

TERMS AND CONDITIONS OF SALE AND USE

1. GENERAL; OFFER AND ACCEPTANCE

These Terms and Conditions of Sale and Use (“Terms and Conditions”), together with the quotation into which these Terms and Conditions are incorporated or included (“Quotation”), constitute an offer or counteroffer by Kaeser Compressors, Inc. (“Kaeser”) to supply and sell the products, equipment, parts, and/or associated services described in or with the Quotation (collectively, the “Equipment”) in accordance with these Terms and Conditions. These Terms and Conditions and the Quotation are not an acceptance of any offer made by the purchaser to which this offer is addressed (“Customer”), and this offer is expressly conditioned upon Customer’s assent to these Terms and Conditions. Kaeser objects to any additional or different terms or conditions contained or referenced in any request for quotation, request for proposal, purchase order (“PO”), or other form or communication previously or hereafter submitted by Customer to Kaeser. No such additional or different term or condition shall be binding or effective. Customer shall be deemed to have accepted and assented to this offer and these Terms and Conditions when (1) Customer issues and Kaeser’s corporate office in Fredericksburg, Virginia accepts a PO that is in response to or that otherwise references Kaeser’s Quotation; (2) Customer has accepted delivery of or made any payment for the whole or any part of the Equipment described in the Quotation; or (3) Customer has otherwise assented to these Terms and Conditions, whichever occurs first. Upon Customer’s acceptance of this offer, these Terms and Conditions, together with the Quotation that incorporates or includes these Terms and Conditions (including Equipment prices, quantities, and estimated delivery dates contained therein) and Kaeser’s associated Order Confirmation(s) and Invoice(s), shall constitute the entire agreement between Kaeser and Customer on the subject matter hereof (the “Agreement”). This Agreement supersedes all prior and contemporaneous oral and written communications and negotiations regarding the subject matter of the relevant Quotation, associated Order Confirmation(s) and Invoice(s), and these Terms and Conditions. There are no conditions to this Agreement that are not expressed herein. These Terms and Conditions shall also apply to change orders, if any. This offer expires thirty (30) days after the Quotation’s date unless otherwise specified by Kaeser in writing, and Kaeser may revise or withdraw this offer any time prior to its acceptance. Kaeser and Customer are sometimes referred to in this Agreement individually as a “Party” or collectively, as the “Parties.”

If these Terms and Conditions are separately referenced or set forth in the absence of an incorporating Quotation (such as on a Kaeser website), these Terms and Conditions are the exclusive provisions under which Kaeser will sell Equipment to any purchaser.

2. CANCELLATION; ASSIGNMENT

Customer may not cancel or modify any Agreement or any offer Customer previously accepted without the written, signed approval of an authorized signatory of Kaeser. If Customer cancels this Agreement and Kaeser, at its sole discretion, approves the cancellation in writing, Customer shall owe and pay to Kaeser a cancellation charge equal to 25% of the price of the Equipment covered by that Agreement. Special orders and engineered solutions are subject to higher cancellation charges at Kaeser’s sole discretion. Neither Party may assign or transfer this Agreement without the prior written consent of the other Party.

3. APPLICABLE LAW

These Terms and Conditions, the Agreement, and any transaction based on them for Kaeser's sale of Equipment to Customer shall be governed by the laws of the Commonwealth of Virginia (without reference to principles of conflicts of laws). THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER WILL NOT BE GOVERNED BY THE 1980 UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS.

4. PRICES; TAXES

All prices are quoted and payable in U.S. dollars, and such quoted prices are subject to change by Kaeser without notice up to Kaeser's receipt of a written (including electronic) PO. The prices quoted do not include shipping or insurance costs or any taxes. Any manufacturer's tax, occupation tax, use tax, sales tax, excise tax, value-added tax, duty, custom, inspection or testing fee, or any other tax, fee, interest, or charge of any nature whatsoever imposed by any governmental authority on or measured by the transactions between Kaeser and Customer shall be paid by Customer in addition to the prices quoted or invoiced. In the event Kaeser is required to pay any such taxes, fees, or other charges, Customer shall reimburse Kaeser therefor on demand.

