CONDITIONS OF SALE

Conditions: No terms or conditions contained in any order placed with BAUER Compressors, Inc. ("BAUER") other than those stated herein, and no agreement or other understanding in any way modifying these Conditions of Sale ("Conditions") shall be binding on BAUER unless hereafter made in writing and signed by its duly authorized representative. The purchaser listed on the sales order confirmation ("Purchaser") shall be deemed to have agreed to the terms hereof by signing BAUER's credit application or upon receipt of any of the goods to which BAUER's sales quotation, sales order confirmation or invoice relates. The agreement between BAUER and Purchaser shall consist of the terms submitted with BAUER's sales quotation, sales order confirmation and these Conditions ("Agreement"). In the event of any conflict among such documents, the documents will control in the following order: (1) sales order confirmation, (2) these Conditions, and (3) the sales quotation. BAUER hereby rejects and objects to any additional or contradictory terms in the Purchaser's purchase order or other documents relating to the products.

Prices: The possession of BAUER Price Sheets by any person is not to be construed as an offer to sell the goods listed thereon at prices stated. All prices, including those on sales order confirmations, are subject to change without notice. Surcharges for unusual costs beyond the control of BAUER may be added from time to time and will be based strictly on the economic conditions that warranted the charge.

Terms of Payment: Terms are Net 30 days from date of invoice with advanced approved credit. If in the opinion of BAUER, the financial condition of the Purchaser at any time does not justify continuance of production or shipment on the terms of payment specified, BAUER may require full or partial payment in advance. Equipment held for the Purchaser shall be at the risk and expense of the Purchaser. Interest at the rate of 1.25% per month will be charged on past due invoices for a total interest rate of 15% per annum. Orders for standard product exceeding $100,000, related orders that in the aggregate exceed $100,000, or orders for multiple units for Purchaser's stock will require a down payment, at time Purchaser submits order, in the amount of 30% of the total order price. Purchaser may not divide, split, sequence or otherwise structure any purchase into multiple orders for the purpose of avoiding the down payment requirement. For purposes of this provision, BAUER, in its sole discretion, may treat as a single order any two or more orders that are related in time, product type, destination, project or other circumstance indicating they are part of one overall purchase and Purchaser shall be required to pay the downpayment. Orders for Engineered to Order or Modified to Order (Customized) or Exported equipment require the following payment plan: 30% paid with Purchase Order; 30% paid with Approval Drawings/Documentary Submittal; 30% paid prior to Shipment and 10% paid upon installation and start-up (without regard to other payment terms on standard product). If Purchaser elects to pay any amount due with a credit card, a convenience fee of 3% of the amount being paid will be added to the payment.

Security Interest: BAUER shall have a purchase money security interest in the goods sold pursuant to the Agreement and shall have all the rights of a secured party under the Uniform Commercial Code as it has been adopted in Virginia.

Delivery

(a) On sales made FOB point of shipment, goods in transit are at the Purchaser's risk and all claims for loss or damage must be filed by the Purchaser. Unless otherwise indicated, all sales are FOB point of shipment (Norfolk, VA unless otherwise indicated).

(b) BAUER shall not be liable for any delays or defaults hereunder by reason of fire, floods, acts of God, labor troubles, inability to secure raw materials, acts of government, pandemics, or other causes beyond its reasonable control. In the event of such a delay, the date of delivery shall be extended for a period equal to the time lost by reason of delay.

(c) Freight and packaging are not part of the sales price unless specified on the order. The Purchaser is responsible for all packaging costs related to shipment. BAUER is not responsible for shipping damage, whether concealed or visible, and any claim must be filed with the carrier.

(d) In the absence of a shipping address provided to BAUER by Purchaser, in writing, BAUER will ship to the Purchaser's "bill to" address on file with BAUER. Orders that the Purchaser requests to be reshipped to a different address will be shipped at the Purchaser's sole expense.

