



## Sales Form

SF009 Rev (8) Date: 12/15/2025

## RIX Sales Terms and Conditions

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### 1. GENERAL

This document together with any additional documents signed by Seller and Buyer represents the Agreement between the parties. These terms may not be modified except in writing signed by an authorized representative of Seller. Any specification, terms and conditions submitted in Buyer's inquiry or purchase order shall be null and void unless specifically agreed to by Seller in the Seller's quotation or in a purchase order confirmation where the specific item is listed. By accepting delivery of the products, Buyer agrees to be bound by and accept these terms and conditions unless Buyer and Seller have signed a separate agreement, in which case the separate agreement will supersede this agreement. Catalogs, circulars and similar pamphlets of Seller are provided for general information purposes only, and are not a part of the Agreement.

### 2. TAXES

Any sales, use or other similar type taxes imposed on this transaction are not included in the price. Such taxes shall be billed separately to Buyer. Seller will accept a valid exemption certificate from Buyer if applicable; however, if such exemption certificate is not recognized by the governmental taxing authority involved and Seller is required to pay the tax covered by such exemption certificate, Buyer shall promptly reimburse Seller for the taxes paid.

### 3. EXCUSABLE DELAYS

Seller shall not be responsible for nonperformance or delays in performance occasioned by any causes beyond Seller's reasonable control, including, but not limited to labor difficulties, delays of vendors or carriers, Seller's prompt receipt of Buyer's equipment, Seller's compliance with Buyer's change orders, fires, acts of god, war, riot, governmental actions and material shortages. Any delays so occasioned shall affect a corresponding extension of Seller's performance dates.

### 4. DELIVERY, TITLE & RISK OF LOSS

Completion dates are approximate, and are based upon prompt receipt of the equipment, or ready access to it if it is to be worked on Buyer's premises, and prompt receipt of all necessary information. Unless otherwise specified by Seller, all shipments are F.O.B. Seller's service facility. Full risk of loss (including transportation delays and losses) shall pass to Buyer upon delivery of products to the F.O.B. point, or if Seller consents to a delay in shipment at the request of Buyer, risk of loss shall pass upon notification by Seller that the products are ready. Buyers that delay payment, export clearance documents and or shipping arrangements may forfeit their shipment to another customer. Seller has right to sell any manufactured product to awaiting customers in the event that Seller gives notice to Buyer that final payment has not been received, export clearance documents have not been received and / or Buyers Shipping arrangements are not complete. Seller will give a final 10 day (business) notice to Buyer that their ordered Product is subject to reallocation to another RIX customer if the order is not completed at the end of the 10 day notification period. Buyers delay in completing of shipping arrangements may also incur a weekly 2% storage fee if no notice of delay and no delivery date is communicated to Seller. Seller will not permit sold product to be stored for longer than 10 business days at it's Production Facility once notice is given to Buyer that Product is ready for shipment. Failure of Buyer to notify Seller of shipping status and precise delivery date will impose the 2% Storage Fee.

### 5. WARRANTY

**A. (Field Service/Overhaul) Exclusive of normal wearing parts** - Seller warrants that its work when performed and services when rendered will meet all specific requirements, if any, of this agreement, and will be done in a good and workmanlike manner. Seller warrants its work for a period of 90 days from completion of the work and all claims for defective work must be made in writing immediately upon discovery and in any event within 90 days from date of completion thereof by Seller. Upon Buyer's submission of a claim as provided above and its substantiation, Seller shall at its option either (i) repair Buyer's equipment at the original F.O.B. point of delivery, (ii) refund an equitable portion of the contract price, (iii) furnish F.O.B. Seller's facility or other point of shipment any necessary repaired or replacement parts or, (iv) in the case of service, re-perform the service.

**B. (Parts/Material and New Equipment) Exclusive of normal wearing parts** - Seller warrants that any parts manufactured by Seller and delivered hereunder will be free from defects in material and workmanship. Seller warrants its parts for a period of twelve (12) months from operation and all claims for defective parts under this warranty must be made in writing immediately upon discovery, and in any event, within eighteen (18) months

from shipment of the applicable item, whichever shall first occur. Upon Buyer's submission of a claim as provided above and its substantiation, Seller shall at its option either repair or replace its part at the original F.O.B. point of delivery. Defective items must be held for Seller's inspection and returned to the original F.O.B. point upon request.

**C.** With respect to parts not manufactured or services not performed by Seller, Seller assigns to Buyer whatever warranty Seller receives from the Supplier of such parts or services. However, Seller agrees to be Buyer's primary contact on all warranty claims.

**D.** The foregoing warranties are exclusive and in lieu of all other warranties, whether written, oral, implied or statutory. NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE SHALL APPLY.

**E.** Seller makes no performance warranty and the effects of corrosion, erosion and normal wear and tear are specifically excluded from Seller's warranty.

