

Terms of Sale

1. Delivery Terms

A. Unless otherwise specified in quotations, quotations are based upon our delivery of the Equipment to you EX WORKS our facility in New Iberia, Louisiana, according to Incoterms® 2020.

2. Payment Terms, Rights, and Obligations

A. Our payment terms are net due on your receipt of invoice unless these payment terms are modified in quotations or unless the Equipment will depart the continental United States, in which case we require payment in full via wire transfer prior to shipment.

B. If you fail to timely fulfill any of your payment obligations, we may take any actions we deem reasonably necessary, including without limitation: (i) suspending performance; (ii) withholding delivery and warehousing products at your expense; or (iii) canceling the order according to Section 2(D) (below). Any costs incurred by us as a result of your non-fulfillment will be payable by you. If we cancel the order according to Section 2(C)(iii), you will pay us cancellation charges including all costs we reasonably incur plus 15%.

C. If you fail to timely fulfill any of your payment obligations, we will be entitled to an extension of time for performance equaling the period of your non-fulfillment.

D. We will charge interest of 1.5% per month on all overdue invoices.

3. Invoicing and Payment

A. We will invoice you for each milestone payment or change order.

B. Our wiring instructions will be provided with all invoices. Payment by wire transfer is our preferred method of payment.

4. Invoice Disputes

A. If you dispute an invoice or a portion of an invoice, you will notify us immediately in writing. You will timely pay the undisputed portion of any disputed invoice.

B. If an invoice dispute occurs, you and Louisiana Cat will attempt to agree upon the actions necessary to resolve the dispute. As soon as any agreed, corrective action has begun, you will immediately pay the disputed invoice or any balance due.

5. Choice of law and court; waiver of right to jury trial. These terms of sale will be governed by Louisiana law, excluding its choice-of-law principles. Any litigation arising under these terms will be

conducted only in the U.S. District Court for the Eastern District of Louisiana in New Orleans. If (and only if) that federal court lacks subject-matter jurisdiction, any litigation involving this Agreement will be conducted only in the 40th Judicial District Court for St. John the Baptist, Louisiana. In any event, the parties waive any right they may have to jury trial.

6. Cancellation Policy

You may cancel an order by notifying us in writing and paying us the following cancellation charges, which are based upon a percentage of the total contract price at the stage of completion when we receive notice of cancellation:

- A. Except as provided in quotations, if you cancel the order at any time after the order is accepted by us, you will pay us 10% of the total contract price.
- B. If you cancel the order after the Equipment is released to manufacture, you will pay us 100% of the total contract price.

7. Damages

A. Unless otherwise provided in quotations, and except to the extent included within a party's contractual-indemnity obligations, neither party will be liable to the other party for remote or speculative damages; for lost profits, lost revenue, business interruption, or other loss-of-use damages; for reputational harm; for punitive or exemplary damages; or for breach-of-contract damages that the breaching party could not reasonably have foreseen on entry into any contract that results from quotations.

B. If the Equipment will be furnished by you to a third party, you will obtain from such third party a provision affording us the same protections contained in this Section.

8. Acceptance

Your signature on any quotation, or your issuance of a purchase order or other acknowledgement by you for the Equipment, will constitute your acceptance of quotations.

9. Amendments and Change Orders

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A. Quotations may only be amended with a written document signed by a representative of Louisiana Cat who has authority at least equal to the authority of the representative who signs quotations.

B. Any change orders must also be contained in a written document signed by your duly authorized

representative and accepted by us. Without a valid change order, we will not implement changes in our scope of supply.

C. As long as the parties' agreement to an amendment or change order remains pending, we may suspend the original production schedule. We will inform you of any schedule changes required to meet the change in scope of supply.

D. We will invoice you for the added cost of any change orders at the nearest milestone payment.

10. Taxes, Tariffs, and Similar Charges

A. In addition to any amounts specified by quotation, you will pay or reimburse us for the gross amount of any taxes, tariffs, duties, or similar charges applicable to the price, sale, or delivery of any products or services furnished by us.

B. If you claim any exemption of the foregoing, you will furnish us with evidence of the exemption that is acceptable to the relevant taxing authorities.

11. Additional Terms and Conditions

A. Unless otherwise agreed in quotation or in a duly executed amendment to quotation, you will be responsible for insuring the Equipment in transit and for installing the Equipment at its destination.

B. The prices stated in quotations are firm from the quotation date through the expiration date stated in the Introduction. Our prices will adjust to account for any manufacturer's increases if the order is not released for manufacture within sixty (60) calendar days from your order date or, if drawings for approval are required, the approved drawings are not returned and released for manufacture within thirty (30) calendar days of transmittal date.

C. For any completed order scheduled for shipment that is held, delayed, or rescheduled at your request, we may, at our sole option, ship to storage, invoice, and transfer title, all at your sole cost and risk of loss.

D. If our quotation includes commissioning and start-up services, we will absorb any increase in our cost of those services during the first twelve (12) months after the ready-to-ship date in Section 11 (below). After that, you agree that we may invoice you for any actual increase.

E. We reserve the right to correct any errors or omissions in quotations.

F. Quotations and any amendments or change orders may be executed in multiple counterparts, each of which will be an original and all of which taken together will constitute one and the same

instrument. Each party agrees that a facsimile or e-mail transmission of any signature (including a PDF) will be binding.

12. Limited Warranties and Disclaimers

A. The warranties on Caterpillar branded parts can be found at warranty.cat.com.

B. Warranty statements for other Equipment in quotations are attached to quotations or can be found on the manufacturers' websites or supplied upon request. Factory-approved dealers (such as Louisiana Cat) will administer all warranty claims in accordance with each manufacturer's warranty.

C. We do not manufacture parts we may provide in connection with our services. Any warranty on parts provided by us in connection with our services will be as specified by the manufacturer of the parts. We warrant our own services against defects for a period of six (6) months after completion of the services.

D. On our custom fabrication, Louisiana Cat warrants, to the original Buyer only, that the Goods will be reasonably free from defects in materials and workmanship for a period of twelve (12) months from the date of Buyer's first use or eighteen (18) months from our invoice date, whichever occurs

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first. This warranty is limited to defects in materials and workmanship originating with Louisiana Cat, and does not cover other losses or damages, including, but not limited to, loss or damage caused in whole or in part by: improper installation by Buyer or others; improper maintenance; improper use or application; corrosion; normal wear and tear; acts of God; operation beyond rated capacities; the use of non-genuine replacement parts, improper lubricants, or sealants; damage caused by others; or repairs made by unauthorized dealers. If our custom fabrication includes products whose manufacturers provide their own warranties for those products, those warranties will apply instead of our own, limited warranties. Under no circumstances will our liability exceed the price of our original sale.

E. Except as provided in quotations or as required by applicable law, we disclaim all other express or implied warranties, including, but not limited to: the warranty of fitness for a particular purpose: the warranty of merchantability: and the warranty against redhibitory defects.