

Paradigm Controls of Texas, LLC ("Paradigm") PURCHASE ORDER TERMS AND CONDITIONS

These terms and conditions ("Terms") constitute and govern the contractual relationship for the purchase of goods or services between Paradigm and the person or business entity selling the goods or providing the services ("Seller") described on the corresponding purchase order and any technical or subsequently accompanying documentation ("Contract" or "Order"), which is incorporated herein by reference. These Terms shall constitute the entire agreement between the parties and override any terms and conditions of sale of Seller including, but not limited to, those included by Seller in its acceptance of any Order. The Contract resulting from acceptance of this Order contains the complete, sole and final agreement between Paradigm and Seller and no agreement or other understanding in any way to modify these Terms shall be binding upon Paradigm unless signed by Paradigm's authorized representative. If Seller fails to return an Order confirmation within 10 days, Paradigm's Order and these Terms shall be deemed accepted without comments.

By acceptance of this Order Seller agrees that the prices contained herein are not in excess of the lowest price Seller provides to any customer ordering similar quantities, after taking into consideration all rebates or discounts and that the said prices are not in excess of the prices provided by any applicable law, government decrees, order or regulation. Seller expressly agrees that Buyer may, at Buyer's discretion, place additional orders at the same rate or price Buyer received on previous orders from Seller.

As full consideration for Seller's satisfactory provision of the goods or services, Paradigm will pay Seller's invoice 60 days following Paradigm's receipt of invoice. Paradigm's payment of any invoice shall constitute full and complete satisfaction of any and all actual and potential fees for the billing period covered by the invoice. Seller shall be conclusively presumed to have waived its' right to receive payment for products or services covered by any Order if Seller has not submitted an invoice for the goods or services provided within 3 months of the date of Order.

Time is of the essence with respect to the delivery date. Paradigm reserves the right to terminate this Order, without liability, if it believes the delivery date cannot be met. No partial shipments, changes or specifications may be made without Paradigm's prior written consent. Notwithstanding any other right or remedy available to Paradigm, in the event of Seller's failure to meet the delivery date, Paradigm at its discretion may charge to Seller, and Seller agrees to be liable for, any economic loss suffered by Paradigm due to Seller's late delivery.

Seller will observe specified packing and shipping instructions, and unless otherwise requested, ship goods by the cheapest way possible for Paradigm. If goods or services are forwarded via a more expensive method, charges will be for the account of Seller. Paradigm will not pay for packing. Title to the goods will vest in Paradigm upon acceptance of the goods by Paradigm or upon identification of the goods to the Order, whichever is earlier. Seller warrants title to the goods free and clear of liens, taxes or encumbrances whatsoever. Irrespective of vesting of title, Seller will bear the risk of loss and damage of the goods until the same are delivered in good condition and accepted by Paradigm in accordance with these Terms and the applicable Order. Payment by Paradigm shall not constitute Paradigm's acceptance.

Seller expressly warrants that all goods or services provided will (a) strictly conform to the specifications and other requirements stipulated in the Order or any attached specification sheets; (b) be of merchantable quality, fit for the purpose(s) intended and/or performed in a workmanlike manner; (c) conform with all applicable laws, ordinances, codes and regulations, and, unless Seller's standard warranty provides for a longer period, (d) be free from all defects for a period of 12 months after being placed into service by Paradigm or a subsequent purchaser or 24 months from date of acceptance by Paradigm, whichever period expires earlier. If within the warranty period, Paradigm or subsequent purchaser discovers any defect, error, nonconformity, omission or breach of any warranty as to the goods or services, Seller will promptly repair, re-perform, or replace the goods or services in question at Seller's sole cost. Any repaired, re-performed, or replaced good or service shall be warranted for a period of 12 months from its acceptance by Paradigm or subsequent purchaser. Should Seller's standard warranty for goods or services exceed the warranty stated herein, those parts of the warranty that exceed shall automatically be incorporated herein.

Seller has effectuated a safe work practices program and procedures fully compliant with all applicable laws, regulations, and shall meet any drug and safety program which may be applicable to an Order. Seller shall properly maintain all equipment to be employed by Seller in the services to be furnished to Paradigm and shall ensure that all employees engaged in performing services hereunder are properly trained and capable of performing the tasks entrusted to them.