**F.** Seller will not be liable to Buyer for any loss or injury to persons or property (including the machinery which is the object of the work) caused in whole or part by (1) the acts of buyer or its agents, (2) failure to observe Seller's instructions, or (3) failure or malfunctioning of anything not furnished by Seller.

**G.** Upon notifying Seller of a potential Warranty claim/assertion, Buyer shall provide Seller with information as requested by the Seller in order to reasonably determine if the claim/assertion is due to defective workmanship by the Buyer, however Seller is not required to conduct any root-cause analysis of any other issues/items not provided by Seller.

**H.** The preceding paragraphs set for the exclusive remedies for warranty claims, and upon the expiration of the warranty period, all such liability shall terminate.

**I.** Normal Wearing parts are defined, but not limited to the following: Seals, Gaskets, O-rings, piston rings and riders, bulbs, fuses, and anti-corrosion devices such as zincs. RIX Industries reserves the right to evaluate these items for material workmanship and defects on a case by case basis.

**J.** FOB Destination Service Items are limited to the Continental United States (CONUS). Service outside the CONUS is at the discretion of the seller, and or at buyer's expense.

### 6. BUYER'S RESPONSIBILITY

If the equipment is to be worked on at Buyer's site, Seller's employees shall be given free and unobstructed access to the site of the work. Buyer shall preserve and adequately maintain parts and Buyer's tools necessary to the completion of Seller's work and Buyer shall furnish safe and proper working conditions and safe storage for Seller's property related to Seller's services during the term of its need thereof. When delays in work are caused by Buyer, the time and expense caused by the delay will be charged to Buyer. Buyer shall furnish all necessary cranes, special tools not furnished by Seller, parts, material supplies, steam, electricity, gas, oil, water, and other material and supplies required to repair and operate the machinery. Seller's employee's responsibility is limited to furnishing service. Seller is not providing any supervision of Buyer's employees, subcontractors or other agents.

### 7. INVOICES & PAYMENTS

Invoices are due for payment upon presentation. Payment received thirty days after the invoice date is subject to interest charges at the maximum allowable rate as provided by applicable law. If a Down payment, Deposit, or Advance payment is part of the Agreement, Seller shall have no obligation to commence work until receipt of such payment. In no event shall Seller be required to continue performance of work in the event any payment is delayed beyond the payment terms of the Agreement; such delay in work shall be considered an Inexcusable Delay. Deposit, Advance, or Down payments are non-refundable.

b. Upon the ordering of long-lead items, or commencement of manufacturing work by Seller, orders are not subject to Buyer's cancellation, postponement or change in specifications, shipping schedules or other conditions originally agreed upon without Seller's written consent and then only upon agreement to compensate Seller for any or all losses caused by such cancellation, postponement or changes.

c. Cancellation charges are detailed in Section 18.

d. Buyer agrees that it shall have no later than thirty (30) business days following the effective date of termination of this Agreement, pay all monies owed to Seller at the time of any such termination regardless of any terms of payment that may have otherwise been granted to Buyer by Seller. Seller shall not by reason of its termination of this Agreement in accordance with the terms hereof, be liable to Buyer for compensation or reimbursement of any damages on account of loss of profits or prospective profits on anticipated sales, or on commitments in connection with the business or goodwill of



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Buyer or otherwise or for direct, indirect, punitive, special or consequential damages.

### 8. LIMITATION OF LIABILITY

A. Seller shall in no event be liable to Buyer or any successor by way of indemnity or for any consequential incidental or indirect damages arising out of this Agreement or any breach thereof, including but not limited to damages resulting from loss of use, profits, revenue, interest or goodwill; work stoppage; impairment of other goods; shutdown or non-operation; increased expenses of operation; cost of purchase of replacement power; or claims of buyer or customers of Buyer for service interruption whether or not such loss or damage is based on contract, indemnity, tort, strict liability or otherwise. Customer further agrees to defend, indemnify and hold harmless Supplier from any claim made by end-user or Customer's clients for such losses.

**B. THE REMEDIES OF BUYER SET FORTH HEREIN ARE EXCLUSIVE. THE TOTAL LIABILITY OF SELLER WITH RESPECT TO THE PERFORMANCE OR BREACH OF THIS AGREEMENT, WHETHER BASED ON CONTRACT, INDEMNITY, TORT, STRICT LIABILITY OR OTHERWISE, SHALL NOT EXCEED THE CONTRACT PRICE OF SUCH SERVICES OR THE PART UPON WHICH SUCH LIABILITY IS BASED.**

### 9. ASSIGNMENT

Neither party shall assign or transfer this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld.

### 10. GOVERNING LAW

The rights and obligations of the parties shall be governed by the laws of the State of California, excluding conflict of laws provisions.