5. DELIVERY

5.1 Unless otherwise agreed to in writing by Kaeser, all Equipment will be delivered Free Carrier ("FCA") Kaeser's U.S. Shipping Point (as such shipping term is defined in Incoterms 2020). In the event that scheduled delivery of Equipment is delayed by Customer, Kaeser may store such Equipment for the account of and at the cost and risk of Customer. Kaeser guarantees no delivery dates, as all delivery dates are approximate and estimates only, but Kaeser agrees to use commercially reasonable efforts to deliver in accordance with any Kaeser-scheduled delivery dates. Kaeser reserves the right to make deliveries in installments, and each such installment shall be invoiced and paid for as required in this Agreement. Delay in delivery of any installment shall not relieve Customer of its obligations to accept remaining deliveries.

5.2 If Customer arranges for shipment of Equipment, Customer must insure, or cause its carrier to insure, the Equipment against loss, theft, or damage while in transit. If Kaeser arranges for shipment of Equipment, Customer shall pay all shipping and insurance charges Kaeser imposes. Claims for shortages or other errors in delivery must be made in writing to Kaeser within ten (10) days after receipt of shipment, and FAILURE TO MAKE SUCH A CLAIM WITHIN SUCH TIME PERIOD WILL CONSTITUTE UNQUALIFIED ACCEPTANCE AND A WAIVER OF ALL SUCH CLAIMS BY CUSTOMER. Claims for loss or theft of or damage to Equipment in transit must be made to the carrier and not to Kaeser.

6. TITLE AND RISK OF LOSS; INSURANCE REQUIREMENTS

6.1 Title and risk of loss of or damage to the Equipment shall pass from Kaeser to Customer, and delivery shall be deemed to be complete, upon Kaeser's delivery of the Equipment to a private or common carrier at Kaeser's U.S. Shipping Point or, if Customer causes delay of shipment, upon Kaeser moving the Equipment into storage, whichever occurs first. All Equipment sold shall remain personal property, regardless

of whether or how attached to realty or other property, until full and final payment has been made to Kaeser therefor. Customer hereby grants to Kaeser a first-priority security interest in the Equipment and its proceeds to secure full payment for the Equipment and agrees Kaeser may file financing statements to perfect such security interest. Customer agrees to execute any and all other agreements or documents and to perform any and all acts that Kaeser may reasonably request to perfect Kaeser's security interest in such Equipment. Until Kaeser has been paid in full for the Equipment, Customer shall, at its sole expense, obtain and maintain an insurance policy, insuring the Equipment against all risks of loss, theft, or damage from any cause for not less than the full replacement value of such Equipment. Kaeser shall be named as the loss payee of such policy, which policy shall also be endorsed to grant Kaeser a waiver of subrogation.

6.2 Customer shall, at its sole expense, carry commercial general liability insurance with respect to the Equipment and its use throughout the time Customer owns the Equipment, covering bodily injury (including death), property damage, and contractual liability under this Agreement, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. This insurance policy shall be endorsed to name Kaeser and its affiliates as additional insureds thereunder and to grant Kaeser and its affiliates a waiver of subrogation.

6.3 The insurance policies maintained by Customer shall be endorsed to be primary over, and non-contributory with, any insurance policies maintained by Kaeser. Upon request, Customer shall provide Kaeser with an insurance certificate or other proof confirming Customer is complying with the insurance requirements in this Agreement.

7. FORCE MAJEURE

7.1 A "Force Majeure Event" is a condition or event that is beyond the reasonable control and not due to the negligence of a Party to this Agreement, whether foreseeable or unforeseeable, including (a) flooding, hurricane, tornado, earthquake, seismic disturbance, or other natural disaster; (b) breach of this Agreement by the other Party; (c) fire, explosion, or other insured or uninsured casualty; (d) epidemic, pandemic, or condemnation; (e) strike, slowdown, or other labor dispute; (f) transportation interruption or delay; (g) theft or vandalism; (h) riot or civil unrest; (i) war or act of terrorism; (j) power outage or other utility outage; (k) interruption of computer or electronic communication system operation; (l) change in laws or act or order of any court or governmental authority; and/or (m) unavailability of parts, materials, or supplies. The following shall not, however, constitute a Force Majeure Event: (I) financial inability to perform; and/or (II) changes in market or economic conditions.

