



HOWELL INSTRUMENTS, INC.
STANDARD TERMS AND CONDITIONS OF SALE
These Terms and Conditions do not apply to U.S. Government orders

1. ENTIRE AGREEMENT AND ACCEPTANCE

These Standard Terms and Conditions of Sale ("Terms and Conditions") are applicable to any order for Product (as defined below) that is issued by a buyer ("Buyer") to Howell Instruments, Inc. ("Howell").

1.1 Buyer must issue a purchase order to purchase any Product from Howell.

1.2 Each purchase order issued by Buyer ("Purchase Order") will be subject to these Terms and Conditions, which will be incorporated into and deemed to be part of any such Purchase Order whether or not explicitly referenced within the Purchase Order, and such Purchase Order will constitute the entire agreement between Howell and Buyer applicable to the purchase of the Product. Additional or different terms and conditions proposed by the Buyer shall not be applicable unless accepted in writing by Howell. No change in, modification of, or revision to these Terms and Conditions shall be valid for any purchase order unless in writing and signed by an authorized employee of Howell. All supplements, sheets, specifications, schedules, exhibits, riders, or other attachments that Howell incorporates into the Purchase Order, or that Howell and Buyer agree in writing to incorporate into the Purchase Order, by either annexing to the Purchase Order or hereto or by referencing herein are made part of the Purchase Order issued by Buyer and Buyer agrees to them by issuance of its Purchase Order.

1.3 No Purchase Order will be deemed to have been accepted by Howell unless and until Howell provides its written acceptance and approval of the Purchase Order. All Purchase Orders shall include the Product to be purchased using Howell's part numbers, the purchase quantity, price, delivery dates, and other applicable conditions based on applicable Howell proposals or quotes to Buyer, applicable Howell contracts with Buyer, or other applicable Howell data. Nothing in these Terms and Conditions, or elsewhere, obligates Howell to accept or approve the Buyer's Purchase Order.

2. DEFINITIONS

As used herein, the terms "Product" shall include products, equipment, goods, supplies, software, materials, packaging, services, work, and data ordered by Buyer. For the purpose of this agreement, Buyer refers to the party purchasing the Product from Howell, and Howell refers to Howell Instruments, Inc., the seller of the Product.

3. DELIVERY TERMS AND SHIPPING

3.1 Howell will deliver the Product to the Buyer's designated receiving facility at the Buyer's expense, in accordance with

the delivery schedule specified in the quote. The delivery timeline is based on Howell's current production schedules and availability. All shipments will be made FOB Origin, meaning the title and risk of loss for the Product transfer to the Buyer once the Product is delivered to the carrier at Howell's shipping point. From that point onward, the Buyer is responsible for all shipping-related costs, including freight, insurance, and any applicable taxes or customs fees.

3.2 Unless otherwise specified by the Buyer, Howell will select the carrier for delivery. If the Buyer provides specific instructions, Howell reserves the right to select a different carrier if it determines that the Buyer's selected carrier may not ensure safe delivery or may fail to comply with applicable U.S. export laws. The Buyer must provide their shipping account and preferred shipping method before the shipment date. If no account or shipping method is provided on time, Howell will select the carrier and shipping method at its discretion, and the Buyer will be responsible for the associated costs.

3.3 The Buyer agrees to accept partial deliveries and deliveries made ahead of the agreed-upon delivery schedule. Once the Product is delivered to the Buyer's designated receiving facility, it will be considered accepted by the Buyer.

3.4 In the event the Buyer fails to accept delivery, Howell reserves the right to charge a storage fee of 5 percent (5%) per unit for each 30-day period the Product remains unclaimed. This fee will be in addition to any costs Howell incurs for reshipping or third-party storage charges.

4. INSPECTION, ACCEPTANCE, AND RETURN OF PRODUCTS

4.1 The Buyer must inspect and accept the goods within 30 days of delivery. If any issues or discrepancies are identified, the Buyer must notify Howell in writing within this inspection period. If no such notice is received within 30 days, the Product will be deemed accepted, and no further claims will be considered.

4.2 In the event that the Buyer needs to return any Product to Howell's service center, the Product must be packaged in the original shipping container or an equivalent. If the Buyer fails to comply with this requirement, Howell reserves the right to charge the Buyer for the cost of providing an appropriate shipping container for the return shipment.