### 11. EXPORT LAW

If this Purchase Order involves an export of products, Buyer shall comply with all export control statutes, regulations, decrees, guidelines and policies of the U.S. government and the government of any country in which the Parties conduct activities related to this Purchase Order including but not limited to the International Traffic In Arms Regulations ("ITAR") (22 C.F.R. Parts 120-130 (2015)) of the U.S. Department of State, the Export Administration Regulations ("EAR") (15 C.F.R. Parts 730-774 (2015)) of the U.S. Department of Commerce, the U.S. Customs Border Protection Regulations, the Harmonized Tariff Schedule, the antiboycott and embargo regulations and guidelines issued under the EAR, the U.S. Department of the Treasury, Office of Foreign Assets Control. The Parties acknowledge that these statutes and regulations impose restrictions on import, export and transfer to third countries of certain categories of data, and that licenses from the U.S. Department of State and/or the U.S. Department of Commerce may be required before such data can be disclosed hereunder, and that such licenses may impose further restrictions on use and disclosure of such data. If an export license is required, Seller shall support Buyer to obtain export licenses or authorizations necessary for the export of products. If an export license from the U.S. government cannot be obtained for export, then this will be considered a force majeure event. Seller agrees that it will not divert use, export or re-export such products contrary to the export control statutes, regulations, decrees, guidelines and policies of the U.S. government and the government of any countries the Parties conduct activities in as specified in this clause.

### 12. INDEMNIFICATION

To the extent allowed under California law, Buyer will indemnify, defend, and hold harmless Seller and its officers, agents, and employees from any and all claims, losses, costs, damages, expenses, or liability in connection with the performance of this Agreement with the exception of proven willful misconduct or gross negligence of Seller.

### 13. INTELLECTUAL PROPERTY

a. "Intellectual Property" means all copyrights, patents or patent applications, mask registered designs or registered design applications, Marks (registered or not), Mask Works, inventions, trade secrets, proprietary technical information (including but not limited to specifications, designs, plans, computer programs in source and object code, flowcharts, diagrams, drawings and other information), and manufacturing processes and other similar proprietary information.

- b. Pre-Existing Intellectual Property. Each Party will maintain all rights, title and interest in Pre-Existing Intellectual Property, subject only to any licenses that may be granted by the owning Party.
- c. RIX shall maintain sole ownership of all Intellectual Property conceived or developed under this Agreement.
- d. Buyer shall receive limited rights for the sole purpose of servicing and maintaining the delivered end product in accordance with the Quote incorporated by reference in this Purchase Order. In no event shall Buyer inherit rights to lease, sell, solicit, manufacture, or design based on deliverables or received under this Purchase Order.
- e. Confidential Information. Buyer and Seller are each to maintain and safeguard the confidentiality of the Intellectual Property it receives of the other Party in accordance with Article 14 below.
- f. Seller Intellectual Property. Seller owns all right, title and interest in and to Seller's Intellectual Property related to Seller's design, manufacturing process of the Products of Seller. Intellectual Property is the Confidential Information that Seller and Buyer agree to maintain the confidentiality of in accordance with Article 14 below.
- g. In no event or in any way is this Purchase Order a "Work Made for Hire." Any terms or language in conflict with this Article 13 are explicitly removed from this Agreement/Purchase Order.
- h. In the event that Purchase Order is cancelled by Buyer prior to full completion and payment of the Purchase Order, Buyer shall return and/or destroy all deliverables and Proprietary/Confidential Information received from Seller during the performance of this Purchase Order and provide Seller certification of such destruction. In no event, shall Buyer be authorized to utilize information received from Seller during the performance of this Purchase Order to solicit, engineer, manufacture, or design similar products of Seller.

### 14. CONFIDENTIALITY

Non-disclosure agreements pertaining to this Order or the contents of this Order between the Parties are fully incorporated by reference in this Article. In no event, shall either Party disclose to any third Party the Confidential information or Intellectual Property of the other Party or any deliverables received under this Purchase Order. Each Party is to protect and safeguard the other's Intellectual property with the same standards of care used to protect its own Intellectual Property but at a minimum not less than a reasonable degree of care.