The Party affected by a Force Majeure Event (the "Affected Party") shall be excused from, and shall not have any liability for, any delay in delivery, non-delivery, or other failure to perform any of its obligations under this Agreement if and to the extent the Affected Party's delay, non-delivery, or failure to perform is caused by a Force Majeure Event. However, failure to make payment of any amount when due under this Agreement shall not be excused by a Force Majeure Event. Without limiting the generality of the foregoing, if and to the extent the Affected Party is delayed in performing under this Agreement due to a Force Majeure Event, the Affected Party will be entitled to extend the relevant performance date by the amount of time the Affected Party was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. The Affected Party shall give the other Party prompt written notice of any

Force Majeure Event affecting its performance, including in such notice the Affected Party's best estimate of the anticipated duration of the delay. Should a Force Majeure Event continue for more than sixty (60) days, either Party may, upon prior written notice to the other Party, terminate the affected portion of this Agreement without liability, and the unterminated portion of this Agreement (if any) shall continue in full force and effect.

7.2 Notwithstanding anything to the contrary contained in this Agreement, if and to the extent Kaeser's costs of performance are increased by one or more Force Majeure Events, Kaeser shall be entitled to adjust the prices of the affected Equipment or to apply a surcharge under this Agreement by providing written notice to Customer, and Customer shall pay the adjusted prices and/or the surcharge. If a Force Majeure Event limits Kaeser's available supply of Equipment, Kaeser will allocate its available supply in any manner that Kaeser reasonably determines in good faith or as may otherwise be required by applicable law.

8. PAYMENT

Unless otherwise agreed in writing by Kaeser, Kaeser may issue its invoices upon or after shipment of the Equipment, and all invoices shall be paid within thirty (30) days after shipment; provided, however, that (1) for Agreements where the total purchase price is \$100,000 or greater, thirty percent (30%) of the total purchase price is due at the time the Parties enter into this Agreement; and (2) for shipments of Equipment outside the U.S., one hundred percent (100%) of the total purchase price is due at the time the Parties enter into this Agreement. If Customer fails to pay any invoice when due, or if, in Kaeser's reasonable judgment, Customer's financial condition at any time prior to shipment does not justify the extension of credit, then Kaeser may require payment in advance or otherwise modify the payment terms upon notice to Customer. All delays in shipment of Equipment requested by Customer or occasioned by Customer's acts shall be at Customer's expense. Kaeser reserves the right to assess reasonable charges for its expenses resulting from any such delays, and Customer shall pay such charges upon demand. All shipments shall be separately invoiced and paid for without regard to subsequent deliveries. Interest at the lesser of (a) the rate of one and one-half percent (1.5%) per month; or (b) the highest rate allowed by applicable law shall be charged on all overdue amounts and paid by Customer upon demand. Customer will reimburse Kaeser for all costs and expenses (including reasonable attorneys' fees, the costs of bringing any action, and collection agency fees) Kaeser incurs in collecting any amounts past due.

9. INTELLECTUAL PROPERTY

All intellectual property rights (including patents, trademarks, registered designs, and copyrights—and any rights to apply for any of the foregoing—in addition to design rights, database rights, trade secrets, and rights in and to confidential information and know-how) and any and all rights analogous to intellectual property rights anywhere in the world, existing at any time in any Equipment or arising out of or relating to the design or manufacture of any Equipment or the provision of services associated with any Equipment, shall belong to and remain vested solely in Kaeser. Nothing in this Agreement grants to Customer any right, title, or interest in or to any of Kaeser's intellectual property. However, upon payment in full of the purchase price of the Equipment, Customer shall have the right to use the Equipment for its intended purpose.

10. WARRANTIES, EXCLUSIONS, AND DISCLAIMERS

10.1: New Kaeser Equipment: Kaeser warrants each item of new Equipment manufactured by it or its affiliates and sold under this Agreement to be free from defects in material and workmanship for the warranty period applicable to that type of Equipment as identified in Table 1: Warranty Periods, which is attached at the end of these Terms and Conditions and incorporated herein (the “Warranty Period”). Performance representations with respect to the Equipment (if any) are limited to those specifically included in Kaeser’s Quotation and identified as such. The effects of corrosion, erosion, and normal wear and tear are specifically excluded from Kaeser’s warranty. During the applicable Warranty Period, if an alleged failure to conform with this warranty occurs under normal use and Kaeser is informed in writing of such non-conformity within the applicable Warranty Period, then Kaeser shall correct such non-conformity, at its option, either by repair or replacement of the non- conforming portion of the Equipment or by refund of the purchase price of the non-conforming portion of the Equipment, provided that (a) Kaeser agrees a failure to conform with the warranty has occurred; and (b) the affected Equipment is proven to Kaeser’s reasonable satisfaction to have been properly stored, installed, used, and maintained by Customer.

