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Attn: \_\_\_\_\_

Re: Express Pipeline, LLC  
Surplus Equipment Sale  
Lot ID# \_\_\_\_\_

Dear \_\_\_\_\_ :

Express Pipeline, LLC ("EPLLC") accepts the offer of \_\_\_\_\_ ("BUYER") for the purchase of the surplus material stored at EPLLC's facility located at Buffalo Station, MT in accordance with the following terms and conditions.

1. BUYER agrees to pay and EPLLC agrees to accept the lump sum amount of \$\_\_\_\_\_ in certified funds for the surplus pipe located at Buffalo Station, MT and offered for sale on Lot# \_\_\_\_\_. **The entire sum of \$\_\_\_\_\_ is payable at the time this agreement is executed by Buyer, and is a precondition to final execution, and in any event must be furnished before any material can be removed.** Payment must be received within ten (10) days of the date noted on this contract.
2. Representatives of BUYER and EPLLC must agree to the quantities and work out any discrepancies prior to commencement of pick up operations. Any discrepancies will be adjusted to the satisfaction of both parties prior to removal activities.
3. EPLLC MAKES NO REPRESENTATIONS AS TO THE MATERIAL, AGE, CONDITION, OR QUALITY OF THE SUPRLUS MATERIAL AT THE ABOVE MENTIONED LOCATION. THE MATERIAL SOLD HEREUNDER IS SOLD "AS-IS, WHERE-IS" WITHOUT WARRANTY. EPLLC EXTENDS NO WARRANTIES, WHETHER STATUTORY, EXPRESS, OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

4. As appropriate, representatives from BUYER and EPLLC shall meet at a predetermined EPLLC location, at which meeting BUYER will furnish EPLLC with a schedule of the days and hours it intends to conduct the pick up operations, the names of the persons who will be involved, and the name of an authorized representative of BUYER who will supervise the pick-up operation.
5. BUYER will complete removal and clean-up operations by **November 15, 2013**. In the event the material is not removed within the time frame specified, barring any weather related delays, which will be agreed to by EPLLC and BUYER, EPLLC shall be entitled to any of the following individually, or in sequential combination, to be exercised in a commercially reasonable manner:
  - a) Charge storage at the rate of \$250.00 per week for material remaining to be picked up. Use of this option results in rental charges based on each week or any part thereof, and will be incurred until all material is moved which will remain the responsibility of the BUYER, is completed;
  - b) EPLLC may terminate this agreement and resell the material in a commercially reasonable manner. In such event, EPLLC may deduct all expenses associated with the termination and the costs of making a second sale. In the event of the exercise of this option, a refund will be made to BUYER equal to the amount of the purchase price paid in the second sale less the costs of termination and expenses of the second sale, such refund to be payable within 90 days of the conclusion of the second sale;
6. BUYER shall provide, at its sole expense, all transportation, road bonds and permits, labor, equipment, and supervision necessary to load and remove all material purchased from the EPLLC location. BUYER will be responsible for keeping all roads involved in the project clear of mud and other debris as per local, state and federal requirements. BUYER will also be responsible for any associated fines. All persons and equipment engaged in the performance of said work shall be solely the responsibility of BUYER.
7. BUYER shall not be permitted to use cutting torches in any removal or clean-up operations unless BUYER has received prior written consent from EPLLC. Such consent may be withheld at EPLLC's sole discretion.
8. BUYER is responsible for the removal, at its sole expense, of all debris and other foreign objects from the EPLLC location. BUYER shall restore, at its sole expense, all property, public or private, and all roadways, streams, and ditches to their original condition upon the commencement of activities at the EPLLC location. The parties hereto agree that clean-up and restoration of the location to its original condition shall mean the performance by BUYER of the following:

- a) Picking up dunnage, wood, and debris caused by loading the surplus material.
  - b) Leveling and grading of the area where trucks have created ruts or ditches or any other property damage.
  - c) EPLLC retains the right to all timbers and dunnage deemed reusable by EPLLC's Field Representative. All other timber and dunnage being the responsibility of BUYER (even though material is actually EPLLC's and pre-existed the clean-up).
  - d) Picking up the trash, plastic caps, nails, and any other debris in the area caused by the removal process.
  - e) Picking up pieces of rust and loose coating at least five inches (5") in diameter, or of such size or configuration as to prove a detriment to the subject property, so long as such pieces can be removed by hand.
9. EPLLC shall be entitled from time to time during the performance of the work and for a period of three (3) years after final acceptance of the work to audit the books and records so maintained for this sale.
10. EPLLC requires that BUYER carry and maintain in full force and effect, until the completion of all removal activities, the following insurance coverage. All such insurance shall be under-written by insurance companies with a "Best Key Rating" of 7A or above. BUYER's insurance agent or carrier shall give no less than thirty (30) days prior written notice of cancellation or material change in BUYER's applicable insurance coverage:
- a) Worker's compensation ..... Statutory
  - b) Employer's Liability ..... \$500,000
  - c) Comprehensive General Liability ..... \$1,000,000  
(Combined Limit Including Contractual Liability)

- d) Automobile Liability .....\$1,000,000  
(Including Owned, Hired, or Non-owned Vehicles)
- e) Excess Liability .....\$1,000,000

**BUYER must submit a Certificate of Insurance demonstrating compliance with the above requirements before work is actually commenced.**

11. Spectra Energy and its subsidiaries, including EPLLC, have a Code of Ethics to conduct their daily business. This Code of Ethics specifies:

"Employees shall not seek or accept personal gain, directly or indirectly, from anyone soliciting business from or doing business with EPLLC, nor from any person or firm in business competition with EPLLC. Likewise, an employee shall not offer or provide anything of personal gain to any persons or organizations for the purpose of influencing their business relationship with EPLLC."

We expect our business associates to abide by the Code of Ethics and not place our employees in a compromising position.

12. BUYER shall defend, release, indemnify, protect, and save harmless EPLLC from and against any and all loss of life, loss of property, and/or injury or damage to persons or property of any person, firm, or corporation, including the parties hereto and their respective officers, agents, and employees, caused by or arising directly or indirectly out of the performance of any of the removal and/or clean-up activities and the disposition and/or reuse of the surplus material covered by this agreement.
13. BUYER must comply with EPLLC's Safety Requirements which include but are not limited to the wearing of hard hats and OSHA Certified Safety Footwear at EPLLC's established locations. A copy of these requirements is available for inspection and will be provided upon execution of this agreement. EPLLC does not condone use of alcohol or other controlled substances or any person under the influence of alcohol or controlled substances at any of its locations in conjunction with this agreement. Any person violating these Safety Requirements will be removed from the project at BUYER's sole expense and the person or persons will be replaced immediately at BUYER's expense.
14. This agreement shall be governed by and construed according to the laws of the State of Texas.

15. These paragraphs and the individual rights and obligations contained therein are several, and if for any reason an individual obligation is determined to be null or void, the remaining provisions shall remain in full force and effect to the extent possible to maintain the intent of the parties, which intention is to have a valid and binding agreement for the sale of surplus material.

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Dated: \_\_\_\_\_

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