



TRIQUEST NONDESTRUCTIVE TESTING CORP STANDARD SERVICE TERMS

These Triquest Nondestructive Testing Corp. Standard Service Terms (these "Terms") govern all services and deliverables provided to you ("Client") by Triquest Nondestructive Testing Corp. and its respective affiliates, subsidiaries and successors (collectively, "Supplier"). These Terms, including each Statement of Work, Work Release or Standing Work Release entered into by the parties pursuant to these Terms, constitute the entire agreement between the parties in relation to its subject matter and supersede any and all prior agreements, understandings or arrangements between them, whether oral or in writing, in relation to such matters. Supplier rejects any additional, different or inconsistent terms or conditions delivered with or contained in Client's purchase orders, order acknowledgment forms, correspondence or other standard business forms or documents, and no such terms or conditions shall alter the terms and conditions of these Terms or those of an SOW or an Order.

SCOPE OF SERVICES

Supplier shall only perform those services (the "Services") and provide those related deliverables (the "Deliverables") that are specifically described in a Statement of Work (each, an "SOW") or a Work Release or Standing Work Release (each, an "Order") signed by authorized representatives of both parties and shall not be responsible for any services, deliverables or any other matters not documented in a fully-executed SOW or Order, as applicable. Supplier will provide equipment and labor qualified to provide the Services. Any descriptions, statements, comments or representations outside of the Deliverables made by an employee or agent of Supplier in the course of performing the Services will reflect the opinion or observations of such employee/agent based solely upon data available at the time of performing the Services and will not be construed as representations, warranties or modifications to these Terms. Client shall be responsible for all engineering, repair, modification and use decisions, including, without limitation, decisions regarding the scope and frequency of inspections, the inspection techniques to be used and the codes, procedures and acceptance criteria to be followed by Supplier. Supplier will be entitled to rely upon, and shall have no responsibility for, the accuracy and completeness of all records, information, data and specifications furnished or decisions made by Client (or Client's consultants and other contractors hired by Client), government authorities, public utilities and manufacturers and suppliers of equipment, material or supplies. Supplier shall not have any responsibility for defects or limitations in any equipment, material or supplies specified or recommended by Client. Client shall provide Supplier with access to the site where the Services are to be performed and/or the Deliverables are to be provided and shall ensure that: (i) there are no encumbrances, structures or other physical barriers that would prevent Supplier from accessing the items that are the subject of the Services; (ii) such site is safe for Supplier and its employees to provide the Services and/or deliver the Deliverables and (iii) such site is compliant with all applicable laws, rules and regulations so that Supplier may perform the Services and deliver the Deliverables. The parties may only make modifications to the scope of the Services set forth in an SOW or an Order by entering into a written change order that is signed by authorized representatives of each party.

TERM; TERMINATION

Unless otherwise provided in an SOW or an Order, the applicable SOW or Order will remain in effect from the date such SOW or Order is fully executed by authorized representatives of each party until either party terminates it in accordance with these Terms or by providing the other party with at least 60 days' advance written notice. In the event of any such termination, Client shall make prompt payment for all Services and Deliverables properly performed and delivered prior to the effective date of termination.

In the event of a breach of any material term of these Terms, an SOW or an Order, the non-breaching party may immediately suspend performance of its obligations. Upon further written notice, if the breaching party fails to cure the breach within 10 business days of its receipt of written notice that sets forth the breach and proposed cure, the non-breaching party may immediately terminate any outstanding SOW or Order. If Supplier terminates an SOW or Order as a result of a Client's material breach, then Supplier shall provide to Client a final invoice for the Services and/or Deliverables performed and delivered prior to the effective date of termination. Client shall pay such amount plus the Termination Payment. The "Termination Payment" will be equal to 10% of the difference between the price or estimate, as applicable, for such Services and/or Deliverables as set forth in the applicable SOW or Order (as amended in Supplier's progress reports or change orders) and the sum of all payments made by Client, including the final invoice. Client's payment obligation shall not be subject to set-off in any manner.