As a condition to receiving a warranty remedy, Customer must return the affected Equipment to Kaeser, unless Kaeser waives such return in writing. Delivery of Equipment to Kaeser pursuant to this paragraph shall be at Customer’s risk and expense and shall be Delivered at Place (“DAP”) Kaeser’s directed delivery point (as such shipping term is defined in Incoterms 2020). Items of Equipment that are replaced become Kaeser’s property. Kaeser will deliver repaired or replacement Equipment or Equipment components to Customer FCA Kaeser’s U.S. Shipping Point, and such items will be shipped to Customer at its risk and expense. Kaeser warrants any Equipment or Equipment components repaired or replaced pursuant to this warranty, under normal use, to be free from defects in workmanship and material for a period of ninety (90) days after the startup of such repaired or replaced Equipment or for a period ending on the expiration of the applicable original Equipment Warranty Period, whichever period is longer.

Unless otherwise expressly agreed in writing by Kaeser, Kaeser shall not be responsible for labor, travel or mileage charges, or the costs of removing non-conforming Equipment or components or installing repaired or replacement Equipment or components. Kaeser shall not be responsible for loss or damage resulting from (I) improper operation or maintenance; or (II) repairs made by personnel other than those Kaeser authorizes in writing to perform repairs.

With respect to Equipment manufactured by a Kaeser affiliate, decisions as to whether a non- conformity claim is covered by the foregoing warranty are made by such affiliate and not by Kaeser. Repair, replacement, or refund (whichever Kaeser determines, in its sole discretion, to provide, as applicable) shall be Kaeser’s sole obligation and Customer’s exclusive remedy for any nonconformity, noncompliance, defect, or deficiency in new Kaeser Equipment furnished hereunder. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as Kaeser is willing to provide repair, replacement, or refund.

10.2: Used Equipment; Advice: The warranty in Section 10.1 and Table 1 DOES NOT APPLY to used Equipment sold by Kaeser or to advice or technical information provided by Kaeser without charge. Unless

expressly stated otherwise in Kaeser's Quotation, all used Equipment is sold, and all such advice and information are provided, AS IS, WITH ALL FAULTS, AND WITHOUT WARRANTY OF ANY KIND.

10.3: Equipment Made by Third Parties: Equipment (including accessories, components, and parts thereof) sold by Kaeser but not manufactured by Kaeser or its affiliates IS NOT WARRANTED BY KAESER. Such Equipment, accessories, components, and parts shall only carry the warranty (if any) which the manufacturer has conveyed to Kaeser, if and to the extent that warranty can be passed on and assigned to Customer.

10.4: Disclaimers: THE EXPRESS WARRANTY CONTAINED IN SECTION 10.1 AND TABLE 1 IS EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED. WITH RESPECT TO ALL EQUIPMENT SOLD BY KAESER, KAESER EXPRESSLY DISCLAIMS AND EXCLUDES (a) ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, AND NON-INFRINGEMENT; AND (b) ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