(e) Unless Purchaser takes shipment of products ordered by Purchaser upon BAUER's completion of the products, in accordance with this Agreement, at the time of BAUER's completion of the products, BAUER may invoice Purchaser for all remaining amounts due for the products and Purchaser shall pay BAUER such outstanding amounts in accordance with the terms of payment in this Agreement. (BAUER will apply all previously received deposits or payments as partial payments for the products.) In addition, Purchaser shall pay BAUER storage charges on the held products until BAUER ships the products to Purchaser. Title and risk of loss to completed products being held by BAUER shall transfer to Purchaser upon BAUER's completion of the products, subject to BAUER's purchase money security interest and regardless of the reason for delay, including but not limited to, credit hold, Purchaser arranged transportation, multiple purchased products to ship together, or Purchaser not prepared to take shipment, unless otherwise agreed in writing by BAUER and Purchaser. As a courtesy, BAUER will maintain insurance on any products stored at its facilities for a limited time, not to exceed fourteen (14) days.

Taxes: Prices are exclusive of any use, sales, excise, or similar tax, federal, state, or local, which has been or may be imposed with respect to the sale of personal property or services pursuant to the Agreement, to the extent legally permissible. Any such tax shall be the Purchaser's responsibility. Sales tax, calculated at the rate based on state in the shipping address, will automatically be invoiced unless Purchaser has provided BAUER with a completed tax exemption certificate. Purchaser shall provide such a certificate to BAUER at the time of order placement.

Acceptance and Cancellation of Orders: All orders are subject to approval and acceptance in writing by BAUER at the office of BAUER in Norfolk, Virginia. Any cancellation of orders by Purchaser after one week of placement will result in a cancellation charge of 20%. A $25 change fee will be added to any parts sales order when the change occurs after the order confirmation by BAUER.

Limited Warranty

(a) **Compressors**: BAUER warrants that its products will substantially conform to applicable drawings and specifications approved in writing by BAUER. Unless otherwise agreed upon in writing by BAUER, the reciprocating compressor products and other BAUER manufactured components are warranted to be free of defects in both material and workmanship for a period of TWENTY-FOUR (24) MONTHS FROM DATE OF INSTALLATION AND START-UP OF THE PRODUCT. START-UP/WARRANTY REGISTRATION FORMS MUST BE FILED WITH BAUER WITHIN NINETY (90) DAYS FROM DATE OF START-UP. If the registration form is not received within the ninety-day period, the warranty will be denied. In cases where BAUER products are procured for installation at a significantly later date, such as shipbuilding or construction projects, an extension to this warranty period may be negotiated for an equitable adjustment to the product price and must be agreed upon by both parties in writing. This warranty is specific to BAUER-manufactured components

only, applies only to the first Purchaser during the twenty-four-month warranty period, and may not be transferred to or enforced by any other party. Components other than those manufactured by BAUER are addressed in Paragraph (f) under "Warranty Exclusions" below. IT IS THE PURCHASER'S RESPONSIBILITY TO START UP THE PRODUCT AND VERIFY PROPER OPERATION OR IDENTIFY ANY DEFICIENCIES WITHIN THE NINETY-DAY PERIOD.

(b) **Parts:** BAUER warrants that, for a period of NINETY (90) DAYS from date of shipment from BAUER, BAUER parts shall be free of defects in both material and workmanship. This warranty is specific to BAUER parts and applies only to the first Purchaser during the ninety (90) day warranty period and may not be transferred to or enforced by any other party.

(c) **Services:** BAUER warrants that its services shall be provided in a professional and workmanlike manner and further warrants the workmanship for ninety (90) days following any service or installation job.

(d) **Warranty Service:** If, in the sole judgment of BAUER or its designated representative, the products or services do not conform to the applicable drawings and specifications approved in writing by BAUER, or are found to be defective in material or workmanship, within the applicable warranty period, BAUER will, at its option, either: (a) repair or replace the products; (b) furnish a service representative on site to correct the defects with the product or services; or (c) refund the purchase price of the products or services to the Purchaser.

