

MASTER SERVICE AND PARTS SUPPLY AGREEMENT

THIS MASTER SERVICE AND PARTS SUPPLY AGREEMENT (this “**Agreement**”) is made and entered into as of the [__ day of _____, 20__] (the “**Effective Date**”), by and between **LOFTIN EQUIPMENT COMPANY**, an Arizona corporation (“**Supplier**”) and [_____, a _____] (“**Customer**”). Supplier and Customer are each a “**Party**” and are, collectively, the “**Parties**.”

1. APPLICABILITY OF MASTER AGREEMENT.

This Agreement contains the general terms and conditions under which Supplier, upon request by Customer, may perform services (the “**Services**”) as more specifically described (including applicable pricing and special terms) in **Exhibit A**, attached hereto, and supply spare, replacement, and repair parts (the “**Parts**” and, together with the Services, the “**Products**”) from the list of applicable Parts set forth in **Exhibit B**, attached hereto. **Exhibit A** hereto and **Exhibit B** hereto may be updated from time to time upon written agreement executed and delivered by the Parties. Any documentation, deliverable or other tangible work product provided as part of or together with any Product is included in the definition of such Product(s) and shall be transmitted to Customer with the applicable Product.

2. WORK ORDERS; PURCHASE ORDERS.

Customer may, from time to time, order Services pursuant to one or more work orders and Parts pursuant to one or more purchase orders (whether for Services or Parts, each a “**Purchase Order**”). All Purchase Orders issued by Customer will be subject to approval and acceptance by Supplier. Supplier may accept a Purchase Order by written acknowledgement (an “**Order Acceptance**”). If Supplier rejects a Purchase Order, Supplier will notify Customer of such rejection by issuing an email or other writing within five (5) business days after receipt of the applicable Purchase Order. If Supplier fails to accept a Purchase Order within such five (5) business day period after receipt of such Purchase Order, then such Purchase Order shall be deemed to be rejected by Supplier. No terms or conditions contained in any Purchase Order or otherwise communicated by Customer unless such terms or conditions are either (a) separately agreed to in writing by the Parties; or (b) already set forth in this Agreement. In the event of any conflict between the terms of this Agreement (which shall include the terms of any Exhibit or attachment hereto) and any Purchase Order, the order of precedence shall be: (a) this Agreement; and (b) the applicable Purchase Order (and provided that any such terms shall control only with respect to the applicable Purchase Order). If any Work Orders or Purchase Orders are for multiple years, each subsequent year will be escalated by the greater of the Consumer Price Index (CPI) or 5%.

3. TERM AND TERMINATION.

3.1 Term. This Agreement shall commence on the Effective Date and shall continue until terminated as provided below (the “**Term**”).

3.2 Termination.

(a) Termination Without Event of Default. Unless otherwise specified in a Purchase order, this Agreement may be terminated by either Party, without cause, upon thirty (30) days’ written notice to the other party.

(b) Termination Upon Event of Default. This Agreement may be terminated by either Supplier or Customer by written notice to the other Party upon the occurrence of an Event of Default on the part of the other Party; provided, however, that Customer, in its sole discretion and upon the occurrence of an Event of Default on the part of Supplier described in clause (A) below with respect to one or more Purchase Order(s), Customer may elect either (i) to terminate this Agreement and all then open Purchase Orders or (ii) to terminate only the Purchase Order(s) affected by the Event of Default, in which event this Agreement and all other Purchase Order(s) shall remain in full force and effect in accordance with their respective terms. For purposes of this Agreement, an “**Event of Default**” by the other Party means either: (A) a failure by the other Party to perform any of its obligations under this Agreement, where such failure continues for thirty (30) days after its receipt of written notice of such failure (which notice will detail the circumstances of such failure); or (B) that the other Party dissolves (except for any administration dissolution that is promptly remedied), or becomes insolvent, makes an assignment for the benefit of its creditors, files a

bankruptcy petition, has an involuntary bankruptcy petition filed against it which is not dismissed within sixty (60) days thereafter, a receiver or similar officer is appointed to take charge of all or part of its assets, or it discontinues for any reason substantially all of its business.

3.3 Effect of Termination. Following termination of this Agreement (the “**Termination Date**”), no further Purchase Order shall be executed between the Parties pursuant to this Agreement; however, any accepted Purchase Order pending as of the Termination Date shall remain active and subject to fulfillment pursuant to its terms and the terms of this Agreement unless the Parties mutually agree otherwise in writing. The terms of this Agreement shall remain in full force and effect following the Termination Date until all then remaining Purchase Orders have been performed or fulfilled or such Purchase Orders are terminated upon mutual written agreement of the Parties. Following termination of this Agreement, all outstanding payment obligations through the Termination Date and for any Purchase Orders that are fulfilled after the Termination Date will continue to apply until paid pursuant to the terms of this Agreement.

