

Standard Conditions of Sale for Equipment

All equipment, parts and software sold by CleanAir Engineering (CleanAir) shall be in accordance with the following terms and conditions.

1. Payment Terms and Pricing

- 1.1 Our standard payment terms are Net 30 days. A service charge of 1.5% per month will be added to all unpaid invoices after 30 days. Partial deliveries may be partially invoiced at our discretion.
- 1.2 Buyer shall provide a purchase order number with acceptance of this Quote or Estimate. CleanAir reserves the right to refuse fulfillment of the order until a purchase order number or other form of payment assurance is provided.
- 1.3 If at any time the Seller is not satisfied as to the creditworthiness of the Buyer it may give notice in writing to the Buyer that no further credit will be allowed to the Buyer in which event the Buyer shall be required to give advance payment. No further goods will be delivered to the Buyer other than against advance payment until such time that Seller is satisfied that Buyer has re-established creditworthiness.
- 1.4 The prices for Goods are as specified in the Seller's quotation or price list. All prices are exclusive of taxes, shipping/freight, and handling charges. All quotes are valid for 30 calendar days.
- 1.5 Payments for U.S. orders shall be made by wire transfer (preferred method), check, credit card, or any other method agreed upon in writing in advance by both parties. Any/All payments made from outside of the United States will not be accepted unless via wire transfer made in USD currency. No credit card payments over \$10,000 will be accepted. All international orders must be paid in full prior to shipment. Any/all bank charges/fees shall be paid by the Buyer.

2. Taxes

- 2.1 The amount of any present or future sales, use, excise, import duty, or other tax applicable to the sale of the Goods covered by this order will be added to the purchase price and must be paid by Buyer, unless the Buyer provides Seller with a tax exemption certificate acceptable to the taxing authority.

3. Orders and Specifications

- 3.1 The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable safety or regulatory requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance.
- 3.2 No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labor and materials used), damages, charges and expenses incurred by the Seller as a result of cancellation.

4. Intellectual Property

- 4.1 Buyer acknowledges that Seller's Goods and all intellectual property associated with same, including but not limited to patents, copyrights, software, design documents, proprietary know-how and other attributes, including site-specific customization of hardware and/or software, are the sole and exclusive intellectual property of Seller. All rights are

reserved. No intellectual property rights transfer to Buyer as a result of Seller's sale of its Goods.

- 4.2 Seller's intellectual property may not be used in any way to alter or modify, or to design improvements or modifications to Seller's Goods, or to reverse engineer or otherwise develop a competing product without prior written consent of Seller.
- 4.3 If software is purchased, Buyer is granted a nonexclusive royalty-free license to use the software in accordance with the accompanying Software License Agreement.

5. Delivery, Risk of Loss

- 5.1 All goods will be delivered FCA Seller's site per Incoterms® 2010.
- 5.2 Title to and risk of loss of all products shall pass to Buyer as soon as the products are delivered by Seller to the carrier. Each shipment date is approximate, and Seller shall not be responsible for any damages of any kind resulting from any delay in shipment or delivery of any products.
- 5.3 The Seller shall endeavor to comply with the shipping instructions given by the Buyer with its order for the Goods, but the Seller reserves the right to make partial shipments as required due to inventory availability.
- 5.4 Where the Buyer is to provide for shipment the Seller shall not be responsible for any charges resulting from failure by the Buyer to give due notice of the shipper's time of arrival.
- 5.5 The Buyer shall inspect the Goods promptly upon receipt. Any claims for defects, damages, or discrepancies must be made in writing within 6 days of delivery.

5.5.1 Unless the Buyer notifies the Seller in writing of any defects or non-conformities within the specified period, the Goods shall be deemed accepted.

