QUOTATION

July 17, 2017

Deer Park Water Treatment Plant 2117 East X Street Deer Park, Texas 77536



San Antonio

1211 Arion Parkway, Suite 100 San Antonio, TX 78216

Austir

1340 Airport Commerce Dr. Suite 450 Austin, TX 78741

Dallas

6029 W Campus Circle Drive, Suite 100 Irving, TX 75063

Fort Worth

2951 Northern Cross, Suite 201 Fort Worth, TX 76137

Houston

12650 Directors Drive, Suite 600 Stafford, TX 77477

TACLA 00072449C

Attention: Nicholas Cook

This proposal is for the labor and materials to perform the following scope:

- Freight and Delivery of 6LR-13A Flowserve Pump.
- 2 Million GPM like for like replacement pump.
- We will pull old pump and leave at jobsite unless you want us to recycle it for you.
- We will set and laser align new pump.
- We will run test and inspect new pump for any issues.
- We will remove all trash from the jobsite.
- Lead Time 12-14 weeks.

*This job was bid using the Tipps Buyers Board pricing. Contract # 1032615

Exclusions:

Any materials or parts other than the ones mentioned above.

This agreement does not include any additional parts or repair labor. Parts and labor for additional work will be quoted at our standard labor and material rates and approved by the customer before work will begin. This quote is for work performed during regular working hours (Mon - Fri, 7am - 4pm). Work performed outside these hours will require an additional charge.

Regulated by The Texas Department of Licensing and Regulation, P. O. Box 12157, Austin, Texas 78711 1-800-803-9202, 512-463-6599

Texas AirSystems, LLC. Terms and Conditions Sale of Parts, Devices and Services

Company: The Company as used herein shall mean Texas AirSystems LLC.. or one of its subsidiaries or affiliates as elsewhere stated herein (herein after "Texas AirSystems" or "Company").

Price Policy: Prices of the goods may be increased depending on the date of release and/or shipment of the order, announced increases in the Company's list prices, or increases in labor and material cost. Quotes are valid for a maximum period of 30 days unless otherwise noted.

Terms of Payment: Terms of payment are subject at all times to prior approval of the Company's credit department. Terms of payment are net 30 days of the date of invoice unless previously otherwise agreed in writing. If at any time the financial condition of the Purchaser or other circumstance affecting the credit decision, in the Company's opinion, does not justify continuance of production or providing of products, or shipment of products on the terms of payment specified, the Company may require full or partial payment in advance, or may at its sole discretion stop or delay production or shipment of products. In the event of default in payment, Purchaser agrees to pay all costs of collection incurred by Company including but not limited to collection agency fees, attorney fees and court costs. All past due amounts shall bear interest at the highest rate allowed by law. Texas AirSystems retains all rights to enforce lien and/or claim opportunities in accordance with respective states and federal laws to protect Texas AirSystems interests.

Shipping terms and dates: All shipments will be made F.O.B. factory or Texas AirSystems warehouse with freight as quoted. Shipment dates are only estimates. No contract has been made to ship in a specified time unless in writing, and signed by an officer of the Company.

Claims: The responsibility of the Company for all shipments ceases upon delivery of goods in good order to the carrier. Since all goods are shipped at Purchaser's risk, any claims for damage or shortage in transit must be filled by Purchaser against the carrier. Claims for factory shortages will not be considered unless made in writing to the Company within ten (10) days after receipt of the goods and accompanied by reference to the Company's bill of lading and factory order numbers.

Taxes: The amount of any present or future taxes applicable to the product shall be added to the price contained herein and paid by the Purchaser in the same manner and with the same effects as if originally added thereto. If Customer is exempt in accordance with law, Customer shall provide Texas AirSystems with acceptable tax exemption certificates.

Cancellations: Accepted orders are not subject to cancellation without the Company being reimbursed for any and all expenses, and being indemnified by Purchaser against any and all loss.

Returned Goods: Goods may not be returned except by permission of an authorized Company official at Irving,

Texas, when so returned will be subject to handling and transportation charges. Authorized return goods must be shipped prepaid to the location designated by the

authorization. A Texas AirSystems "Return goods Authorization" must be fully completed and authorized by Texas AirSystems for all returned goods. Terms of Sale: Sale of goods covered hereby to Purchaser is made solely on the terms and conditions set forth herein, notwithstanding any additional or conflicting terms and conditions that may be contained in any purchase order or other form or purchase, all of which additional or conflicting terms and conditions are hereby rejected by the Company unless agreed upon in writing by an officer of the Company. No waiver, alteration or modifications of the foregoing terms and conditions shall be valid unless made in writing and signed by an authorized official of Texas AirSystems, LLC. In particular and without limiting the foregoing, not withstanding anything to the contrary in Purchaser's purchase order or any other documents, the Company does not accept any order subject to project design and specifications. Purchaser agrees to accept full and sole responsibility to determine whether the product ordered by Purchaser meets the design and specifications requirements of any project.