Either party may immediately terminate any outstanding SOW or Order upon written notice to the other party if: (i) the other party becomes insolvent and/or fails to provide written assurance to the requesting party of its ability to pay its debts as they become due; (ii) a receiver is appointed for the other party or its property; (iii) the other party makes an assignment for the benefit of its creditors; (iv) proceedings are commenced by or for the other party for relief under bankruptcy, insolvency or debtor's relief law and not discharged within 60 days; or (v) the other party commences proceedings or takes action to liquidate or dissolve its business or attempts to do so.

PAYMENT

Unless otherwise provided in the applicable SOW or Order, Client shall pay for all Services on a time-and-materials basis pursuant to rates set forth in the applicable SOW or Order (the “Fees”). Each SOW and Order will be invoiced separately. Client shall make payments in full within 30 days of the date appearing on the face of the invoice. Thereafter, Supplier may impose a late charge of 1% of the unpaid balance of the invoice per month. Notwithstanding anything in these Terms to the contrary, Client shall compensate Supplier for costs and other overhead and expenses that are incurred by Supplier as a result of (i) delays, cancellations or postponements caused by Client; (ii) Client’s engineering, repair, modification and use decisions, including, without limitation, decisions regarding the scope and frequency of inspections, the inspection techniques to be used, the codes, procedures and acceptance criteria to be followed and additional quality assurance enhancements offered by Supplier (such as a dedicated site supervisor), in each case that are not specified or contemplated by the applicable SOW or Order; and (iii) any changes set forth in a Change Order that result in an equitable adjustment to the Fees.

ACCEPTANCE

Payment shall constitute acceptance of the Services and the Deliverables, such that Supplier is deemed to have met all requirements set forth in an SOW or an Order, as applicable. Client must identify deficiencies in the Services or the Deliverables and provide a written rejection within 15 business days of completion of the Services or receipt of the Deliverables, as applicable, for such rejection to be effective. Any rejection of the Services or the Deliverables after either payment or more than 15 business days following the date of completion of the Services or receipt of the Deliverables, as applicable, will be ineffective.

TITLE AND RISK OF LOSS

Title and risk of loss to any materials and equipment furnished by Client shall remain with Client. Title and risk of loss to materials and equipment furnished by Supplier during performance of the Services shall pass to Client upon installation if Supplier, or any person at the request or direction of Supplier, is responsible for installation under the applicable SOW or Order. Otherwise, title and risk of loss shall pass to Client upon delivery. After title passes to Client, title shall be subject to Supplier’s right to a purchase money security interest until Client has paid for such materials and equipment.

OWNERSHIP OF INFORMATION

Any work product of Supplier, regardless of when created, shall be owned by Supplier and may be used by Supplier for its own purposes. Such work product will include: (i) analytical output data and input parameters that are required to operate and maintain the facility that is the subject of the Services, and (ii) as-built configuration data, materials data and inspection parameters contained in the acceptance and pre-Service inspection procedures, calibration records and examination reports as required to support subsequent inspections and/or repairs (collectively, “Work Product”). Notwithstanding Supplier’s ownership of Work Product, Supplier hereby grants to Client a fully paid, non-exclusive, transferable, royalty-free, restricted license to use Work Product solely for purposes associated with Client’s facilities (e.g., operation, maintenance and inspection), provided that if Client requires Work Product to be disclosed to its consultants or other Suppliers, Client shall obtain the third party’s prior written agreement not to disclose or use Work Product at any time and in any manner that would compete with Supplier in the same or similar field(s) of use related to Work Product. Client shall notify Supplier of any such disclosure to a third party. Disclosure may not be made to a third party who is a competitor of Supplier without Supplier’s prior written consent.