5. RECORD RETENTION

5.1 Howell shall retain all records related to the Product and the Purchase Order, including but not limited to contracts, specifications, invoices, and other relevant documentation, for a period of ten (10) years from the date of the final delivery or completion of services under the Purchase Order.

5.2 Records may be retained electronically or in paper format at Howell's discretion. Upon request, Howell will make these records available to Buyer or, as required by law, for review



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or audit purposes. After the retention period, Howell reserves the right to dispose of or destroy the records.

6. WARRANTY

(See Warranty Document FE40.04 for Full Details)

7. TERMS OF PAYMENT

- 7.1 Payment for the Product is required prior to delivery, unless other payment terms have been explicitly agreed upon in writing by Howell. Accepted payment methods include wire transfer, ACH (Automated Clearing House), check, or credit card. Please note that credit card payments will incur a processing fee. Credit card payments will only be accepted for amounts below a certain threshold, as determined by Howell's discretion.
- 7.2 Notwithstanding any statement of terms or time of payment appearing on the face of the order, Howell reserves the right to require payment in advance of shipment. In the event the Buyer fails to pay any invoice when due, Howell reserves the right, in addition to any other rights in law and equity, to suspend or limit its performance under any Purchase Order issued by the Buyer until all past due sums are paid. Furthermore, Howell reserves the right to charge interest on any unpaid balance owed by the Buyer at the rate of 1 percent (1%) per month, compounded, or the maximum rate permitted by law, whichever is lower, from the date due until the date paid.

8. CONFIDENTIAL INFORMATION

- 8.1 Howell may disclose to Buyer, under these Terms and Conditions, information that is confidential or proprietary to Howell ("Confidential Information"). Buyer agrees to hold such information in strict confidence and not to disclose it to any third party, except as authorized in advance by Howell in writing. Buyer agrees to protect such Confidential Information using at least the same standard of care that it uses to protect its own confidential information, but in no event less than a reasonable standard of care. If, as set forth above, Howell authorizes Buyer to disclose Confidential Information to a third party, Buyer will ensure that any third party to whom it provides such Confidential Information protects it from disclosure by written agreement with Buyer, which contains restrictions at least as strong as those set forth in these Terms and Conditions.
- 8.2 The foregoing limitations on disclosure of Confidential Information shall not apply to any information which is in the public domain at the time that it is received by Buyer or which thereafter comes into the public domain through means other than a breach of these Terms and Conditions or any other agreement. As used herein, the term "Confidential Information" means, but is not limited to, all know-how, trade secrets, designs, drawings, pricing information, specifications, and other information, whether or not reduced to writing, relating to the design, manufacture, use, and service of any Product or to Howell's business.

- 8.3 Buyer shall not remove, conceal, or alter any of Howell's trademarks or add any additional trademarks without Howell's prior written consent. Howell grants Buyer a limited, non-exclusive license during the term of these Terms and Conditions to reproduce Howell's trademarks in promotional materials relating to the Products. Such license shall expire immediately upon the expiration or termination of the Purchase Order. All promotional materials using Howell's trademarks that are prepared by Buyer shall include an appropriate notice indicating that such trademarks are the property of Howell.

- 8.4 Except as otherwise set forth above, neither the execution of these Terms and Conditions nor the furnishing of any Confidential Information to Buyer shall be construed as granting to Buyer either expressly, by implication, or otherwise, any license under any invention, patent, copyright, or other intellectual property right owned or controlled now or hereafter by Howell.

- 8.5 If Buyer becomes aware of any breach of its confidentiality obligations hereunder (or of a third party's breach if Howell has authorized Buyer to share Confidential Information with a third party), Buyer shall immediately notify Howell of such breach and shall use all reasonable methods to contain such breach and prevent any further breach. Buyer acknowledges that its breach of this Section may cause irreparable harm or may be inadequately compensable in monetary damages and hereby agrees that in such case, Howell shall be entitled to obtain injunctive relief by a court of competent jurisdiction in addition to any other remedies that may be available.

- 8.6 The obligations of confidentiality set forth under this Section shall survive the expiration or termination of this Agreement without limitation. Additionally, any Non-Disclosure Agreement (NDA) executed between the parties regarding Confidential Information shall expire upon the completion of the specific details or agreements set forth in that NDA. However, any information that remains confidential under these Terms and Conditions will continue to be protected beyond the expiration of the NDA.