Asbestos and Hazardous Materials: Texas AirSystems services expressly exclude any indemnification, abatement, cleanup, control, disposal, removal or other work connected with asbestos or other hazardous materials (collectively, "Hazardous Materials"). Should Texas AirSystems become aware of or suspect the presence of Hazardous Materials, Texas AirSystems may immediately stop work in the affected area and shall notify customer. Customer will be responsible for taking any and all action necessary to correct condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims, liability, fees and penalties, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Texas AirSystems. Texas AirSystems shall be required to resume performance of the services only when the affected area has been rendered harmless.

Indemnity: Texas AirSystems shall not in any event be liable to the customer or to third parties for any incidental, consequential, indirect or special damages, including but not limited to, loss of property or equipment use or efficiencies or loss of profits or revenue arising from any cause what so ever including, but not limited to any delay, act, error or omission of Texas AirSystems. In no event shall Texas AirSystems be liable for any damages resulting from mold, fungus, bacteria, microbial growth, or other contaminates or airborne biological agents. In no event will Texas AirSystems liability for direct or compensatory damages exceed that payment received by Texas AirSystems from customer for the specific product/part from this specific sales order under this agreement.

Available only in the United States:

Equal Employment Opportunity/Affirmative Action Clause: Texas AirSystems is a federal contractor which complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250

This agreement is governed and construed in accordance with the laws of the State of Texas.

Limited Warranty: Defective parts must be returned to Texas AirSystems or one of its authorized factory locations within 10 days. Failure to return parts and obtain a Texas AirSystems' "RETURNED GOODS AUTHORIZATION" (RGA) number will void and the purchaser will be issued an invoice by Texas AirSystems for the "fair market value" of said parts. Contact Texas AirSystems for RGA number and return parts to "ship to" location. The Company warrants that it will provide free replacement parts in the event any product manufactured by Company and used in the United States proves defective in material or workmanship for a period of twelve (12) months from date of shipment. Goods not manufactured be the Company but also sold under this agreement are warranted only to the extent that the manufacturer warranted them to the Company and or directly to the Purchaser. The Company does not provide warranty for consumable items (e.g. filtration devices). The Company's liability to the Purchaser shall not exceed the lesser of the cost of correcting defects in the goods or the original purchase price of the goods, and the Company shall not in any event be liable to buyer or third parties for any delays of special, indirect, or consequential damages. Replacement parts must be maintained and serviced per manufacturer recommendations or warranty is voided. The Company's warranty does not apply to any goods which have been opened, disassembled, repaired, or altered by anyone other than the Company or its authorized service representative or which have been subjected to misuse, misapplication, or abuse. The Company is not obligated to pay any labor or service costs for removing or replacing parts, or any shipping charges. Refrigerants, fluids, oils, and expendable items such as filters are not covered by this warranty. This parts warranty and any optional expended warranties are granted only to the original user. Company's duty to perform under any warranty may be delayed, at Company's sole option, until Company has been paid in full for all goods purchased by Purchaser. No such delay shall extend the warranty period. For additional consideration the company will provide an extended warranty(ies) on certain goods or components thereof within the terms of the warranty certificate(s). To obtain assistance under this limited warranty please contact the selling agency. To obtain information or to gain factory assistance, contact: Texas AirSystems, LLC., Warranty Parts Department, 6029 W. Campus Circle, # 100, Irving, TX 75063; (972)-570-4700. THIS WARRANTY CONSTITUTES THE PURCHASER'S SOLE REMEDY. IT IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. THERE IS NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL TEXAS AIRSYSTEMS, LLC. BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER THE THEORY BE BREACH OF THIS OR ANY OTHER WARRANTY, NEGLIGENCE, OR STRICT TORT.

The Company must receive a start-up information report for Goods containing motor-compressors, VFD's, fan motors, rotating assemblies, electronic controllers and/or furnaces. The registration/start-up form must be completed and returned to the Company within ten (10) days of original equipment start-up date and ship date will be deemed the same for warranty determination. No person (including any agent, salesman, dealer or distributor) has the authority to expand the Company's obligation beyond the terms of this express warranty, or to state that the performance of the product is other than published by the Company. At the sole discretion of the company, parts may be examined or tested to determine cause of fail.

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