11. EQUIPMENT DATA

The Equipment may be equipped with operations and telematics hardware and software ("Telematics") for the purpose of recording, compiling, synthesizing, reading, interpreting, and transmitting Equipment Data (as that term is defined in, and in accordance with, Kaeser's [Privacy Policy](#) and Kaeser's [Notice of Equipment Data Collection](#)) about the condition and operation of the Equipment. Equipment Data may be transmitted by the Telematics to and collected by Kaeser, Kaeser's parent company, the subsidiaries and other affiliates of Kaeser or its parent company, and Kaeser's distributors, dealers, and resellers (collectively, the "Kaeser Recipients"). If Telematics is activated, Customer agrees and consents that the Kaeser Recipients, without further notice to Customer, have the right to access, use, collect, store, transmit, disclose, and transfer Equipment Data in accordance with Kaeser's [Privacy Policy](#) and Kaeser's [Notice of Equipment Data Collection](#). If the Equipment Data includes Customer's Personal Data (as that term is defined in Kaeser's [Privacy Policy](#)), Customer consents to the collection, use, and disclosure of such Personal Data in accordance with Kaeser's [Privacy Policy](#). Customer represents and warrants that before it allows its employees, Equipment operators or users, or other third parties to use Equipment with a Telematics system, Customer has obtained or will obtain any necessary consents from those persons, including (1) consent to the transfer of Equipment Data to other jurisdictions; (2) any consent needed to comply with any and all applicable privacy laws and contractual agreements with such employees, operators, users, or third parties; and (3) consent to permit the Kaeser Recipients to access and use the Equipment Data as contemplated in this Agreement, Kaeser's [Privacy Policy](#) and Kaeser's [Notice of Equipment Data Collection](#). Customer shall not use the Telematics to track any person's location unless Customer has first obtained any necessary approvals from such person to permit Customer or the Kaeser Recipients to track such location. Customer shall not remove, modify, or disable any of the Telematics without Kaeser's prior written consent. Customer hereby confirms that it has read, understands, and agrees to Kaeser's [Privacy Policy](#) and Kaeser's [Notice of Equipment Data Collection](#).

12. CUSTOMER'S GENERAL INDEMNIFICATION

Customer shall indemnify, defend, and hold harmless Kaeser and its affiliates and its and their respective officers, directors, agents, and employees from and against any and all claims, demands, losses, damages (including damages arising from property damage, personal injury, or death), liabilities, judgments, settlement amounts, costs, and expenses (including reasonable attorneys' fees, legal expenses, and other defense costs) that arise out of or result from Customer's acts or omissions, including (1) any breach by Customer of this Agreement; (2) any violation by Customer or its employees or agents of any applicable law, rule, order, ordinance, or regulation; (3) Customer's use or resale of any Equipment; (4) any negligence or willful misconduct of or by Customer or its employees or agents; or (5) any claim that any Equipment infringes any third-party patent, trademark, copyright, trade secret, or other proprietary right if and to the extent that the allegedly infringing Equipment or Equipment component was manufactured in accordance with Customer-proposed or Customer-furnished drawings, designs, specifications, or requirements.

Kaeser shall give Customer written notice of any claim for which indemnification is sought under this Agreement, provided that the failure to give such written notice shall not relieve Customer of its indemnification obligations, except and only to the extent Customer forfeits rights or defenses by reason of such failure. Kaeser may, at Kaeser's option, assume and control the defense of any such claim(s), and in such case, Customer shall indemnify Kaeser from and against any and all losses, damages, liabilities, judgments, settlement amounts, costs, and expenses (including reasonable attorneys' fees, legal expenses, and other defense costs) incurred by Kaeser in defending such claims. If Kaeser decides not to assume the defense of a claim, then Customer shall assume and control the defense of such claim at Customer's expense and by Customer's own counsel (which counsel shall be subject to Kaeser's approval, which approval will not be unreasonably withheld or delayed). Nevertheless, Kaeser shall have the right to participate in the defense of any such claims with counsel selected by Kaeser at Kaeser's expense. Kaeser and Customer shall cooperate with each other in all reasonable respects in connection with the defense of any claims. Notwithstanding any other provision of this Agreement, Customer shall not consent to the entry of any judgment or enter into any settlement of any claims without Kaeser's prior written consent.

13. KAESER PATENT INDEMNITY; INFRINGEMENT INDEMNITY BY CUSTOMER

13.1 Kaeser shall defend any third-party suit brought against Customer and shall pay any adverse judgment entered therein if and to the extent such suit or judgment is based on a claim that the use of Equipment manufactured by Kaeser or its affiliates and sold by Kaeser to Customer constitutes infringement of any valid patent of the United States of America, provided that Kaeser is promptly notified in writing of such suit and given all reasonably requested authority, information, and assistance for the defense of the same from Customer. If, as the result of any such suit, use of any such Equipment is enjoined, Kaeser may, at its option and expense, (a) obtain for Customer the right to continue to use such Equipment; (b) modify such Equipment so that it becomes non-infringing; (c) replace such Equipment with non-infringing Equipment; or (d) remove such Equipment and refund to Customer the undepreciated portion of the purchase price of such Equipment. THE FOREGOING PROVISIONS OF THIS SECTION 13.1 CONSTITUTE THE ENTIRE LIABILITY OF KAESER WITH REGARD TO PATENT INFRINGEMENT.

