**Company Date-06/17/10**

**Mail Address Quote# EPS61710**

**City, State, Zip  
Attn.**

**Email**:

**Subject: Operational Spares**

In regard to your request for pricing for Subject Item we can offer the following options for you and your client at this time. Our quote number for these items is Quote #; please reference it in all future correspondence to this quote.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Subject** | | | | | | |
| **Item** | **Description** | **Part Number** | **Ship In:** | **Qty** | **Unit Price** | **Extended Price** |
| 1 | 2 yrs Op. Spares LM2500 + | OP2500 |  | 1 | 1,400,000.00 | 1,400,000.00 |
| 2 | 2 yrs Op. Spares LM6000 | OP6000 |  | 1 | 1,600,000.00 | 1,600,000.00 |
| **Total in US "$" Dollars =** | | | | | | **$3,000,000.00** |

**TERMS:**

Currency: The above is quoted in U.S.D. “$” Dollars.

Payment: 100% at time of placement of order, via wire transfer to Energy Parts Solutions, LLC’s US Bank Account instructions for wire transfer will be supplied at time of order, payments must be received for processing to occur.

Delivery: In accordance with the above quoted time period,A.R.O.

All parts are subject to prior sale or production schedule.

Shipping: Is not included, Ex-Works, Sedalia, MO, USA, as per Incoterms 2000.

Taxes, etc: Sales tax, tariffs, duties, etc. are not included in the above quotation.

Validity: The pricing on this quote is valid for thirty (30) days dependent on current supply at time of order, and may be modified are withdrawn by Energy Parts Solutions, LLC. prior to an acceptance of a purchase order.

Thank you for giving us the opportunity to supply a quotation. We look forward to future opportunities in supplying you equipment, parts, repairs, and services if needed. If you have any

questions, concerns, or would like to place an order, please do not hesitate to contact me.

Respectfully,

***Bob Dodson***

Bob Dodson

**Director**

**Energy Parts Solutions**

BD/rd

Enc.

cc:

**Check out our websites with the following links:**

[***www.energy-parts.com***](http://www.energy-parts.com)[***www.proenergyservices.com***](http://www.proenergyservices.com)

**TERMS AND CONDITIONS – SALE OF EQUIPMENT**

**DEFINITIONS:** As used in these Terms and Conditions or associated Purchase Order, the term “Equipment” shall mean the equipment, parts, materials and services that Seller agrees to supply; the term “Seller” shall mean ENERGY PARTS SOLUTIONS, LLC or any one or more of its affiliates or subsidiaries; and the term “Buyer” shall mean the person or entity purchasing the Equipment.

**ENTIRE AGREEMENT:** Unless otherwise agreed to in writing by Seller and Buyer, these Terms and Conditions shall apply to the sale of any Equipment by Seller and Seller specifically objects to any additional or different terms contained in any form or other document utilized by Buyer. No such additional or different terms shall apply and these may not be varied, supplemented or amended by any such document, conduct, prior representation, course of dealing or usage of trade.

**VALIDITY:** The price and delivery stated in Seller’s proposal will remain valid for a period of thirty (30) days. If Buyer has not accepted any such proposal by issuing an acceptable Purchase Order within the validity period, the stated price and delivery shall be subject to adjustment by Seller.

**TAXES:** No amount is included in the price for any excise, privilege, use, sales, or other foreign, federal, state or local taxes or assessments. The price shall be increased to include, and Buyer agrees to indemnify and protect Seller from, any such taxes or assessment for which Seller may be liable to pay with respect to the sale of the Equipment.

**PAYMENT:** Payment shall be in U.S. Dollars without offset, back charge, retention or withholding. In the event that payment is due on the occurrence of any milestone event, including the completion of any percentage of the work to be performed, and such occurrence is delayed by Buyer through no fault of Seller, such payments shall be due when the event would have occurred had such delay not intervened. Invoices shall become due upon receipt. Payments made later than ten (10) days from Buyer’s receipt of invoice shall be subject to a late penalty of one and one-half percent (1 ½%) per month. At the request of Seller, Buyer agrees issue an irrevocable letter of credit for the payment of the purchase price on terms and issued by a bank acceptable to Seller.

**CHANGES:** Buyer shall be entitled to make such changes in the specifications of the Equipment as shall be agreed between Seller and Buyer. Within a reasonable time after submission to Seller by Buyer, Seller will advise Buyer of any change in the specified price and shipment date. Seller shall be entitled to proceed with its performance under the original specifications of the proposal until such change is authorized in writing by Buyer and accepted by Seller.

**SHIPMENT:** Unless otherwise agreed to in writing by Buyer and Seller, the Equipment will be shipped ex-Seller’s facility, Sedalia, Missouri, on or about the specified shipment date and delivery to the carrier shall constitute delivery to the Buyer for all purposes including risk of loss. Title to the Equipment shall pass to Buyer upon Seller’s receipt of the full payment of the purchase price under the Purchase Order. Any freight charges quoted in this proposal are estimates only and are subject to revision for freight and other transportation charges that are actually incurred by Seller. If Buyer retains Seller to provide transportation to jobsite, Seller will act as Buyer’s agent to contract with qualified carriers and insure the Equipment for its full value during shipment. Seller may require Buyer to issue a separate purchase order and require payment of the estimated charges in advance of the shipment. Seller shall refund any underpayment. In no event will Seller be responsible for damages to Buyer caused by transportation delays.