CONFIDENTIALITY

Client and Supplier shall maintain in strict confidence all Confidential Information obtained or received by it and shall only disclose and/or use such Confidential Information as is reasonably required hereunder and/or to the extent required by applicable law. “Confidential Information” means all information provided by a party and its designated representatives to the other party, whether orally or by means of written material, including, without limitation, plans, specifications, financial or business data or projections or any other forms of business information. Notwithstanding the foregoing, a receiving party shall not have any confidentiality obligations for information that is shown to be (i) independently developed by the receiving party with no input, information or assistance from the disclosing party; (ii) lawfully obtained from sources other than the disclosing party; (iii) plainly and clearly not intended by the disclosing party to be treated as confidential information; or (iv) in the public domain. Each party shall be responsible for any breach of this section by any of its employees, agents, representatives, affiliates or subcontractors. In the event of breach of any of the provisions of this section by the receiving party, the disclosing party will be entitled to equitable relief, including in the form of injunctions and orders for specific performance, in addition to all other remedies available at law or equity. If Client uses any reports, designs, drawings or other materials provided by Supplier for any other purpose or if Client modifies such reports, designs, drawings or documents, Client shall indemnify and hold Supplier harmless from any claims or losses resulting from such use or modification.

PERFORMANCE OF THE SERVICES

Supplier shall perform the Services and provide any associated Deliverables in accordance with the relevant and applicable standard of care and consistent with the industry standards, codes, protocols or other guidelines specified in the applicable SOW or Order. If a court of competent jurisdiction determines that Supplier has breached the applicable standard of care or has otherwise failed to perform the Services and/or provide the Deliverables in accordance with the industry standards, codes, protocols or other guidelines specified in the applicable SOW or Order, Client's sole and exclusive remedy shall be corrective work by Supplier or, at Supplier's option, a refund of the amount actually paid for such Services and/or Deliverables found to be deficient. THE EXPRESS WARRANTIES SET FORTH IN THESE TERMS OR IN AN SOW OR ORDER ARE THE ONLY WARRANTIES MADE BY SUPPLIER AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. SUPPLIER HEREBY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WARRANTY AGAINST THE INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY. ANY LEGAL CLAIM MADE IN A COURT OF COMPETENT JURISDICTION ARISING OUT OF OR MADE IN CONNECTION WITH THE SERVICES AND/OR THE DELIVERABLES PROVIDED UNDER AN SOW OR AN ORDER MUST BE FILED WITHIN ONE YEAR OF THE ACCRUAL OF THE CAUSE OF ACTION. EACH PARTY ACKNOWLEDGES AND UNDERSTANDS THAT THIS ONE-YEAR LIMITATION PERIOD MAY BE SHORTER THAN OTHERWISE PROVIDED UNDER THE LAWS OF SOME STATES, INCLUDING THE STATE OF CONNECTICUT. EACH PARTY FURTHER AGREES THAT A REDUCED LIMITATIONS PERIOD OF ONE YEAR IS NECESSARY TO ENSURE THE PROPER PRESERVATION OF EVIDENCE AND WITNESSES AND TO ACHIEVE A SPEEDY AND COST-EFFECTIVE RESOLUTION OF ANY POTENTIAL DISPUTE.

INDEMNITY

Each party agrees to defend, indemnify and hold harmless the other party and its affiliates, directors, managers, partners, officers, employees, agents, representatives, successors and assigns (collectively, "Indemnitees") from and against claims of third parties for all liabilities, damages, losses, claims, costs and expenses including reasonable attorneys' and expert fees (the "Claims") to the extent that the Claims result from or arise out of a party's negligence or willful misconduct, subject to the limitations of liability stated in these Terms.