(a) Notwithstanding the first sentence of Section 13.1, in the event any Equipment is sold by Kaeser to meet Customer's drawings, designs, specifications, or requirements that are not a part of a standard line

offered by Kaeser in the usual course of its business; or contains Customer-specified markings, trademarks, or logos, Customer shall indemnify and hold harmless Kaeser and its affiliates from and against any and all losses, damages, liabilities, judgments, settlement amounts, costs, and expenses (including reasonable attorneys' fees, legal expenses, and other defense costs) arising out of or in connection with any claim, suit, or action at law or in equity for actual or alleged infringement, including infringement of any U.S. or foreign patent or trademark, because of the sale or use of such Equipment, and Customer shall defend at Customer's expense any such claims, suits, and actions that may be brought.

14. LIMITATION OF LIABILITY

14.1 THE REMEDIES OF THE CUSTOMER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. KAESER'S LIABILITY WITH RESPECT TO EQUIPMENT SOLD HEREUNDER SHALL BE LIMITED TO THE APPLICABLE WARRANTY PROVIDED IN SECTION 10 (if any), AND, WITH RESPECT TO ANY BREACH BY KAESER OF ITS AGREEMENT WITH CUSTOMER, SHALL NOT EXCEED THE PURCHASE PRICE OF THE ITEM OF EQUIPMENT THAT IS THE SUBJECT OF THE BREACH; PROVIDED, HOWEVER, THAT (a) THE FOREGOING LIMITATION SHALL NOT APPLY TO ANY BREACH PROVEN TO HAVE BEEN CAUSED SOLELY BY KAESER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; AND (b) KAESER WILL HAVE NO LIABILITY WHATSOEVER WITH RESPECT TO ANY ADVICE OR TECHNICAL INFORMATION PROVIDED TO CUSTOMER WITHOUT CHARGE.

14.2 NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES INCURRED BY THE OTHER PARTY, THE OTHER PARTY'S CUSTOMERS, OR ANY THIRD PARTY, WHETHER ARISING FROM BREACH OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY IN TORT, OR OTHER THEORIES OF LAW OR EQUITY, INCLUDING LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT OR SERVICES, DOWNTIME COSTS, CLAIMS OF CUSTOMERS OR SUCH OTHER PARTY FOR SERVICE INTERRUPTION, OR ANY OTHER TYPES OF ECONOMIC LOSS, EVEN IF SUCH PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, PROVIDED, HOWEVER, THAT THIS SECTION 14.2 SHALL NOT APPLY TO LIMIT OR MODIFY EITHER PARTY'S INDEMNIFICATION OR DEFENSE OBLIGATIONS UNDER THIS AGREEMENT.

15. SUBMITTAL

Any designs, manufacturing drawings, information, or materials submitted to Customer shall remain Kaeser's sole and exclusive property and shall not be copied or communicated to any third party by Customer without Kaeser's express, prior written consent. Immediately upon termination of this Agreement, or upon Kaeser's demand, all such designs, drawings, information, and materials, together with any and all copies thereof, shall be returned to Kaeser.

16. ENVIRONMENTAL AND SAFETY REQUIREMENTS

Because compliance with the various national, federal, state, and local laws and regulations concerning occupational health and safety, environmental protection, and pollution are affected by the use, installation, and operation of Equipment and other matters over which Kaeser has no control, Kaeser assumes no responsibility for compliance with those laws or regulations, whether by way of indemnity, warranty, or otherwise.