Seller agrees to the following: **INDEMNITY** - SELLER SHALL PROTECT, INDEMNIFY AND HOLD HARMLESS PARADIGM FROM ANY LOSS, COST, DAMAGE, OR EXPENSE ARISING FROM (1) ALL CLAIMS BY REASON OF INJURY OR DEATH TO PERSON, OR DAMAGE TO PROPERTY, CAUSED BY, OR ALLEGED TO HAVE BEEN CAUSED BY, SELLER, ANY OF SELLER'S AFFILIATES, EMPLOYEES, CONTRACTORS OR AGENTS OR GOODS OR SERVICES PROVIDED BY SELLER, (2) ANY AND ALL DAMAGE TO THE PROPERTY OF PARADIGM (3) ANY CLAIMS OR ACTIONS, INCIDENT TO ANY INFRINGEMENT OR CLAIMED INFRINGEMENT OF ANY PATENT IN THE MANUFACTURE AND/OR SALE OF GOODS, (4) ANY CLAIMS ARISING OUT OF SELLER'S FAILURE TO COMPLY WITH ANY APPLICABLE LAWS, TREATIES, ORDINANCES, CODES, AND REGULATIONS, AND (5) ANY CLAIMS OR LIENS ATTACHING TO THE PROPERTY OR EQUIPMENT OF PARADIGM. **INSURANCE** - Seller shall carry the following insurance with insurers satisfactory to Paradigm: Commercial General Liability Insurance including contractual, products liability and completed operations insurance and sudden and accidental pollution, covering all operations and work hereunder in the amounts of not less than \$1,000,000 for bodily injury and property damage. Such insurance shall specifically refer to this contract and shall specifically cover on a primary basis the liability assumed by Seller hereunder. Seller also agrees to carry: Automobile Liability including all owned, hired and non-owned vehicles used in connection with operations and work performed under this Contract with \$1,000,000 combined single limit, Workers' Compensation/Employers Liability covering Seller's employees, statutory WC, plus \$1,000,000 in employers liability and in compliance with the laws of states in which Seller is performing work hereunder and Umbrella/Excess Liability no less than \$5,000,000 in excess of the above listed insurance. All policies shall name Paradigm as additional insured on all policies except Workers' Compensation and Employers Liability and provide a Waiver of Subrogation on all policies as respects to work performed or services and products provided under this Contract. Certificate holder will be listed as Paradigm and its' affiliates. Seller must provide 30 days notice of cancellation on all policies listed on certificate of insurance to Paradigm. If Seller's operations include professional services, Seller shall also maintain professional liability insurance with limits of \$5,000,000. **The above requirements are minimum requirements and shall not limit Seller's liability to Paradigm in any manner.**

Paradigm has the right to terminate all or part of the Order by written notice with immediate effect. UNDER NO CIRCUMSTANCE, INCLUDING FOR TERMINATION BY PARADIGM, WILL PARADIGM BE LIABLE TO SELLER OR ANY THIRD PARTY IN CONTRACT, TORT OR OTHERWISE, FOR ANY LOSS OF PROFITS OR BUSINESS, OR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, ARISING FROM OR AS A RESULT OF THESE CONTRACT TERMS, OR ANY ORDER OR AGREEMENT BETWEEN THE PARTIES RELATING TO ANY GOOD OR SERVICE SELLER PROVIDES, EVEN IF PARADIGM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, nor will Paradigm be liable to pay any costs of termination. Seller shall keep all property of Paradigm free and clear from any and all claims, liens and encumbrances.

Paradigm may suspend the work or any part thereof by written notice to Seller at no cost or liability to Paradigm. Any suspension notice by Paradigm shall not be deemed a termination of this Contract. Neither party shall be liable for a delay in performance of its obligations and responsibilities under this Order due to any force majeure act. Failure of Seller's subcontractors or Seller's inability to obtain materials shall not be considered as force majeure delay.

If Paradigm desires to change the description of an Order, time for performance, or compensation stated for any job, it will issue a written change order to Seller. If Seller believes that the scope of an Order requires a change that would ultimately result in a change order, Seller shall promptly after becoming aware or notifying Paradigm of such belief, deliver a written statement to Paradigm with detailed analysis of the price, material and schedule impact of the potential change order. Seller acknowledges that Paradigm has no obligation to agree to any requested change by Contractor.

Seller shall not assign or subcontract its rights and obligations under this Contract without Paradigm's prior written consent. In the event of agreed assignment or subcontracting, Seller shall continue to be liable for all obligations and liabilities of this Order and guarantee its performance. Seller shall be an independent contractor with respect to the performance of all services or work provided with any Order. All services contemplated herein shall meet the approval of Paradigm and be subject to the general right of inspection for Paradigm to secure the satisfactory completion thereof.

None of these Terms shall be considered to be waived by Paradigm unless a waiver is specific and is given in writing. No failure on the part of Paradigm to enforce any of these Terms shall constitute a waiver of such Terms. Paradigm's remedies shall be cumulative and include any remedies allowed by law. Waiver of any breach by Paradigm shall not constitute Paradigm's waiver of any other breach of the same or any other provision. Acceptance or payment by Paradigm shall not waive any breach.

These Terms and any Contract shall be exclusively governed by the laws of the State of Texas, without regard to any conflicts of law principles of said jurisdiction that might require application of the laws of another jurisdiction. The exclusive venue for any Contract dispute shall be in the courts of Harris County, Texas. All notices hereunder shall be deemed given if delivered in writing personally or by courier, or sent by U.S. mail, electronic transmission, to Paradigm or to Seller at the address set forth on the face of this Order. Any clause required to be included in a contract of this type by any applicable and valid federal, state or local law or regulation having the effect of law shall be deemed to be incorporated herein.