LIMITATIONS OF LIABILITY

SUPPLIER'S TOTAL LIABILITY TO CLIENT AND CLIENT'S INDEMNITEES UNDER OR IN CONNECTION WITH AN SOW OR ORDER, THE BREACH THEREOF, THE SERVICES OR THE DELIVERABLES, REGARDLESS OF THE FORM OF ACTION IN CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE FEES PAID OR PAYABLE UNDER THE APPLICABLE SOW OR ORDER UNDER WHICH THE LIABILITY AROSE REGARDLESS OF THE NEGLIGENCE OR FAULT OF SUPPLIER, ITS SUBCONTRACTORS, CONSULTANTS, THEIR EMPLOYEES OR ANY OTHER PARTY. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR ITS INDEMNITEES FOR, AND EACH PARTY RELEASES THE OTHER PARTY AND ITS INDEMNITEES FROM, ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOSSES, INCLUDING, BUT NOT LIMITED TO, DAMAGES OR LOSSES RELATING TO BUSINESS INTERRUPTIONS, LOST PROFITS, LOST BUSINESS OPPORTUNITIES, GOODWILL, REPUTATIONAL DAMAGES, LOST REVENUES, DOWNTIME, OVERHEAD EXPENSES, LOSS OF USE, BUSINESS INTERRUPTION, PRODUCTION LOSSES, DATA LOSSES OR OTHER ECONOMIC LOSSES, HOWSOEVER CAUSED, REGARDLESS OF WHETHER SUCH DAMAGES OR LOSSES ARISE OR RESULT, IN WHOLE OR IN PART, FROM NEGLIGENCE (WHETHER SUCH NEGLIGENCE BE SOLE, JOINT AND/OR CONCURRENT, ACTIVE OR PASSIVE), GROSS NEGLIGENCE, STRICT LIABILITY, CONTRACT BREACH, BREACH OF WARRANTY OR ANY OTHER THEORY OF LEGAL LIABILITY ATTRIBUTABLE TO THE OTHER PARTY OR ITS INDEMNITEES. SUPPLIER SHALL NOT BE RESPONSIBLE FOR, AND CLIENT SHALL DEFEND AND INDEMNIFY SUPPLIER AGAINST AND FOR, ANY DAMAGE, LOSS, CLAIM, INJURY OR EXPENSE INCURRED OR ASSERTED BY CLIENT OR ANY THIRD PARTY ARISING FROM OR ATTRIBUTABLE TO CLIENT'S MAINTENANCE, POSSESSION, USE OR MISUSE OF ITS OWN ASSETS, PROPERTY AND FACILITIES AND ANY PRODUCTS IT PURCHASES FROM SUPPLIER.

FORCE MAJEURE

Neither party shall be held responsible or liable for any loss, damage or delay caused by accidents, strikes, fires, floods, pandemics or other circumstances or other causes beyond its reasonable control (each, a "Force Majeure Event"). If either party discovers that it is delayed or prevented in the performance of any of its obligations under the applicable SOW or Order by a Force Majeure Event, that party shall give written notice to the other party describing the Force Majeure Event within two business days of its occurrence. The affected party shall not be liable for such delay or non-performance attributable to the Force Majeure Event, and the time for performance of the affected obligation will be extended by such period as is reasonable to enable that party, using all reasonable efforts, to perform that obligation. A party's performance under this section will be suspended only for so long as the Force Majeure Event exists. Notwithstanding the foregoing, a Force Majeure Event will not excuse Client's duty to make timely payment due under these Terms or the applicable SOW or Order.

INDEPENDENT CONTRACTOR

The parties acknowledge that in providing the Services under the applicable SOW or Order, Supplier is acting solely as an independent contractor and not as an agent or employee of Client. Neither party has the authority to bind the other to any third person, to incur any debts or liabilities in the name of or on behalf of the other party or otherwise to act in any way as the representative of the other unless otherwise expressly agreed to in writing signed by both parties. Nothing contained in these Terms or in the applicable SOW or Order is intended to give rise to, or gives rise to, a partnership, joint venture, agency, fiduciary, employment or other relationship between the parties or imposes upon the parties any of the duties or responsibilities of partners, joint venturers or employer-employee beyond the relationship of independent parties to a commercial contract.

GOVERNING LAW; VENUE

The parties agree that these Terms and any SOW or Order will be governed by and construed in accordance with the laws of the Province of Alberta without regard to its conflicts of laws principles. For any dispute arising out of or in connection with these Terms or an SOW or Order, the parties consent to the jurisdiction of the courts of competent jurisdiction situated in the province of Alberta, Canada. THE PARTIES HEREBY WAIVE ALL RIGHTS TO A TRIAL BY JURY IN CONNECTION WITH ANY CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THESE TERMS OR AN SOW OR ORDER. EACH PARTY KNOWINGLY AND INTENTIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY.

