



Suite 300, 500 – 4th Avenue SW | Calgary | AB | T2P 2V6

Re: 72" x 10' S/S 50PSI FKOD
RFP: Stock Packages

We are pleased to submit our firm proposal to supply the above referenced equipment in accordance with the following commercial terms and technical documents.

Argo Sales LP thanks you for the opportunity to quote on your requirement.

Should you have any questions please call the undersigned at (403) 999-8931.

Regards,

Derek Gardner
Argo Sales LP

/EDZ

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Manufacturing
925 23rd Street SW
Medicine Hat, Alberta T1A 8R1
Tel: (403) 526-3142

Office
Suite 300, 500 – 4th Avenue SW
Calgary, Alberta T2P 2V6
Tel: (403) 265-6633

1.0 COMMERCIAL

1.1. Scope

To supply pricing for one (1) New, Stock 72" x 10' 50PSI Flare Knock Out Drum Package per attached Argo Sales LP Drawings. Pricing and exceptions contained herein.

1.2. Base Pricing

Item 1.2.1: New, Stock 72" x 10' 50PSI Flare Knock Out Drum Package **\$73,168 Each**

1.3. Delivery

Allow approximately **1 week** after receipt of order. Subject to:

- Work on hand at time of order.
- Expedient receipt of material from supplier.
- Additional options requested by customer

1.4. Terms

- Buyout Canadian Funds
- Package is E.X.W. Medicine Hat, Alberta
- Bid Validity 30 days
- All Applicable Taxes are Extra

1.5. Payment Milestones

Terms of payment are net 30 days on progress invoicing:

100% on Readiness to ship

1.6. Cancellation Schedule

10% After Receipt of Purchase Order

1.7. Warranty

Material and workmanship – 18 months from completion or 12 months from shipment.

CLARIFICATIONS AND DEVIATIONS

- Quoted price based on Argo Sales LP. standard fabrication practices. If the customer has additional specification requirements, please provide a copy for review as it may impact on the final equipment cost and/or delivery.
- The client is responsible for ensuring quoted equipment meets end user requirements.
- The quotation includes two-dimensional drawings only, any additional requirements beyond this will be charged out.
- One electronic copy of data book included in quotation. Data book content as per Argo Sales LP. standard index.
- Process conditions are not reviewed - all sizing is by customer. Instrumentation and valves will be provided as shown in the drawings, the customer must review these and inform of any errors. Ultimately, it is the responsibility of the client to determine whether these products are suitable for the intended application. Price may change for any changes required to instruments or valves.
- All costs for shipment of equipment and placement on site to be by others.
- MTRs provided for wetted materials only.
- Surface preparation and paint applied to external surfaces of equipment only. The underside of skid is excluded from this specification. Equipment mounted on skids prior to surface preparation and painting will be painted where is (i.e. under vessel baseplates, pedestals, etc, will not be painted).
- All sandblasting performed may use silica sand medium.
- If vessel or piping has been internally coated, the blinds are sacrificial and not coated with Devco 253, excluding vessel manway blind. This is to be coated.
- Unless explicitly stated, there is no containment barrier, sump/drain, ladders, or platforms included on skid.
- Unless explicitly stated, the building does not include engineered fall protection clips or removable panels. FES and heat loss calculation have not been considered.
- Unless explicitly stated, piping price does not include stress analysis, piping registration, or PWHT.
- Stainless Steel Instrument Tags are not included in price, they can be provided for \$50.00 per tag installed, and \$25 per tag supplied.

- Additional items not explicitly mentioned in the body of this proposal and attachments are not assumed to be included in the price nor assumed to be agreed to. It is the client's responsibility to review this proposal and attachments in their totality and inform Argo of any issues prior to the award.

SPECIFIC EXCLUSIONS

- VDDR/ITP Review.
- Storage/Storage related handling & moving.
- Spare Parts.
- Internal Coating of Valves.
- Modification.

ATTACHMENTS

- STK132 P&ID, Rev.0 07-11-2024 - JMR_MC
- STK132 LAYOUT ASBUILT

TERMS AND CONDITIONS

1. Acceptance

1.1 Acceptance of the Customers order as on page one is expressly conditional upon the Customers acceptance of the foregoing terms and conditions of sale. Any additional or different terms proposed by the Customer are not acceptable unless expressly agreed to in writing by ARGO Industries LP hereafter referred to as "ARGO".

1.2 All orders are subject to final acceptance by ARGO and no order is binding on ARGO unless an authorized Confirmation has been sent to the Customer by ARGO.

1.3 All orders are subject to Customer credit approval and prior sale.

1.4 ARGO shall not be held responsible nor take any liability for regulatory or company specific requirements beyond those specified within the accepted confirmation of order/quote.