### 15. RETAINED OWNERSHIP

- a. Seller shall retain ownership to the goods delivered pending receipt of all payments due under the contract/agreement. In the event of any breach of contract/agreement by the Buyer including but not limited to default of payment, Seller shall be entitled to recover the goods at Buyer's expense. Such recovery shall not be deemed to constitute rescission of the contract by Seller unless made so in writing by Seller. Seizure of the goods shall always be deemed to constitute rescission of the contract by Seller. After recovering the goods, Seller shall be authorized to liquidate them as determined by Seller and apply the proceeds from such liquidation to the amounts due from the buyer less reasonable liquidation costs.
- b. Buyer shall treat the goods carefully, and in particular, to insure them at their replacement value against the risk of fire, water, and theft at its own expense. If any maintenance or serve activities are necessary, the Buyer shall have them done regularly at its own expense.
- c. The Buyer may resell the goods as part of its ordinary business activities and not in contradiction to any other provisions of this agreement and agrees to assign all receivables due from its buyers or third parties equaling the final invoice amount of Seller's receivable arising from the resale of the goods. Seller may demand that the Buyer disclose to Seller the amount of the receivables assigned to Seller and the names of the persons owing them, provide all information required to collect the receivables, produce all the related documents and inform the third-party debtors of that assignment.
- d. If the goods delivered are processed with other objects not belonging to Seller, whether inseparably combined or not, Seller shall acquire co-ownership rights in the end product commensurate with the value of the goods delivered (final invoice value) relative to the other objects processed. Such products shall be subject to the same provisions as those applicable to the goods delivered subject to Seller's retained ownership rights. If the goods are combined in such a way that the Buyer's goods can be assumed to constitute the main item, the Buyer shall assign pro-rated co-ownership rights to Seller. The Buyer shall exercise the resultant sole or co-ownership rights on Seller's behalf.



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### 16. INSPECTION

All merchandise shall be inspected by Purchaser within a reasonable time after arrival at the ultimate destination but not later than fourteen (14) calendar days unless otherwise stated in this Agreement/Contract. Purchaser shall notify Seller immediately if any inspection of merchandise is found to be unsatisfactory, defective or of inferior quality or workmanship or fails to meet the specification or any other requirements of this order. Payment for merchandise prior to inspection shall not be construed to be an acceptance of unsatisfactory or defective merchandise, however use of goods after inspection shall be construed as acceptance.

### 17. SEVERABILITY

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law each party hereby waives any provision of law which renders any provisions hereof prohibited or unenforceable in any respect.

### 18. CANCELLATION, POSTPONEMENT OR CHANGE ORDERS

- a. If a Deposit, Down, or Advance payment is part of the Agreement, Seller shall have no obligation to commence work until receipt of such payment. In no event shall Seller be required to continue performance of work in the event any payment is delayed beyond the payment terms of the Agreement; such delay in work shall be considered an Excusable Delay. Deposit, Advance, or Down payments are non-refundable.
- b. Upon the ordering of long-lead items, or commencement of manufacturing work by Seller, orders are not subject to Buyer's cancellation, postponement or change in specifications, shipping schedules or other conditions originally agreed upon without Seller's written consent and then only upon agreement to compensate Seller for any or all losses caused by such cancellation, postponement or changes.
- c. Cancellation charges will be the amount of actual direct & indirect costs incurred to include overhead, G&A, and profit in accordance with Seller's current or historical rates, whichever is better for Seller, and will be invoiced immediately upon notification of order cancellation. Typical cancellation charges are as follows:
  - a. 25% of total after order acceptance.
  - b. 60% of total upon ordering of parts.
  - c. 70% of total upon initiation of production.
  - d. 90% of total after bare pump assembly.
  - e. 100% of total after production complete.
- d. Buyer postponement of order shipments is addressed in Section 4. Note that delayed shipment of completed orders will carry storage charges or be reallocated upon notification of Seller.
- e. Buyer agrees that it shall, no later than thirty (30) days following the effective date of termination of this Agreement, pay all monies owed to Seller at the time of any such termination regardless of any terms of payment that may have otherwise been granted to Buyer by Seller. Seller shall not by reason of its termination of this Agreement in accordance with the terms hereof, be liable to Buyer for compensation or reimbursement of any damages on account of loss of profits or prospective profits on anticipated sales, or on commitments in connection with the business or goodwill of Buyer or otherwise or for direct, indirect, punitive, special or consequential damages.

### 19. CONCLUSION OF CONTRACT/AGREEMENT

- a. The buyer agrees to be bound by its order for a period of thirty (30) calendar days starting with the date of which the order is sent.
- b. A contract/agreement shall not be deemed to have arisen until Seller has confirmed, or accepted the order in writing.

### 20. ENTIRE AGREEMENT

This document together with any additional documents signed by Buyer and Seller represents the Agreement between the parties. These terms may not be modified except in writing signed by an authorized representative of Seller. Any specification, terms and conditions submitted in Buyer's inquiry or purchase order shall be null and void unless specifically agreed to by

Seller in the Seller's quotation or in a purchase order confirmation where the specific item is listed. By accepting delivery of the products, Buyer agrees to be bound by and accept these terms and conditions unless Buyer and Seller have signed a separate agreement, in which case the separate agreement will supersede this agreement. Catalogs, circulars and similar pamphlets of Seller are provided for general information purposes only, and are not a part of the Agreement.

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