MISCELLANEOUS

In the event of a conflict between the terms and conditions of these Terms, on one hand, and the terms of any SOW or Order, on the other hand, the terms and conditions of these Terms shall control unless the conflicting term in an SOW or an Order, as applicable, specifically references the inconsistent provision(s) of these Terms to be superseded, in which case the conflicting term set forth in such SOW or Order shall control to resolve such conflict only with respect to, and for the limited purpose set forth in, such SOW or Order. Any modification of these Terms will have no effect unless expressly agreed to in a writing signed by an authorized representative of Supplier. The waiver or failure of either party to exercise any right provided for herein will not be deemed a waiver of any further right hereunder. No consent or waiver by a party with respect to any provision of these Terms will be effective unless made by a duly authorized representative of such party. If any provision of these Terms is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability will not invalidate or render unenforceable the entire Terms; rather, the entire Terms will be construed as if not containing the invalid or unenforceable provision, and the rights and obligations of each party will be construed and enforced accordingly. The express remedies set forth in these Terms and in an SOW or Order, as applicable, are the sole and exclusive remedies of the parties and in lieu of any other remedies at law or in equity. Notwithstanding anything in these Terms to the contrary, Supplier and Client agree that the terms and conditions of these Terms that by their context are intended to survive or that are expressly stated to survive will survive termination of any related agreement, including an SOW or an Order.

LIMITED WARRANTY APPLICABLE TO ALL INDUSTRIAL TRADES WORK

All industrial trades work performed by Supplier ("Trades Work"), including insulation, welding, pipefitting, electrical, painting, coating, winterization, construction, fabrication, repair, demolition and installation services, will include the following Limited Warranty (this "Limited Warranty"). Subject to the conditions and exclusions set forth below, all Trades Work will be free from material defects in Supplier's workmanship for the lesser of 12 months from the date of completion of the Trades Work (the "Warranty Period"). Client's sole and exclusive remedy and Supplier's sole and exclusive liability under this Limited Warranty will be for Supplier to repair or replace the deficiency or, at Supplier's option, to refund the amount paid for the deficient Trades Work. This Limited Warranty does not apply to materials, components, supplies, parts or goods manufactured by a party other than Supplier (the "OEM"), such as construction materials and coating products. All such materials will be governed solely by the OEM's warranty, and Client's sole recourse with respect to such materials will be under the OEM's warranty to the extent the warranty is transferrable to Client. This Limited Warranty does not apply to any damage, failure or other issues caused by Client's failure to comply with Supplier's and/or the OEM's instructions, requirements or warranty conditions.

ADDITIONAL TERMS THAT GOVERN ALL RADIOGRAPHIC SERVICES

When providing radiographic ("RT") services, Supplier will provide film/images and reports to Client as determined by Client (ex: to whom and how often film and reports should be turned in) and specified in the applicable SOW or Order. Upon receiving an RT report from Supplier, Client and/or the owner-operator shall be responsible for: reviewing the report to make sure that the correct codes, procedures and acceptance criteria are listed in the report; ensuring that Client has received all film for all views listed in the report; maintaining custody of the film and report thereafter; reviewing the film as Client and/or owner-operator deem appropriate; and advising Supplier of any issues Client has identified with the report or film no later than five business days after Client's receipt of the report. Client and/or the owner-operator shall be responsible for permanent custody of film and the final disposition of each component (ex: weld) inspected. Any film not collected by Client when the report is submitted will be disposed of by Supplier. Client and Supplier acknowledge that experienced radiographers can have differing interpretations of the same radiographic image.