9. INTELLECTUAL PROPERTY OWNERSHIP

- 9.1 The ownership of any intellectual property, including but not limited to patents, copyrights, trademarks, designs, processes, and proprietary information, created or developed by Howell during the term of this agreement, shall remain solely with Howell. Buyer acknowledges that Howell retains all rights, title, and interest in and to such intellectual property.
- 9.2 Buyer agrees that no rights, licenses, or ownership interests are granted to Buyer under this agreement with respect to any intellectual property of Howell, except as expressly agreed upon in writing by Howell in a separate agreement.
- 9.3 Howell will not disclose, transfer, or provide access to any proprietary information or intellectual property unless a separate agreement is executed between the parties that specifically addresses such matters.



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10. THIRD-PARTY SOFTWARE UPDATES

From time to time, third-party software providers may issue updates that could impact the functionality, integration, or performance of the Products supplied by Howell. Howell shall provide reasonable technical assistance, upon request, in evaluating the potential impact of such updates and, where applicable, in supporting any necessary modifications to maintain compatibility with the affected Products. Notwithstanding the foregoing, Howell shall have no obligation to bear any costs or expenses arising from or related to such third-party software updates, including but not limited to development, testing, reconfiguration, or implementation services. All such costs shall be the sole responsibility of Buyer. Buyer shall provide Howell with written notice prior to implementing any third-party software updates that may affect the Products. Howell shall review and advise Buyer whether any modifications or actions are required to maintain compatibility. Howell shall not be liable for any delay, malfunction, incompatibility, or additional costs resulting from Buyer's failure to notify Howell in advance of such software updates.

11. RESTRICTIONS ON USE

Buyer may not: (i) reverse engineer, disassemble, decompile or otherwise attempt to reveal the trade secrets or know-how underlying the Product, except to the extent expressly permitted under applicable law or by prior written approval of Howell; (ii) use any of Howell's Confidential Information to contest the validity of any of Howell's intellectual property; (iii) remove or destroy any copyright notices, other proprietary markings or confidentiality legends placed on or made available through the product or material transferred from Howell to Buyer; or (iv) use the Product or components of the Product in any manner or for any purpose inconsistent with these Terms and Conditions or any applicable documentation. The obligations set forth under this Section shall survive the expiration or termination of this Agreement without limitation.

12. CHANGES

Buyer may request changes to quantity, schedule, or delivery location. Upon such request, parties will mutually agree on an adjustment to price or schedule. No changes will become effective until the parties reach an agreement, the Purchase Order or Contract is amended in writing to incorporate such changes, and Howell provides its written acceptance and approval of such amendment.

13. CANCELLATION OF PURCHASE ORDER

In the event the Buyer cancels any purchase order, in whole or in part, the Buyer shall be liable for all actual costs incurred by Howell up to the date of cancellation. In addition, the Buyer shall

pay a cancellation fee equal to 10% of the total purchase order value. All cancellation notices must be submitted in writing and will be effective only upon written acknowledgment by Howell.

14. INDEMNIFICATION

Buyer agrees to indemnify, defend, and hold Howell harmless from and against all losses, damages, or expenses of any kind, including attorneys' fees, which may be asserted against Howell and/or Howell's directors, officers, employees, subcontractors, or agents as a result of any acts or omissions of Buyer, or any of Buyer's directors, officers, employees, subcontractors, or agents.

15. PATENT AND COPYRIGHT INDEMNIFICATION

15.1 Howell agrees to indemnify and hold Buyer harmless in a lawsuit or other judicial action, and pay the amount of any adverse final judgment (or settlement to which Howell consents) from such lawsuit or judicial action, asserted by any third party against Buyer that the Product infringes any United States patent (each, a "Claim"), provided that Buyer (i) promptly notifies Howell in writing of the Claim; (ii) gives Howell sole control over the defense and settlement, if any, of the Claim; and (iii) provides Howell with full cooperation and assistance in defense of the Claim. If in any such suit so defended such Product is held to constitute an infringement and its use is enjoined, or if in light of any claim of infringement Howell deems it advisable to do so, Howell may either procure the right to continue the use of the same for the Buyer, or replace the same with a non-infringing Product or modify said Product so as to be non-infringing, or remove the infringing Product and refund the price of the Product, less a reasonable allowance for use, damage, or obsolescence.