17. DISPUTES

If any dispute arises between Customer and Kaeser in connection with this Agreement or its performance or breach or the Equipment itself (a “Dispute”), the Parties shall attempt to negotiate a resolution of the Dispute promptly, reasonably, and in good faith. If the Dispute is not resolved through such negotiations within sixty (60) days, the Parties will refer the Dispute to mediation before a mutually acceptable mediator, unless the Parties both agree not to engage in mediation. Each Party shall bear its own expenses and attorneys’ fees in connection with any such mediation, and they shall each pay one-half of the fees of the mediator. If the Dispute is not resolved through mediation within thirty (30) days after the initial session with the mediator (or such longer period, if any, as the Parties may agree upon), or if the Parties mutually agree not to engage in mediation, the Dispute shall be resolved through litigation in the Commonwealth of Virginia’s Fredericksburg or Spotsylvania Circuit Courts or in the U.S. District Court for the Eastern District of Virginia, and the Parties hereby submit to and accept the exclusive jurisdiction and venue of such courts for purposes of resolving such Dispute. Notwithstanding the foregoing, each Party shall have the right to seek interlocutory or injunctive relief in the Commonwealth of Virginia’s Fredericksburg or Spotsylvania Circuit Courts or in the U.S. District Court for the Eastern District of Virginia, pending and/or in aid of negotiation, mediation, or litigation, in the event such Party is confronted with a genuine risk that it will suffer irreparable injury. ALL CAUSES OF ACTION AGAINST KAESER ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ITS PERFORMANCE OR BREACH OR THE EQUIPMENT ITSELF WILL EXPIRE AND BE FOREVER BARRED UNLESS BROUGHT WITHIN ONE YEAR OF THE TIME OF ACCRUAL THEREOF.

18. MISCELLANEOUS

18.1 If any provisions in this Agreement shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement’s provisions, which shall remain in full force and effect. Either Party’s failure at any time to enforce any of the provisions in this Agreement or to require the other Party’s performance of any such provisions shall not constitute a waiver of such provisions. No waiver of any breach of any provision of this Agreement or of any right or remedy under this Agreement will be binding unless in writing and signed by the waiving Party. No such signed waiver of any breach, right, or remedy will constitute a waiver of any other breach of such or any other provision or of any other right or remedy.

18.2 References in these Terms and Conditions to “days” shall mean calendar days unless expressly stated otherwise. As used in these Terms and Conditions, the word “including” shall mean “including without limitation.”

19. UPDATES.

These Terms and Conditions may be modified, amended, and updated from time to time at Kaeser's sole discretion. The Agreement shall include and incorporate the version of these Terms and Conditions that is in effect at the time the Agreement is made.

THESE TERMS AND CONDITIONS WILL SUPERSEDE ANY OTHER TERMS BETWEEN THE PARTIES AND GOVERN ALL CURRENT AND FUTURE TRANSACTIONS.

TABLE 1: WARRANTY PERIODS

The following Table 1 sets forth the Warranty Period applicable for each type of new Kaeser Equipment, as referenced in Section 10.1. References below to “startup” mean startup at the original end user.

Equipment	Components Covered	Warranty Period
Sigma Rotary Screw Compressors, Sigma Screw Vacuum Pumps, and Mobilair M250E, M255E	All components, excluding maintenance items	12 months from startup not to exceed 18 months from date of shipment
	Airend, drive motor, drive motor starters, IOM, Sigma Control 2, Sigma Control Smart (M250E & M255E), Integrated "T" Series Dryers ABT series (see Kaeser Refrigerated Dryers)	24 months from startup not to exceed 30 months from date of shipment
Rotary Lobe Blower & Packages	All components excluding blower	12 months from startup not to exceed 18 months from date of shipment
	Blower, bare	24 months from startup not to exceed 30 months from date of shipment
	Blower, when purchased as part of a standard Com-PaK Plus package (effective 8/15/2006)	60 months from startup not to exceed 66 months from date of shipment
Rotary Screw Blower	All components excluding airend	12 months from startup not to exceed 18 months from date of shipment
	Airend	24 months from startup not to exceed 30 months from date of shipment
Bare Blower	Blowers (refurbished)	12 months from date of shipment
Turbo Blower	All components	24 months from startup not to exceed 40 months from date of shipment
Replacement Drive Blower Motors	All components	12 months from date of shipment
OFC Master Drive OFC Micromaster Drive Sinamics Drive	All	12 months from startup not to exceed 18 months from date of shipment
SAM 4.0	All / Controller	24 months from startup not to exceed 30 months from date of shipment