ADDITIONAL TERMS THAT GOVERN ALL ADVANCED SERVICES SUCH AS SHEAR WAVE ULTRASONICS (INCLUDING TIME OF FLIGHT DIFFRACTION (TOFD)) AND PHASED ARRAY

Statements, findings, results and/or reports made or prepared by an employee of Supplier, including findings about an item meeting or not meeting code, represent the opinion of the employee based on available data at the time of the inspection and shall at all times be subject to inherent limitations of these technologies. Supplier cannot be held responsible if employees of Client or another vendor reach different opinions. Supplier recommends confirming all such opinions through a second method whenever practicable.

ADDITIONAL TERMS THAT GOVERN ALL PIPELINE INTEGRITY SERVICES

Client is responsible for making all repair, recoat, replacement and similar decisions, including decisions based on or regarding inspection results, remaining strength calculations and Client's Integrity Management Program ("IMP"). Client is responsible for determining the specific remaining strength calculation to be performed (B316, B316 modified, R strength, etc.) and the design factor to be used. Supplier cannot be responsible for selecting or making any recommendations regarding the correct calculation method or design factor. When performing calculations, Supplier's obligation shall be limited to entering data into the software and providing the calculation results to Client. Supplier does not make any representations regarding the accuracy of the data or the results of the software calculations. Client is responsible for all decisions regarding its IMP. Supplier does not make any representations regarding, and shall not have any liability for, any recommendations, proposed changes, updates and similar statements from Supplier's employees regarding Client's IMP.

ADDITIONAL TERMS THAT GOVERN ALL SERVICES PERFORMED AT AMUSEMENT PARKS, THEME PARKS AND CARNIVAL RIDES

Notwithstanding any other document to the contrary, Supplier's services at amusement parks, theme parks, carnival rides and similar facilities are always limited to performing specific tests and procedures on rails, tracks, welds and other structural components (the "Parts"). Such tests and procedures are not able to detect all flaws or defects, nor are they necessarily able to predict future failures of any such inspected Parts. Supplier does not, under any circumstances, certify or warrant that, or determine whether, rides and other equipment at amusement parks, theme parks, carnival rides or similar facilities are in good working order, are operating safely and properly, and/or comply with any federal, state, local or similar laws or regulations.

ADDITIONAL TERMS REGARDING MECHANICS' LIENS, CLAIMS, AND ENCUMBRANCES

Supplier is entitled to file mechanics' liens, claims, and encumbrances against Client's buildings, structures or land for any materials, services and/or documentation provided by Supplier to Client. By receiving performance hereunder, Client represents and warrants to Supplier that Supplier's materials, services and documentation are furnished at the request of and for the benefit of each of Client and that Supplier has received Client's authorization for Supplier to file mechanics' liens, claims, and encumbrances against the Client's buildings, structures or land. Supplier shall have no obligation if any other person or entity (including, without limitation, a subcontractor) files or causes to be filed a mechanics' lien, claim, or encumbrance against Client's property for labor and/or materials provided to Client. Supplier and Client agree that this section survives the termination, cancellation or expiration of any related agreement regarding the Services described herein.

APPLICABILITY OF THESE TERMS

TO THE MAXIMUM EXTENT PERMITTED BY LAW, CLIENT WAIVES AND RELEASES ANY AND ALL RIGHTS, CLAIMS, DEMANDS OR CAUSES OF ACTION THAT MAY OTHERWISE BE AVAILABLE AT LAW OR IN EQUITY OR GRANTED BY STATUTE TO AVOID OR DISREGARD THE ENTITY FORM OF SUPPLIER OR OTHERWISE IMPOSE LIABILITY ON ANY AFFILIATE OF SUPPLIER, WHETHER GRANTED BY STATUTE OR BASED ON THEORIES OF EQUITY, AGENCY, CONTROL, INSTRUMENTALITY, ALTER EGO, DOMINATION, SHAM, SINGLE BUSINESS ENTERPRISE, PIERCING THE CORPORATE VEIL, UNFAIRNESS OR UNDERCAPITALIZATION.

WE VERY MUCH APPRECIATE YOUR BUSINESS. SHOULD YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE PERSON FROM WHOM YOU WISH TO ORDER PRODUCTS AND/OR SERVICES.