15.2 The obligations set forth in this Section shall not apply. Howell shall have no obligations with respect to any Claim or infringement arising out of (i) the use of the Product other than in strict accordance with any applicable documentation or instructions supplied by Howell; (ii) any alteration, modification, or revision of the Product not performed by Howell; (iii) any design of the Product done to meet Buyer's specific requirements; (iv) the use or combination of the Product with any third-party hardware, software, products, or other materials not supplied by Howell; or (v) any changes to the Product to the extent that Howell does not provide such changes. In the event that Howell is required to defend a lawsuit or other judicial action pursuant to the indemnification above, and such lawsuit or other judicial action includes allegations with respect to non-Howell products, then Buyer shall retain, at its sole expense, separate counsel to defend against such allegations, and agree to reimburse Howell for any and all attorneys' fees and costs incurred by Howell with respect to defending Buyer against such allegations. THE PROVISIONS OF THIS SECTION STATE HOWELL'S ENTIRE LIABILITY AND BUYER'S SOLE AND EXCLUSIVE REMEDIES WITH RESPECT TO ANY CLAIM OR OTHER ALLEGATION INVOLVING



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INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL
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16. COMPLIANCE WITH LAWS; EXPORT CONTROL

- 16.1 Buyer shall comply with all applicable countries' laws and regulations.
- 16.2 Buyer agrees to comply with all applicable U.S. export control laws and regulations, including but not limited to the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 CFR 120-130; the Export Administration Act, 50 U.S.C 2401-2420, including the Export Administration Regulations, 15 CFR 730-774; and the sanction laws administered by the U.S. Office of Foreign Assets Control (OFAC) Regulations 31 CFR 500-596. Buyer acknowledges that these statutes and regulations may impose restrictions on the export or transfer of Product to Foreign Persons, as that term is defined under U.S. export control laws and regulations, and that the export or transfer of Product, or re-export and re-transfer of Product, may require an export license or agreement.

17. FEDERAL ACQUISITION REGULATION (FAR) CLAUSES

APPLICABLE TO SALES TO THE U.S. GOVERNMENT

If Buyer's customer is the United States Government, the parties hereby agree to amend the Terms and Conditions of Sale to include any Federal Acquisition Regulations (FAR) clauses incorporated into Buyer's customer contract that are applicable to performance of this order, subject to parties' mutual agreement as to cost and schedule impact of such clauses.

18. FORCE MAJEURE

Neither Party shall be in default hereunder by reason of any failure or delay in the performance of any obligation under these Terms and Conditions (other than an obligation to make payments in accordance with these Terms and Conditions) where such failure or delay arises out of any cause beyond the reasonable control and without the fault or negligence of such Party. Such causes shall include, without limitation, storms, floods, other acts of nature, fires, explosions, epidemics, riots, war or civil disturbance, strikes and other labor disputes, embargoes, and changes to export control laws. In the event that any force majeure event shall interfere with Howell's ability to supply Product to its customers, Howell shall be entitled to allocate its available supply of Product among its customers in such proportions as Howell, in its sole discretion, shall deem appropriate.

19. NO WAIVER

Howell's remedies herein set forth shall be cumulative and additional to any other or further remedies provided in law or equity. No waiver by Howell of any breach of any provisions hereof shall constitute a waiver of any other or recurring breach of these Terms and Conditions or any other agreement between

the parties. Failure of Howell to insist upon strict performance of any of these Terms and Conditions shall not constitute a waiver of these Terms and Conditions or a waiver of any default. A waiver on one or more occasions of any of these Terms and Conditions shall not be deemed a continuing one.

20. ORDER OF PRECEDENCE

This Agreement shall not be modified unless mutually agreed upon by the parties, which agreement must be evidenced in a separate written agreement. In the event of conflict or inconsistency between the terms in these Terms and Conditions and any other contractual document, the inconsistencies shall be resolved in the following order from highest to lowest precedence:

- (i) these Terms and Conditions;
- (ii) any other agreement between Buyer and Howell;
- (iii) the Statement of Work, as agreed to in writing by Buyer and Howell;
- (iv) the Purchase Order.