(e) **Obtaining Service:** To obtain warranty service, Purchaser should contact BAUER directly at Bauer Compressors, Inc., 1328 Azalea Garden Road, Norfolk, Virginia 23502; Phone (757) 855-6006; Telefax (757) 855-8654. BAUER may, at its option, refer Purchaser to a BAUER designated representative, such as an authorized distributor, or provide Purchaser with authorized instructions to return the product to BAUER for assessment. Any product shipped to BAUER pursuant to BAUER's authorized return instructions shall be shipped to BAUER FOB at the address above or as otherwise specified by BAUER. All return freight charges incurred shall be the sole responsibility of the Purchaser.

Warranty Exclusions: This warranty does not cover or shall be void with respect to the following:

(a) Any product for which the Purchaser has not submitted to BAUER a start-up/warranty registration form within NINETY (90) DAYS of the start-up of such product.

(b) Any product which Purchaser fails to ship to BAUER within thirty (30) days of receipt of BAUER's authorized return instructions after submitting a written warranty claim to BAUER.

(c) Any defective or damaged products, parts or components resulting directly or indirectly from the use of repair or replacement parts, including filter and separator elements or oil, not manufactured or approved by BAUER, or from Purchaser's failure to store, maintain, and operate the product according to recommendations contained in the INSTRUCTION MANUAL AND REPLACEMENT PARTS LIST included with the product.

(d) Any product for which Purchaser does not have a service record book showing that regular maintenance work has been carried out utilizing Genuine Bauer Components. BAUER or its designated representative may require proof of maintenance prior to rendering any decision on the validity of a warranty request.

(e) Any alleged product defect resulting from deterioration or wear occasioned by chemical and/or abrasive action, excessive temperature or abuse.

(f) Any third-party products, software, component parts or assemblies contained in, incorporated in, attached to or packaged with BAUER products. Third party products, software, component parts and assemblies will be covered only as specified in the respective manufacturers' warranties, which will be provided to the Purchaser. Further, BAUER shall have no responsibility for any cost or expense incurred by the Purchaser due to the inability of BAUER to repair any product, software, component part or assembly under said third-party manufacturer warranty.

(g) For avoidance of doubt, BAUER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, SOFTWARE, COMPONENT PART OR ASSEMBLY, INCLUDING, BUT NOT LIMITED TO ANY (I) WARRANTY OF MERCHANTABILITY, (II) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (III) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, OR (IV) WARRANTY THAT THE THIRD PARTY PRODUCT, SOFTWARE, COMPONENT PART OR ASSEMBLY IS SECURE, OR FREE FROM ERRORS, VIRUSES, WORMS, TIME BOMBS, BACKDOORS, AND OTHER PROGRAMS OR MALICIOUS CODE THAT CAN INFECT, PENETRATE, ALTER, MISUSE, DAMAGE OR DESTROY PURCHASER'S, OR ANY THIRD PARTY'S, COMPUTERS, NETWORKS, SYSTEMS, DATA, MATERIALS OR INFORMATION. BAUER SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY COST, EXPENSE, DAMAGE OR CLAIM ARISING OUT OF, RESULTING FROM, OR RELATING TO ANY THIRD-PARTY PRODUCT, SOFTWARE, COMPONENT PART OR ASSEMBLY. PURCHASER ACKNOWLEDGES AND AGREES IT SOLELY ASSUMES ALL RISK OF KEEPING ITS SYSTEMS, DATA, SOFTWARE AND PRODUCTS (INCLUDING THOSE OBTAINED FROM BAUER) SECURE FROM VIRUSES, WORMS AND OTHER PROGRAMS OR MALICIOUS CODE, AND CYBER AND/OR SECURITY ATTACKS OR INTRUSIONS, AND AGREES THAT BAUER WILL HAVE NO LIABILITY FROM ANY OF THE FOREGOING.

(h) Wear and tear items and consumables, such as oil, belts, air/oil filters, hoses and air/oil separators, are not warrantable items. Wear and tear items and consumables are also not covered by any BAUER service agreement unless such items are specifically included in the applicable service agreement.