4. PAYMENT TERMS.

4.1 Invoices; Payment; Interest. Supplier shall issue invoices for the Products upon shipping of Parts or fulfillment of Services. Customer shall pay all amounts set forth in Supplier’s invoices within thirty (30) days of the date of any invoice. Payments may be made by Customer via check, automated clearinghouse (ACH), Customer procurement card or other means acceptable to Supplier in its sole discretion (provided, credit card charges will incur a three percent [3%] convenience fee). Unless otherwise agreed by the Parties in writing, all amounts payable under this Agreement shall be payable in U.S. dollars. Any late or missed payment shall accrue interest at a lesser rate of 1.5% per month or the maximum rate permitted under applicable law, and Supplier shall be entitled to collect such interest along with all other amounts due accruing and owing under this Agreement. If any litigation or collection action becomes necessary, in addition to the foregoing, Supplier shall be awarded reasonable attorneys’ fees and expenses, as well as pre and post-judgment interest.

4.2 Taxes. Customer shall be responsible for all excise, sales, use, transfer and other similar taxes and duties imposed by any federal, state, municipal or other governmental authority with respect to Customer’s purchase of the Products hereunder (collectively, “**Taxes**”). Taxes may be set forth on the applicable invoice or separately invoiced by Supplier. If Customer claims exemption from any Taxes, then Customer will provide Supplier with appropriate documentation required by the applicable state or local tax authority to certify or evidence such exemption; provided, that Customer shall remain and be responsible for any such Taxes improperly represented as exempt by Customer, and Customer shall indemnify and defend Supplier for any and all obligations (including penalties, fines and interest) for such Taxes.

4.3 Credits. If a credit to the customer is applicable, it will be applied to the original invoice listed in the description if it has not already been paid.

5. PRODUCTS.

5.1 Products. The Products to be provided by Supplier are identified in the applicable Purchase Order. Supplier will only provide Products to Customer that are in strict conformance with the terms of this Agreement and the applicable Purchase Order.

5.2 Delivery, Title and Risk of Loss. Unless otherwise specified in a Purchase Order, all Products will be delivered FOB Supplier’s shipping point. Unless otherwise agreed in writing, including a Purchase Order, Supplier shall designate the carrier for shipping, and shall invoice Customer for reasonable shipping and handling charges. Title and risk of loss for the Products will pass to Customer upon shipping to Customer’s.

5.3 Products Inspections. Upon receipt of the Parts by Customer or completion of the Services by Supplier, Customer shall perform inspections to confirm that the Products (and all deliverables incident to such Products) conform to the requirements set forth in this Agreement and the applicable Purchase Order. If Customer has not notified Supplier in writing of any defect or non-conformity in such Products within three (3) business of delivery of Parts or completion of Services, such Product shall be deemed accepted by Customer.

5.4 Services. Emergency services between scheduled services dates will be provided at published rates in effect at the time of service for labor, parts, and travel (see exhibit 1). Travel rates will be only for travel to locations accessible by public roads. Lodging and other miscellaneous expenses shall be billed at cost. The customer or customer's authorized agent shall maintain a regular record of service for review. Record of customer-performed service shall be kept and made available to servicing agent at time of scheduled maintenance call. Insofar as practical, the servicing agent shall maintain a complete service history. It is agreed that this agreement covers only those items outlined and that it does not include any expense to repair damage caused by abuse, accident, theft, acts of a third person, forces of nature, alteration of equipment, or improper operation. The Servicing Agent agrees to maintain a representative stock of replacement parts and a competent factory trained service organization. The Servicing Agent shall not be responsible for failure to render the service due to causes beyond its control, including strikes, labor disputes, acts of God, etc., or any incidental or consequential damages. After each inspection, the customer will be furnished a written report detailing conditions found and advising further service, if necessary, to assure operational dependability of the equipment under this contract.

5.5 Cancellation. Orders placed with and accepted by Supplier may not be cancelled except with Supplier's prior written consent. Supplier may charge a cancellation charge including the actual, nonrecoverable costs incurred by Supplier.

