



**TNG ENERGY SERVICES, INC.  
STANDARD TERMS AND CONDITIONS**

**DAMAGES**

It is agreed that TNG shall not be liable for loss damages or injury to well for which these services are supplied nor responsible for use of tool supplied for services or from act of any person engaged in performing services to well.

CUSTOMER assumes all responsibility for tool and service technician furnished for services and agrees to indemnify, defend, and hold TNG harmless for injuries to persons on properties resulting from that service. Well conditions, which prevent satisfactory operation of equipment, do not release CUSTOMER from responsibility for all appropriate charges.

**LOSS OR DAMAGES TO EQUIPMENT**

Damaged equipment or parts will be repaired at CUSTOMER expense. All equipment damaged beyond repair or lost in hole or lost on site will be charged at the current replacement price plus the accrued rental/usage until such time replacement is in stock of service point.

**WARRANTY**

1. TNG Energy Services, Inc. warrants all equipment, either manufactured or repaired, as well as wellhead services, for a period of 6 months after receipt of delivery for all domestic shipments or 6 months from shipping Bill of Lading date for all international shipments.
  - 1.1. If Customer uses TNG resources to install wellhead equipment that is still in the warranty period, TNG will extend the warranty period for 90 days after installation.
  - 1.2. If Customer uses TNG resources to service wellhead equipment within three (3) weeks installation, TNG will extend the warranty period for 1 year from the date of installation.
2. TNG warranty repair includes all charges for labor, transportation, re-assembly, testing, as well as rework and repair. Excluded are equipment operating charges and parts required to retrieve defective equipment.
3. TNG will honor the warranty periods as outlined above even if scheduled repairs fall beyond or outside the warranty period only if notified by the customer prior to warranty expiring.
4. TNG will not honor warranty in cases of negligent installation, operation, storage, or handling. Additionally, TNG will not honor warranty cases of Force Majeure.

**RESOLUTION OF DISPUTES**

CUSTOMER and TNG hereby agree that any disputes, controversies, claims, demands, lawsuits, or causes of action of any nature whatsoever arising out of or relating in any way to this Agreement or the products or services furnished to CUSTOMER by TNG shall be finally settled and determined through binding arbitration under the rules and procedures set forth by the International



Centre for Dispute Resolution ([www.icdr.org](http://www.icdr.org)) in effect at the time of the commencement of the matter. The number of arbitrators shall be one. The place of arbitration shall be Bakersfield, California, U.S.A. The language of the arbitration shall be English.

**APPLICABLE LAW**

CUSTOMER agrees that, during and after this Agreement, any claim, demand, lawsuit, or other legal proceeding, whether grounded in tort, contract law, or equity, shall be governed by, construed, and enforced pursuant to the laws of the State of California, U.S.A., without regard to any choice of law principals. The provisions of the United Nations Convention on the International Sale of Goods are hereby expressly disclaimed.

**CANCELLATION POLICY**

CUSTOMER agrees to pay a cancellation fee of Fifty (50) Percent of the quoted total, plus 100% of incurred shipping, and/or incurred mobilization expenses.