Additional Limitations: The warranty service and procedures described in this Agreement constitute Purchaser's sole and exclusive remedy for any claim hereunder. BAUER MAKES NO WARRANTIES, REPRESENTATIONS OR PROMISES AS TO THE QUALITY, PERFORMANCE OR OTHERWISE WITH RESPECT TO ITS PRODUCTS AND SERVICES OTHER THAN THOSE SPECIFICALLY STATED IN THIS WARRANTY. FURTHER, TO THE EXTENT PERMITTED BY APPLICABLE LAW, BAUER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. UNDER NO CIRCUMSTANCES SHALL BAUER'S LIABILITY, WHETHER BASED ON CONTRACT, TORT, WARRANTY, STRICT LIABILITY, OR ANY OTHER THEORY, EXCEED THE PRICE OF THE INDIVIDUAL PRODUCT OR SERVICE WHOSE DEFECT OR DAMAGE IS THE BASIS OF THE CLAIM. BAUER ASSUMES NO RESPONSIBILITY OR LIABILITY FOR THE SECURITY OF PURCHASER'S COMPUTERS, NETWORK OR SYSTEMS. PURCHASER ACKNOWLEDGES AND AGREES THAT THE INTERNET IS INHERENTLY INSECURE, THAT ANY COMPUTER, DEVICE OR EQUIPMENT CONNECTED TO THE INTERNET, WHETHER THROUGH A WIRELESS NETWORK, CABLE MODEM, DIAL-UP ACCESS OR OTHERWISE IS AT RISK OF BEING COMPROMISED, AND THAT ALL DATA TRANSFERS, INCLUDING ELECTRONIC MAIL, OCCUR OPENLY ON THE INTERNET AND POTENTIALLY CAN BE MONITORED AND READ BY OTHERS. BAUER SHALL NOT BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, LOSS OF USE OF FACILITIES OR EQUIPMENT, OR LOSS OF, UNAUTHORIZED ACCESS TO, OR ALTERATION, DESTRUCTION OR MISUSE OF, OR DAMAGE TO, ANY COMPUTERS, NETWORKS, SYSTEMS, DATA, MATERIALS OR INFORMATION, ARISING OUT OF, RESULTING FROM, OR RELATING TO ANY THIRD PARTY PRODUCT, SOFTWARE, COMPONENT PART OR ASSEMBLY.

Software License: Products containing software owned by BAUER are subject to the terms and conditions of the License Agreement for Embedded Software ("License Agreement") found at www.bauercomp.com, which License Agreement is hereby incorporated by reference and made part of these Conditions of Sale.

Ownership: BAUER uses its own proprietary information and intellectual property, combined with commercially available off-the-shelf products, to manufacture BAUER products. Accordingly, in the absence of an express written agreement to the contrary, signed by BAUER, BAUER reserves the right to sell any BAUER product to any of its other customers, even a product that has been designed and customized for a specific Purchaser need or purpose, to a Purchaser's specified design, or with Purchaser's design input. Any Purchaser claim of exclusivity for a particular BAUER product, or any claims of specific intellectual property or proprietary information protection asserted by Purchaser, as to any particular BAUER product, must be asserted, in writing, in advance of BAUER entering into a binding contract with Purchaser to manufacture or sell a BAUER product for the Purchaser, or any such claim will be forever waived. Nothing contained herein shall, or shall be deemed to, assign, transfer or convey any BAUER proprietary information or intellectual property, or any rights, title or interest therein, to Purchaser. BAUER expressly reserves for itself and retains all proprietary information and intellectual property, and all rights, title and interest in and to all such proprietary information and intellectual property. Purchaser shall not, and shall not authorize or cause any other person to, reverse engineer, decompile or otherwise duplicate BAUER's products, proprietary information or intellectual property.

Weights: Catalog weights are approximate and vary with equipment specifications.

Limitation of Action: Purchaser must give BAUER written notice of any claim asserted against BAUER arising out of BAUER's sale of products or services to Purchaser within ninety (90) days of any such claim arising, or the claim will be barred. Any suit must be filed within one (1) year of the claim arising, or the suit will be barred by the parties' agreement herein to a one-year statute of limitations.