5.6 Refunds/Credits. Goods ordered and delivered by Supplier under this Agreement are not returnable unless agreed to by Supplier. Supplier may, at its sole discretion, agree to accept Goods for return and provide credit where Goods are in new and saleable condition and presented with a copy of the original invoice. Credits for returns will be subject to up to a 25% handling/restocking charge and are limited to eligible items purchased from Supplier. Electrical components are not returnable no matter the condition of part

5.7 Warranty, Non-Conforming Products and Recall.

(a) Product Warranties. Supplier represents, warrants and covenants that, upon delivery, all Products furnished to Customer by Supplier under this Agreement will (i) be new; (ii) be delivered with good title, free and clear of any encumbrance; (iii) be in substantial conformity with all specifications published or furnished by Supplier; and (iv) comply with applicable laws of the countries in which the Products are sold. Additionally, unless otherwise specified in a Purchase Order, for a period of one (1) year, all Products furnished to Customer by Supplier under this Agreement will comply with the warranty, specifications, guidelines, quality standards, or other requirements published or furnished by Supplier.

(b) Exchange Components. Supplier Exchange Components, Other Exchange Components, and Recon: Supplier will administer the Supplier exchange component warranty and the warranties of other manufacturers' exchange components or Recon Components which are sold by Supplier. In the event of defects in such items, only manufacturers' warranties will apply.

(b) Non-Conforming Products. If a Product does not conform to the warranties in Section 5.4(a) (each, a “**Non-Conforming Product**” or, respectively, a “**Non-Conforming Part**” or a “**Non-Conforming Service**”), then, in addition to all other remedies under this Agreement, Customer will have the following remedies with respect to such Product:

(i) Authorized Return or Replacement of a Non-Conforming Part. At Supplier's option, Supplier may either repair or replace a Non-Conforming Part; in either case, where return of the Non-Conforming Part is required, such return shall be made only upon written authorization from Supplier and in accordance with the process, procedures, and instructions directed by Supplier; or

(ii) Remedy of Non-Conforming Service. At Supplier's option, Supplier may rework, reperform, or otherwise correct a Non-Conforming Service.

In either case, remedy for such Non-Conforming Product shall be at Supplier's expense; provided that Supplier shall only pay for or reimburse return delivery charges for Parts where Supplier has authorized such return delivery, in advance and in writing, and Supplier has followed Suppliers instructions and directions for such return delivery.

6. LIMITATION OF LIABILITY. EXCEPT FOR SUPPLIER'S INDEMNIFICATION OBLIGATIONS SET FORTH IN THIS AGREEMENT (THE "EXEMPT CLAIMS"), NEITHER PARTY, NOR THEIR AFFILIATES OR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR REPRESENTATIVES BE LIABLE FOR ANY SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, MULTIPLE OR CONSEQUENTIAL DAMAGES (INCLUDING ANY DAMAGES RESULTING FROM LOSS OF USE, LOSS OF DATA, LOSS OF PROFITS, LOSS OF SAVINGS, LOSS OF BUSINESS OR OTHER ECONOMIC LOSS) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. INDEMNIFICATION.

7.1 Supplier Indemnification Obligation. Supplier shall, at its expense, defend, indemnify and hold harmless Customer and its directors, officers, principals (partners, shareholders or holders of an ownership interest, as the case may be), employees, representatives and agents (the "**Customer Indemnified Parties**") from and against any and all claims, judgments, losses, damages, demands, payments, fines, costs, expenses (including reasonable attorneys' fees and court costs), liabilities and recoveries of any nature or description incurred by a Customer Indemnified Party arising from or relating to the following: (i) any personal injury or property damage caused by the willful or grossly negligent acts or omissions of Supplier or any Supplier personnel; and (ii) any breach by Supplier of this Agreement.

7.2 Customer Indemnification Obligation. Customer shall, at its expense, defend, indemnify and hold harmless Supplier and its directors, officers, principals (partners, shareholders or holders of an ownership interest, as the case may be), employees, representatives and agents (the "**Supplier Indemnified Parties**" and, together with the Customer Indemnified Parties, the "**Indemnified Parties**") from and against any and all claims, judgments, losses, damages, demands, payments, fines, costs, expenses (including reasonable attorneys' fees and court costs), liabilities and recoveries of any nature or description incurred by a Supplier Indemnified Party arising from or relating to the following: (i) any personal injury or property damage caused by the acts or omissions of Customer or any Customer personnel, or resulting from Customer's use or application of the Products; (ii) any premises liability; and (iii) any breach by Customer of this Agreement, including the breach of any representation, warranty, covenant or other agreement contained in this Agreement.