The shipment date specified in any proposal is based on anticipated shop loading at the time of the proposal and is subject to confirmation at the time the proposal is accepted by Buyer. In the event that all of any part of the Equipment will be shipped out of the continental limits of the US by Seller, all fees and expenses relating to the export shipment, taxes, tariffs, fees and expenses relating to importation into the country of destination, and all necessary applications, licenses, authorizations and documentation shall be the sole responsibility of Buyer. Seller shall prepare consular documents according to Buyer’s instructions but shall have no liability resulting from any incorrect information furnished by the Buyer.

**DELAYS:** The shipment date and price specified are subject to adjustment for any delay resulting from: (i) Buyer’s failure to furnish Seller with any Buyer supplied components, data, shipping instructions, approved drawings or change orders as required, (ii) any changes to the specifications made at Buyer’s requests, (iii) Buyer’s delay in paying an invoice, (iv) Buyer’s convenience, or (v) force majeure. In the event of

any such delay, the shipment date will be automatically extended for a period not less that the duration of the delay. Buyer shall pay Seller any additional costs incurred by Seller as a result of the delay and a reasonable rate for storage of the Equipment during such delay.

**WARRANTY:** Repair & Replacement Parts Warranty. Seller warrants all new and refurbished parts to be free from defects in material or workmanship for a period of 12 months from installation and operation; 8,000 operating hours; or, 18 months from completion, as evidenced by final invoice, whichever is less.  Seller additionally warrants for a similar time period that parts supplied by Seller will be free from defects in design, if the part provided is designed, re-designed, or re-engineered by Seller from a third party design.  Seller further warrants that all work completed will be performed in accordance with current industry standards.

**REMEDY:** Customer’s sole remedy under any applicable Warranty shall be correction by Seller at its expense of any Warranty defect. Seller should be promptly notified in writing of any claims under this Warranty. Seller reserves the right to examine all parts claimed to be in breach of Warranty. No allowance will be made for repairs or alterations made by others without Seller’s written consent or approval. If it is not possible or otherwise impractical to remedy any Warranty defect, Seller’s sole obligation shall be to refund compensation received for such non-conforming portion of the parts.

**LIMITATIONS:** Seller assumes no responsibility for damages caused by improper installation or by operation of any warranted components in violation of its rated operating condition, intentional or otherwise, or by improper handling or maintenance. THE WARRANTIES PROVIDED EXCLUSIVE AND NO OTHER WARRANTIES OF ANY KIND, WHETHER STATUTORY, EXPRESS, OR IMPLIED SHALL APPLY, including any implied warranties of merchantability or fitness for any intended purposes.

**CANCELLATION:** Should the Purchase Order be canceled by Buyer for any reason other that the termination for Seller’s material breach, Buyer shall pay Seller for all costs and expenses incurred and commitments made, plus an amount equal to Seller’s expected profit on such order or, at Seller’s option, Seller may retain all amounts paid as of such cancellation date as liquidated damages.

**LAW AND VENUE:** The Purchase Order will be interpreted according to the laws of the State of Missouri (notwithstanding its choice of laws). Any dispute between the parties shall be resolved in any federal or state court located in Missouri or Texas.

**FORCE MAJEURE:** Seller shall not be responsible for any failure or delay in delivery due to causes beyond its reasonable control, including but not limited to acts of God, fire, strike, flood, military authority, government regulation or priority rating, embargoes, or shortages of raw Equipment, components or labor. In the event of such delay, the delivery date shall be extended for a period of time equal to the time of such delay.

**CODES AND STANDARDS:** Seller specifically takes exception to any requirement to conform to any unidentified state, county, municipal or other local codes or standards. Seller will prepare comments and exceptions to the technical provisions of such codes or standards when accompanied by Buyer’s written description of the applicable sections. The parties agree to comply with all laws and regulations applicable to the sale of the Equipment under the Purchase Order.

**LIMITATION OF LIBILITY:** In no event shall Seller be liable for any claim, whether based in contract or tort, including the negligence of Seller, in an amount in excess of the Purchase Order price for the Equipment. Under no circumstances shell Seller be responsible for any incidental or consequential damages including, but not limited to loss of use, downtime, loss of profits or revenue.

**INDEMNITY:** Buyer shall forever indemnify, defend and hold Seller harmless from and against any and all liabilities, claims, demands, suits, losses, damages, costs and expenses (including reasonable attorney fees and court costs) resulting from the use, operation and/or ownership of the Equipment after delivery of the Equipment by Seller to Buyer, including, but not limited to, bodily injury to or death of any person, or damage to or destruction of any property.

**EXPORTATION:** In respect to exportation Energy Parts Solutions, LLC is obligated under the laws and regulations of the United States to only ship to non-embargoed nations and will take exception to direction by any buyer’s purchase order and or contract to ship to embargoed countries and will reject any and all purchase orders and or contracts to do so and will not be held liable for any financial liabilities incurred by a buyer.