Changes: Notice of changes in orders must be made and accepted in writing by BAUER. If work is in process for special equipment, Purchaser will be charged accordingly. Any sales order change requested after the date reflected on the sales order (the sales order change window) will incur a change order fee of $100 or 3% of the sales order value, whichever is greater.

Material Returned for Credit: New part returns, and warranty returns must be handled expeditiously. Goods purchased by the Purchaser may, with the written consent of BAUER, be returned under the terms and conditions of the BAUER warranty and procedures manual, provided the product is new, in unused condition, in current production and/or regularly carried by BAUER as a stocked item. Purchaser must notify BAUER of shortages in writing within ten (10) working days of receipt of product. Return of goods must be within thirty (30) days for the product to be considered for warranty or credit. Items shall be sent freight prepaid by Purchaser to a location specified by BAUER. After products have been inspected, accepted and restocked the purchase price paid by the Purchaser shall be credited less the total of the transportation cost and reasonable restocking charges, if applicable, charged by BAUER.

Minimum Billing: Orders for less than $100 net will be billed at $100 plus a $25 fee and all transportation and insurance charges.

Expediting Fee: Orders for non-warranty parts placed for same day shipment after 3:00 PM Eastern Time will carry an additional charge of $75. Courier service will be used. Same day UPS shipments terminate at 2:00 PM.

Compliance with Laws: BAUER will comply with all applicable federal, state and local laws and specifically represents that any goods to be delivered hereunder will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended.

Controlling Law: This Agreement and all claims, controversies, disputes and actions related to this Agreement or the relationship created thereby shall be governed, enforced, construed and interpreted according to the internal laws of the Commonwealth of Virginia, without regard to its choice of law principles. It is further expressly understood and agreed that this agreement shall be deemed to have been executed in the City of Norfolk, and to have been performed in the City of Norfolk, Commonwealth of Virginia.

Dispute Resolution: The parties agree to attempt to settle all disputes, controversies or claims, whether based on contract, tort, statute, fraud, misrepresentation or any other legal theory, through good faith negotiations. If such negotiations fail to resolve the dispute within fifteen (15) days of the date of the initial demand for negotiations, then the parties shall refer the dispute (except those set forth below) to final, binding arbitration in Norfolk, Virginia, under the then current Commercial Arbitration Rules of the American Arbitration Association. This provision shall apply to all claims, regardless of when those claims arose or accrued. BAUER reserves the right to bring in court any claims for equitable relief, including specifically for injunctive relief, and to bring any claims for recovery of outstanding invoices directly in court, foregoing the negotiation and arbitration otherwise called for in this paragraph. For matters not subject to arbitration, as set forth above, any action at law, suit in equity or judicial proceeding relating to this Agreement or any provision hereof (including any suit to compel arbitration) shall be instituted only in the applicable Virginia state court situated in Norfolk, Virginia or in the United States District Court for the Eastern District of Virginia, Norfolk Division. BAUER and the Purchaser hereby consent to the exclusive jurisdiction of such courts and acknowledge that such courts have personal jurisdiction over them and agree that venue is proper in those courts. BAUER and the Purchaser hereby waive the right to a jury trial in any such suit or action.

Attorney's Fees: In the event BAUER employs an attorney because of a violation of any term or provision of this Agreement by the Purchaser, the Purchaser shall pay and be liable for reasonable attorney's fees, expert fees, and court costs incurred by BAUER, including an allowance for fees required in post judgment collection efforts.

Entire Agreement: This Agreement, including the License Agreement incorporated by reference herein, sets forth the entire understanding of the parties hereto and supersedes all other agreements or representations, oral or written, regarding the subject matter of this Agreement.

Severability: Any determination that any provision hereof is illegal, or void, shall not affect the remaining provisions hereof, which shall continue in full force and effect.

BAUER Form TC(S) Rev 6/2026