2. Quotation and Prices

2.1 Quotations are subject to acceptance within 15 days from our stated quotation date.

2.2 Prices quoted are based on receiving complete orders for the quantities specified in ARGO's quotation.

2.3 Prices are Ex Works Point of Origin (Packaged and ready for shipment, customer to provide loading and transport, See Section 9). ARGO reserves the right to invoice customer for all finished material ready for shipment when held at Customers request or for other reasons beyond ARGO's control.

2.4 Change Orders or scope of work changes are subject to additional billing with the Customer responsible for the related costs of such items.

2.5 Payment is due OAC NET 30 DAYS from invoice date. Subject to GST and PST where applicable.

2.6 All orders are subject to proportional increases in prices quoted commensurate with any increase in cost to the seller of materials, parts, and labour.

2.7 ARGO reviews all specifications provided to us. However, ARGO cannot accept responsibility for any omissions made in our quotations which are not in compliance. We require that Customers review the quotation for compliance to their specifications and request a quotation revision for any errors/omissions ARGO may have made.

3. Delivery

3.1 All promises of shipment are estimated as closely as possible based on the availability of materials and labor at the time and are expressly subject to change due to delays resulting from carriers, subcontractors, receipt of materials, or any other cause or causes beyond reasonable control.

3.2 If additional information or drawing approval is required, promise of shipment will date from receipt of same.

4. Drawings & Design

4.1 ARGO reserves the right to make minor changes in design without notice to Customer.

4.2 Drawings or prints provided by ARGO shall not be reproduced or copied in any manner without the prior written consent of ARGO.

4.3 General arrangement drawings shall be included in the quoted price for manufactured equipment. If further changes or revisions are required after the first issue, the Customer shall be responsible for the engineering and drafting costs required to fulfill the contract.

4.5 In the case of used equipment when original drawing documents are not available; Customer shall be responsible for drafting fees required to prepare drawings as requested by the Customer.

5. Cancellation

5.1 Orders accepted by ARGO are not subject to cancellation by Customer except with the written consent of ARGO.

6. Inspection

6.1 In case of inspection requirements by third party inspection, (Customer agent or representative), unimpeded access will be provided by appointment or pre-arranged schedule for reasonable time during normal working hours when work is in progress. Third party inspectors and the resultant expense occurred, will be the Customers responsibility.

6.2 For such purposes, at the beginning of a project a prefabrication meeting must be arranged to establish inspection points and its relative location in the manufacturing and construction cycle. Also established will be mandatory hold points and lead times for notification of milestones, beyond which the work shall not proceed.

6.3 Inspectors and Customer representatives will be required to report to the receptionist. Due to the sensitivity and nature of work carried out in the shop for various clients, they will be restricted to their project areas only and will be accompanied by an ARGO representative during his / her presence in our plant. A copy of their inspection reports for each visit to be provided for our records.

7. Warranty

7.1 ARGO warranties new manufactured products to be free from defects in workmanship and materials when used in service designation for which they were designed. Field run or reconditioned items are sold with no warranty applicable. ARGO makes no warranty with respect to:

- a) mechanical or process performance.
- b) reconditioned components, repair work or parts which require replacement due to normal wear and tear.
- c) products which have been altered or repaired by anyone other than ARGO without written authorization.

7.2 This warranty does not cover deterioration by corrosion or aging, including stress corrosion or any other cause of failure other than defects in workmanship and material.

7.3 It is understood that the liability of ARGO shall be limited to repair or replacement of defective materials or workmanship and that ARGO shall not be liable for any direct, indirect or consequential damages arising out of any defects or from any cause whatsoever.

7.4 In the case of buyout items and services, the manufacturers or service provider warranty is passed on to the Customer. The Customer agrees to hold ARGO Sales harmless in the event of any liability or warranty claim and the purchasers exclusive remedy to any cause of actions (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of any products is expressly limited to the manufacturer's warranty.

7.5 If during the warranty period the Customer discovers a warranty defect the Customer must notify ARGO in writing of such defect. Upon receipt of above letter ARGO shall promptly repair or replace that portion of the product which, under the terms of the warranty, was found to be defective.

8. Assignment or Substitution

8.1 ARGO may subcontract an order, or any portion of, without the consent of the Customer.

8.2 ARGO may substitute for any make or model of product purchased from others with another make or model of equal or better quality without consent of the Customer.

9. Shipping & Storage

9.1 Permits, loading, cargo insurance and transport shall be the responsibility of Customer. Unless advance loading arrangements have been determined and authorized by ARGO, transport trucks SHALL BE EQUIPPED TO LOAD EQUIPMENT WITHOUT ASSISTANCE as no provision for loading has been included in quotation pricing. ARGO will, at our discretion, assist with loading of smaller equipment.

9.2 Equipment shall be readied for shipment and be held in the Point of Origin yard. Equipment that remains in yard beyond 60 days from release date shall be subject to monthly storage fees determined by ARGO effective on the 61st day.