or subcontractors. Seller reserves the right to ship in advance of any Buyer request dates, except those dates stipulated not before. Should shipment be held beyond scheduled date for the convenience of Buyer, Seller reserves the right to bill immediately for the goods and to charge Buyer for warehousing, insurance, trucking charges and all other expenses incident to such delay.

WARRANTY. The Seller warrants that equipment, spare parts, repairs and upgrades sold hereunder conform to applicable drawings and specifications approved in writing by Seller and will be free from defects in material and workmanship for a specified warranty period. The warranty period for equipment is twelve (12) months from the date of initial operation not to exceed fifteen (15) months from shipment for NAFTA countries or eighteen (18) months from shipment for other countries. The warranty period for spare parts, repairs, and upgrades is six (6) months from date of shipment. The Seller warrants that the field services supplied hereunder will be performed in a competent diligent manner and in accordance with generally accepted standards for such services. All claims for defective field services must be made in writing immediately upon discovery and in any event within ninety (90) days from the date of completion of said services. If within that period Seller receives from Buyer written notice of any alleged defect in or non-conformance of the product or service, and if in Seller's judgment the product or service does not conform or is found to be defective in material and workmanship, Seller will at its option either: (a) furnish a Service Representative to correct defective workmanship, or (b) upon return of component, repair or replace the component f.o.b. shipping point, or (c) return the full purchase price for the product or service without interest. Seller's sole responsibility and Buyer's remedy hereunder is limited to such repair or replacement. Equipment and accessories furnished by third parties, which are not incorporated in an equipment package, are warranted only to the extent of the original manufacturer's warranty to Seller.

THERE ARE NO OTHER WARRANTIES, EXPRESS, STATUTORY OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY AND OF FITNESS FOR PURPOSE NOR ANY AFFIRMATION OF FACTS OR REPRESENTATION WHICH EXTENDS BEYOND THE DESCRIPTION OF THE PRODUCTS ON THE FACE HEREOF.

This warranty shall be void and Seller shall have no responsibility to repair or replace defective or damaged equipment or component parts resulting directly or indirectly from the use of repair or replacement parts not of original equipment manufacture or approved by Seller or from Buyer's failure to store, install, maintain, and operate the equipment according to Seller's written instructions and drawings and good engineering practice. Deterioration and wear occasioned by chemical and abrasive action or excessive heat shall not constitute defects. All costs of transportation of products claimed not to be warranted and of replacement products, both to and from Seller's service facility, shall be borne to Buyer. Warranty work provided under this contract does not assure uninterrupted operation of the products. Seller does not assume any liability for damages caused by any delays involving warranty work. CLAIMS FOR SHORTAGES OR DAMAGE IN TRANSIT (obvious or concealed) are Buyer's responsibility and should be made to the carrier. Seller will render Buyer reasonable assistance in securing satisfactory adjustment of such claims.

PRICE TERMS. Prices quoted herein are valid for thirty (30) days from date of quotation unless withdrawn sooner. Prices are firm for factory confirmed shipment up to twelve (12) months from date of order, but may be subject to governmentally imposed tariffs (SEE TAXES and TARIFFS) beyond our control. Prices for shipment beyond twelve (12) months may be subject to escalation as mutually agreed upon.

TERMS OF PAYMENT

Invoice Terms are Net 30 days – from the date of Invoice. All terms of payment are subject to the approval of the Seller's Credit Department.

Advance payments are required for Purchase Orders \$500,000.00 or larger according to the following schedule:
Payment terms are as follows:

Payment terms are as follows:

25% Upon Submittal of Shop Drawings

20% After Approval of Shop Drawings – Release To Manufacture

55% At Time of Shipment – This Amount Subject To Partial Billing

5% At Time of Startup

CANCELLATION. In the event that Buyer cancels all or any portion of this contract, Seller shall have the right to charge the Buyer all costs already incurred by Seller, including the price of any goods or services required to fill this order already committed to by Seller and a reasonable allowance for overhead and profit.

ADDITIONS OR CHANGES. Buyer shall pay Seller's reasonable charges for changes in contract, quantities, schedules, materials or services agreed to by Seller.

NUCLEAR SALES. The products sold hereunder are not designed or manufactured for use in or with any atomic installation or activity. If the Buyer or ultimate user of these products intends to use them in such an installation or activity, Seller's Nuclear Terms of Sale shall be part of and control this contract. Seller will furnish Buyer with a copy of its Nuclear Terms of Sale upon request.

PATENT INDEMNITY. Seller agrees that it will indemnify Buyer for all damages or costs resulting from any suit or demand alleging infringement of any United States patent which, claims the structure of the apparatus or any part thereof furnished by Seller under this proposal if Seller is notified promptly in writing of such suit or demand and given adequate authority, information and assistance for the defense of same. Provided, however, that Seller at its own option and expense shall have the right to settle such suit or demand either by procuring for the Buyer the right to continue using the apparatus or part thereof furnished by Seller; or by replacing same with non-infringing apparatus; or by modifying same so that it becomes non-infringing; or by removing the alleged infringing apparatus and refunding the purchase price. On any apparatus or part thereof made to the Buyer's design or the design of which has been modified by the Buyer, this indemnification clause does not apply. Seller's sole responsibility and the Buyer's exclusive remedy for any such suit or demand shall be set forth in this paragraph.