21. GOVERNING LAW, JURISDICTION

Subject to the Alternative Dispute Resolution provisions set forth in Section 20.1 below, these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, excluding its conflict of law rules. No action under these Terms and Conditions may be instituted or maintained against Howell without its prior written consent, except in the State of Texas. Buyer agrees that any dispute which may arise between Howell and Buyer under these Terms and Conditions shall be adjudicated before a court located in Tarrant County, Texas, unless Howell agrees in writing otherwise. Buyer hereby submits to the exclusive jurisdiction of the federal and state courts located in Tarrant County, Texas, and irrevocably waives any objection it now or hereafter may have respecting venue. Pending settlement or final judgment, Buyer shall proceed diligently with the performance of these Terms and Conditions.

21.1 Alternative Dispute Resolution (ADR)

In the event of any dispute, controversy, or claim arising out of or relating to these Terms and Conditions or the breach thereof, the parties agree to first attempt in good faith to resolve such dispute through direct negotiation between authorized representatives.

If the dispute cannot be resolved within thirty (30) days of written notice by either party, the parties agree to submit the matter to non-binding mediation before a mutually agreed-upon neutral mediator. The mediation shall take place in Tarrant County, Texas, unless otherwise agreed by the parties, and shall be conducted in English.



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If mediation does not resolve the dispute, either party may initiate binding arbitration administered by the American Arbitration Association (AAA) in accordance with its Commercial Arbitration Rules. The arbitration shall be conducted by a single arbitrator, in English, and seated in Tarrant County, Texas. The arbitrator's award shall be final and binding, and judgment may be entered thereon in any court of competent jurisdiction.

Nothing in this section shall preclude either party from seeking interim, emergency, or injunctive relief in a court of competent jurisdiction, where necessary to protect its rights or confidential information.

22. LIMITATION OF LIABILITY

IN NO EVENT SHALL HOWELL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS OR BUSINESS INTERRUPTION) ARISING OUT OF OR IN CONNECTION WITH THESE TERMS AND CONDITIONS AND/OR THE USE OF OR INABILITY TO USE ANY PRODUCT, EQUIPMENT, OR ASSOCIATED SOFTWARE DESCRIBED HEREIN, EITHER ALONE OR IN COMBINATION WITH OTHER PRODUCTS, EQUIPMENT, SOFTWARE, OR MATERIALS, EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES. THE SELLER'S TOTAL LIABILITY UNDER THESE TERMS, WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, SHALL NOT EXCEED THE AMOUNT PAID BY THE BUYER.

23. SEVERABILITY

If any term of this Agreement is found to be illegal, invalid, or unenforceable to any extent, such term shall be excluded or modified to the extent of such invalidity or unenforceability. The remainder of the Agreement shall remain in full force and effect. To the extent permitted and possible, the invalid or unenforceable term shall be replaced with a valid and enforceable term that most closely aligns with the original intent of the invalid or unenforceable term. The invalidity of any single term shall not affect the enforceability of the remaining terms of this Agreement.

24. SURVIVAL

The provisions of Sections 8 (Confidential Information), 10 (Restrictions on Use), 13 (Indemnification), 14 (Patent and Copyright Indemnification), 15 (Compliance with Laws; Export Control), 18 (No Waiver), 20 (Governing Law, Jurisdiction), 21 (Limitation of Liability), 22 (Severability), 23 (Survival), 24 (Termination for Default), and 25 (Section Headings) hereof shall survive any expiration or termination of this Agreement.

25. TERMINATION FOR DEFAULT

Howell may unilaterally terminate the Purchase Order for

default immediately or at any time thereafter by providing written notice to Buyer:

25.1 In the event of Buyer's suspension of business, insolvency, institution of bankruptcy, liquidation proceedings, or appointment of a trustee or receiver for Buyer's business or property, or any assignment, reorganization, or arrangement by Buyer for the benefit of creditors or similar proceedings or if Buyer ceases to be able to pay its debts as they become due.

25.2 In the event Buyer fails to make any payment required to be made when due, and fails to remit such payment within fifteen (15) calendar days after receipt of written notice of non-payment.

In the event that Howell terminates the Purchase Order for default, Howell shall be entitled to claim damages and any other remedies that Howell may have at law, at equity, and under these Terms and Conditions.

26. SECTION HEADINGS

The section headings contained in these Terms and Conditions are inserted for convenience only and shall not affect in any way the meaning or interpretation of these Terms and Conditions.

27. ASSIGNMENT OR DELEGATION

Buyer shall not assign or delegate any or all of its rights or obligations under the Purchase Order without the prior written consent of Howell, and any attempt to do so will be ineffective.