Equipment	Components Covered	Warranty Period
Kunkle Relief Valves	Initial Installation	12 months from date of shipment
Replacement Drive Motors	All	12 months from date of shipment
Replacement Coolers	All (Oil and Air)	12 months from date of shipment
Replacement Airends	New or Exchange (for warranty purposes, Exchange Replacement Airends are treated as new Equipment)	24 months from date of shipment if installed by an authorized Kaeser technician and S-460 oil is used* 12 months from date of shipment if installed by an authorized Kaeser technician and another ISO grade 46 oil is used* 12 months from date of shipment if installed by an authorized Kaeser technician and M-460 oil is used* 6 months from date of shipment if installed by end user* *please see the Sigma DIP for requirements
Replacement Controllers Sigma Basic, Sigma Control Sigma Control 2, IOM, & SAM 4.0	All	12 months from date of shipment
Replacement Drives SFC Master Drive SFC Micromaster Drive SFC Sinamics Drive	All	12 months from date of shipment
Replacement Valves		90 days from date of shipment
Replacement Parts	All else (not listed above)	90 days from date of shipment
Optional 5-Year Warranty	Extends coverage on Mobilair, IOM, motor, airend, and Sigma Control to 5 years from startup, not to exceed 66 months from the date the unit shipped from Kaeser Compressors	
Packaged Compressors	AirCenter / Airtower / Simplex or Duplex units (with dryers)	Sigma compressor, see above 24 months from startup not to exceed 30 months from date of shipment, whichever comes first

Equipment	Components Covered	Warranty Period
Custom Engineered Solutions	Enclosures, Skids, and Outdoor Modifications	2 years from the date of the original startup, where startup was performed by an authorized Kaeser representative, OR 1 year from date of delivery where startup was not performed by an authorized Kaeser representative.
Mobilair Portable Compressors	All components excluding maintenance items or what is listed above or below	30 months from date of shipment
Replacement Controllers	Sigma Control – Mobil Sigma Control – Smart Mobil	12 months from date of shipment
Battery	All	12 months from date of shipment from Kaeser Compressors
Boosters	All components	12 months from startup not to exceed 18 months from date of shipment
i.Comp		24 months from date of startup not to exceed 30 months from date of shipment
DHS Pressure Holding Valves	Actuator, Valve and High Temperature Pressure Switch	12 months from startup not to exceed 18 months from date of shipment from manufacturer
KCT Tank Mounts	All components	90 days from date of shipment
Filters	K-Series HP filters 530-28380, CR filters 20-375, HTA	12 months from startup not to exceed 18 months from date of shipment from manufacturer
	F-Series 20-11875 OME	5 years from date of shipment, parts only
Kaeser Drains	AMD 6550	4 years from date of shipment
	Eco Drains ADT TET	12 months from startup not to exceed 18 months from date of shipment from manufacturer
Condensate Management Systems	KCF i.CF	24 months from startup not to exceed 30 months from date of shipment from

Equipment	Components Covered	Warranty Period
		manufacturer
Refrigerated Dryers	Secotec, Kryosec	24 months from startup not to exceed 30 months from date of shipment from manufacturer
	HTRD, HT, TX	See Dryer Service
Desiccant Dryers	KAD, KED, KBD, KDF	See Dryer Service
	DC-HF	24 months from startup not to exceed 30 months from date of shipment from manufacturer
Breathing Air Purifiers	KBS, KBSP	See Dryer Service
Membrane Dryers	KMM	12 months from startup not to exceed 18 months from date of shipment from manufacturer
Adsorber Towers	KAT	12 months from startup not to exceed 18 months from date of shipment from manufacturer
Flow Controller		12 months from startup not to exceed 15 months from date of shipment
Kaesar Measurement Technologies (KMT)		12 months from startup not to exceed 18 months from date of shipment from manufacturer
High Capacity Modular Refrigerated Dryers	TK, TL, TM Series Dryers	2 years from date of shipment (parts and labor) Heat exchangers are covered (parts only) for an additional 3 years (total of 5 years)
SmartPipe SmartPipe+ SmartPipe XL	All components	10 years from the date of original purchase by first end user for components only Kaesar shall not be responsible for labor, travel, or mileage charges Kaesar does not warranty improper design, assembly, installation, or any modifications
Vertical Air Receivers	Tanks	12 months from the date of original purchase by first end user