TAXES AND TARIFFS. Seller's prices do not include any applicable sales, use, excise or similar taxes or governmentally imposed tariffs. If under any law or governmental regulation now or hereafter in effect the Seller is required to pay or collect any tax or tariffs upon the products and/or services included in this order or predicated upon, measured by, or arising from the sale, transportation, delivery, use or consumption of said products, whether directly or indirectly, the purchase price to be paid by Buyer hereunder shall be increased by the amount of any such tax or imposed tariffs. If Buyer has a sales tax exemption certificate valid for the contracted products or services, such certificate must be provided with the Buyer's order.

FORCE MAJEURE; CHANGE OF LAW OR REGULATIONS. Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached Seller's agreement with Buyer, for any failure or delay in fulfilling or performing any term of such agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller, including but not limited to acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, hostilities (whether or not war is declared), terrorist threats or acts, riot, other civil unrest, national emergency, revolution, insurrection, pandemic, epidemic, lockouts, strikes or other labor disputes, shortages or difficulties (whether or not relating to Seller's or its supplier's or sub-contractor's workforce), or restraints or delays affecting manufacturing or material sourcing, carriers, vehicles, or other inability or delay in obtaining or transporting supplies of adequate or suitable materials, telecommunication breakdown, power outage, or fuel or energy shortage (any of the foregoing, a "Force Majeure Event"). Seller shall notify Buyer of any Force Majeure Event and make commercially reasonable efforts to mitigate the same to the extent reasonably practicable, and the date of

delivery or time for completion of performance, as the case may be, will be extended by a period of time reasonably necessary under the circumstances to overcome the effect of such Force Majeure Event.

The parties acknowledge and agree that any changes of laws, regulations, or other governmental rules, procedures, processes or requirements that cause an increase in the cost of producing or delivering any products or services under or in connection with the Agreement or which occur after Seller accepts an order ("Governmental Changes") have not been reflected in the quoted or agreed prices. Seller reserves the right to require that the Buyer pay for any new, increased or additional tariffs, duties, levies, surcharges, or like items (however denominated or designated) ("New Governmental Charges") prior to the delivery of any such products or services. Buyer, not Seller, assumes the risk of Governmental Changes and New Governmental Charges.

LIMITATION OF LIABILITY. Seller's total responsibility for any claims, damages, losses or liabilities arising out of or related to its performance of this contract or the products covered hereunder shall not exceed the purchase price. **IN NO EVENT SHALL SELLER BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY CHARACTER, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF PRODUCTIVE FACILITIES OR EQUIPMENT, LOST PROFITS HEREUNDER, OR LOST PRODUCTION, WHETHER SUFFERED BY BUYER OR ANY THIRD PARTY.**

Seller disclaims all liability for any and all cost, claims, demands, charges, expenses, or other damages, either direct or indirect, incident to all property damage arising out of any cause of action based on strict liability.

MODIFICATION, RESCISSION & WAIVER. This contract may not be modified or rescinded or any of its provisions waived unless such modification, rescission or waiver is in writing and signed by an authorized employee of Seller at main office.

MISCELLANEOUS. The rights and duties of the parties and construction and effect of all provisions hereof shall be governed by and construed according to the internal laws of the State of Louisiana.

COMPLIANCE WITH LAW. Buyer shall not resell or ship the products in violation of the United States Export Administration Act, the Trading with the Enemy Act, the Arms Export Control Act, U.S. Government Anti-Boycott Laws, or any regulations so issued.

TRANSPORTATION CHARGES AND ALLOWANCES. Unless otherwise agreed, standard prices are f.o.b. shipping point. No freight is allowed unless stated in Seller's proposal. If Seller's proposal states that freight is allowed, all prices are f.o.b. shipping point, with most economical surface transportation allowed. If the quoted price includes transportation, Seller reserves the right to designate the common carrier and to ship in the manner it deems most economical. Added costs due to special routing requested by the Buyer are chargeable to the Buyer. Under no circumstances is any freight allowance which is absorbed by Seller to be deducted from the selling price. If the quoted price includes transportation, no reduction will be made in lieu thereof whether Buyer accepts shipment at factory, warehouse, freight station, or otherwise supplies its own transportation.

RESTOCKING CHARGE. No item will be accepted by Seller for return and credit sixty (60) days after shipment. Prior to sixty (60) days, a thirty (30) percent restocking charge will apply for items returned. Prior to return of parts, approval by Seller must be obtained by the issuance of an authorization to return goods number.