7.3 Process. The Indemnified Party shall notify Supplier or Customer (respectively, and as applicable, an "**Indemnifying Party**") promptly in writing (not later than five calendar days) of the occurrence of circumstances that result in a claim for which it seeks indemnification, and the Indemnified Party and Indemnifying Party shall cooperate in the defense of such claim; provided, however, that the failure of the Indemnified Party to provide timely notice pursuant shall not relieve an Indemnifying Party of any indemnification obligations hereunder except to the extent that such delay results in material prejudice to such Indemnifying Party's ability to defend such claim. Notwithstanding anything to the contrary herein, the Indemnified Party may retain separate counsel at its own expense to monitor or participate in the defense of any third-party claim for which such Indemnified Party is seeking indemnification from and Indemnifying Party. An Indemnifying Party will not, without the prior written consent of the Indemnified Party (such consent not to be unreasonably withheld or delayed), settle any third party-claim for which such Indemnified Party is seeking indemnification from such Indemnifying Party.

8. MISCELLANEOUS.

8.1 Subcontracting. Supplier shall have the right to subcontract its obligations under this Agreement, but such subcontracting shall not relieve Supplier of any obligation or responsibilities under this Agreement, and Supplier shall be fully responsible and liable for any liability to Customer caused by such subcontractors and any breach by such subcontractors of the terms or conditions of this Agreement or applicable law.

8.2 Governing Law; Venue; Attorneys' Fees and Costs. The rights and obligations of the Parties under this Agreement shall be governed by and interpreted, construed and enforced as a sealed instrument in accordance with the internal Laws of the State of Arizona, without giving effect to its principles of conflict of Laws, and without reference to the U.N. Convention on Contracts for the International Sale of Goods, the application of which is hereby

excluded. The Parties hereby submit to the exclusive jurisdiction of the State or Federal Courts located in Maricopa County, Arizona with respect to the adjudication of any dispute or controversy, and expressly waive any objecting to the laying of venue in such forums. The prevailing Party in any action to enforce its rights under this Agreement shall be entitled to recover its reasonable attorneys' fees and costs incurred for such action.

8.3 Force Majeure. In the event that either Supplier is prevented from performing, or is unable to perform, any of its obligations under this Agreement due to any act of God, fire, casualty, flood, war, strike, lock out, epidemic, riot or insurrection (each, a "**Force Majeure Event**"), and if Supplier has used all reasonable efforts to avoid such Force Majeure Event and minimize its duration, then Supplier's failure to perform shall be excused and the time for performance shall be extended for the period of delay or inability to perform due to such Force Majeure Event.

8.4 Severability; Remedies; Waiver. In the event that any one or more provisions contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The remedies contained in this Agreement are cumulative and in addition to any other remedies available to a Party at law or in equity. Each Party's failure to enforce, or waiver of a breach of, any provision contained in this Agreement shall not constitute a waiver of any other breach or of such provision.

8.5 Notices. All notices, demands, requests and other communications which may be or are required to be given, served or sent by any Party to any other Party pursuant to this Agreement shall be in writing and shall be delivered by hand delivery (including delivery by local courier); commercially recognized overnight or express courier service (such as FedEx, UPS, or DHL) with deposit receipt; or electronic mail with system verification of sending, in each case addressed as follows:

If to Supplier: Loftin Equipment Company
1220 N 52nd Street
Phoenix, AZ 85008
Attn: Rod Dode
Email: rdode@loftinequip.com

and Loftin Equipment Company
6113 Brittmoore Rd.
Houston, TX 77041
Attn: Amanda Durand
Email: adurand@loftinequip.com

If to Customer: At the address listed below with Customer's signature _____

Each Party may designate by notice in writing a new person or persons or a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication made in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes upon receipt if delivered by hand delivery, the next business day if delivered by overnight courier, the same day if delivered by electronic mail, or at such time as delivery is refused by the addressee upon presentation.

8.6 Entire Agreement; Headings; Amendment; Counterparts and Electronic PDF Signatures. This Agreement, together with Customer's signed credit application and any Purchase Orders executed pursuant to this Agreement, is the complete and exclusive statement of the contract between Supplier and Customer with respect to the subject matter of this Agreement, and supersedes any prior written or oral agreement regarding the same subject matter. The headings in this Agreement are for convenience of reference only and have no legal effect. No waiver, consent, modification, amendment or change of the terms contained in this Agreement shall be binding unless in writing and signed by a duly authorized representative of the Parties. This Agreement and any Purchase Order(s) may be executed in counterparts, each of which will constitute an original and all of which will constitute one agreement. The Parties agree that they will accept signature by electronic transmission in portable document format (PDF) in lieu of original signatures and that this Agreement and any Purchase Order(s) will have the same binding and enforceable effect with electronic PDF signatures as they would have with original signatures.

8.7 Relationship of Parties. This Agreement is only intended to create an independent contractor relationship and is not intended to create any other relationship such as a partnership, franchise, joint venture, agency or employment relationship. Neither Party may act in a manner which expresses or implies a relationship other than that of independent contractor, nor may either Party bind the other Party.

8.8 Drafting of Agreement; Contract Interpretation. The Parties have jointly participated in the negotiation and drafting of this Agreement. In the event of an ambiguity or question of intent or interpretation arises, the Master Agreement shall be construed as if jointly drafted by the Parties and no presumption, inference or burden of proof shall arise favoring or disfavoring a Party by virtue of authorship of any or all of the Agreement provisions. Ambiguities, inconsistencies or conflicts in the Agreement will not be strictly construed against either Party, but will be resolved by applying the most reasonable interpretation under the circumstances, giving full consideration to the Parties' intentions at the time the Agreement was entered into and common practice in the industry. All references in this Agreement to "including" or "includes" or words of similar meaning, shall be deemed to be immediately followed by the words "without limitation," regardless of whether such words are actually included.

8.9 Confidentiality. Supplier and Customer shall not during the Term, as well as for a period of five (5) years following the expiration or earlier termination of the Term, disclose any of the terms of this Agreement to any third-party without the prior written consent of the other party. Notwithstanding the foregoing, the parties may, without the prior written consent of the other party, disclose the terms of this Agreement: (a) as reasonably necessary to its employees, representatives, affiliates, attorneys, accountants, management agencies, partners, consultants, financial advisors, insurance, brokers, carriers and existing and prospective lenders and purchasers of the Property ("Permissible Parties"), so long as such Permissible Parties agree to be bound by the confidentiality provisions of this Section; or (b) as required by law.

8.10 Third Party Beneficiaries. Except with respect to the Indemnified Parties, this Agreement is intended for the sole and exclusive benefit of the Parties and their authorized successors and assigns, and is not intended to benefit any third party, and only the Parties (including their authorized successors and assigns and, as applicable, the Indemnified Parties) may enforce this Agreement.

8.11 Insurance. Both Parties shall obtain and maintain on a continuous basis such insurance which is sufficient in nature, scope and amount to cover any liability it may incur in connection with the performance of its obligations pursuant to this Agreement, including, at a minimum:

(a) Workers' Compensation and Employers Liability, in the amounts and with the limits as required by Law in the State in which the work is to be performed and elsewhere as may be required under applicable law;

(b) Commercial General Liability (including Premises - Operations, Independent Contractors, Products/Completed Operations, Broad Form Property Damage, Contractual Liability (including Liability for Employee Injury assumed under a Contract), and Explosion, Collapse and Underground Coverages), with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

(c) Automobile Liability, which includes coverage on all owned, hired and non-owned vehicles and contractual liability coverage (including liability for employee injury assumed under a contract), with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; and

(d) Commercial Umbrella Liability, with limits not less than \$5,000,000 per occurrence and \$5,000,000 in the aggregate.

All insurance policies shall be issued by an insurance company with a Best's Rating of no less than A- (Excellent) and Best's Financial Size Category of no less than Class VII. Customer shall be added as ADDITIONAL INSURED on all liability policies. All policies shall be endorsed to reflect that it is primary and non-contributory as to the Customer as an additional insured and will not be canceled, materially changed or non-renewed without at least thirty (30) days' advance written notice to Customer. Supplier shall first pursue recovery for loss or damage covered by any of the insurance maintained by Supplier before pursuing recovery against Customer. The amount of insurance required

under this Section shall not be construed to be a limitation of the liability on the part of Supplier. The carrying of insurance described shall in no way be interpreted as relieving Supplier of any responsibility or liability under this Agreement. Upon request, Supplier shall submit all requested certificates of insurance to Customer.

8.12 Survival. Any and all provisions in this Agreement which would reasonably be expected to be performed, in whole or in part, after the termination or expiration of this Agreement shall survive and be enforceable after such termination or expiration, including any provisions relating to confidentiality, representations and warranties, indemnification, limitations of liability, effects of termination, insurance, governing law and forum.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been executed by each Party's duly authorized representative to be effective as of the Effective Date.

CUSTOMER:

[_____]
a(n) _____

SUPPLIER:

LOFTIN EQUIPMENT COMPANY,
an Arizona corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address:

EXHIBIT A

Services

EXHIBIT B

Parts