- 5.6 If the Buyer fails to initiate pickup or provide shipping instructions for Goods that are ready for dispatch within one week of notification of readiness, a weekly storage fee of \$125.00 USD will be applied. This storage fee will be charged for each subsequent week until the Goods are picked up or shipping instructions are received. If Goods held by Seller after being ready for dispatch for more than one month due to non-payment or Buyer fault, Seller reserves the right to cancel the order and charge Restocking Fee and Storage Fee.
- 5.7 Force Majeure: Neither party shall be liable for any failure or delay in performance due to events beyond their reasonable control including but not limited to:
 - 5.7.1 act of God, explosion, flood, tempest, fire or accident;
 - 5.7.2 war or threat of war, sabotage, insurrection, civil disturbance or requisition;
 - 5.7.3 acts, restrictions, regulations, prohibitions or measures of any kind on the part of any governmental authority;
 - 5.7.4 strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);

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5.7.5 difficulties in obtaining raw materials, labor, fuel, parts or machinery; or power failure or breakdown in machinery.

whether caused by the negligence of the Seller, its agents or otherwise) which arise out of or in connection with the supply of the Goods or their use by the Buyer. Seller's aggregate liability will be limited to the value of the goods provided in conjunction with Buyer's purchase order.

6. Warranties and Liability

6.1 Subject to the conditions set out below the Seller warrants that the Goods will correspond with their specification at the time of delivery and will be of merchantable quality.

6.2 Limited Warranty: Seller warrants that the Goods will be free from defects in material and workmanship for a period of 12 months from the date of delivery.

6.3 Exclusive Remedy: The sole and exclusive remedy for breach of the warranty is the repair or replacement of the defective Goods at the Seller's discretion.

6.4 The Seller shall be under no liability in respect of any defect arising from wear and tear, or any willful damage, negligence, subjection to abnormal conditions, failure to follow the Seller's instructions (whether oral or in writing), misuse or alteration of the Goods without the Seller's approval, or any other act or omission on the part of the Buyer, its employees or agents or any third party.

6.5 The mixing or use of the Goods is beyond the Seller's control and accordingly all conditions and warranties, statutory or otherwise, as to fitness of the Goods for any particular purpose are expressly excluded. Subject as expressly provided in these Conditions, all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

6.6 No Goods may be returned to the Seller without prior agreement in writing of the Seller. Any Goods returned which the Seller is satisfied were supplied with defects in quality or condition which would not be apparent on inspection may be replaced free of charge or, at the Seller's sole discretion the Seller may refund or credit to the Buyer the price of the defective Goods, but the Seller shall have no further liability to the Buyer.

6.6.1 The Seller shall be responsible for the cost of Freight on any defective Goods or if the Seller is at fault for shipping the incorrect Goods. The Buyer shall be responsible for the cost of Freight in the instance of repairs from normal wear-and-tear, if the Buyer requested the incorrect Goods and requires replacement, or if the Buyer has a "change-of heart" in relation to their purchase post-delivery.

6.6.2 Any returns to the Seller due to, but not limited to, "change-of-heart" or returns based on Buyer error will result in a restocking fee of 15% based on Goods price if returned within 30 days of the original order and Goods are still their original condition, 25% if returned outside of 30 days and Goods are still in their original condition, 50% if returned within or outside of 30 days and Goods show signs of usage, and 100% if the Goods have been damaged due to improper usage or neglect regardless of timeframe of return.

6.7 Except as expressly provided in these Terms and Conditions, the Seller shall not be liable to the Buyer by reason of any representation, or any implied warranty, condition or other term for any direct or consequential loss or damage sustained by the Buyer (including, without limitation, loss of profit or indirect or special loss), costs, expenses or other claims for consequential damages whatsoever (and

6.8 The Buyer shall ensure that, except to the extent that instructions as to the use of the Goods are contained in the packaging or labelling of the Goods, any use of the Goods by the Buyer is in compliance with all applicable statutory and other regulatory requirements and that the storage and handling of the Goods by the Buyer is carried out in accordance with directions given by the Seller or any competent governmental or regulatory authority and the Buyer will indemnify the Seller against any liability loss or damage which the Seller might suffer as a result of the Buyer's failure to comply with this condition.

7. Commercial Arbitration

7.1 Any disputes between Buyer and Seller regarding this order which cannot be settled amicably by the parties hereto shall be submitted to binding arbitration in accordance with the rules, practices, and procedures of the American Arbitration Association. Any arbitration proceeding shall take place at Chicago, Illinois. The prevailing party at arbitration shall be entitled to recover as a part of the arbitrator's award all of its arbitration expenses, including, but not limited to, attorney fees, expert fees, travel costs, court reporter fees, and the like.

7.2 The laws of the State of Illinois will govern the interpretation and enforcement of this contract.

8. Miscellaneous

8.1 If any provision of these Terms and Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Terms and Conditions and the remainder of the provision in question shall not be affected thereby.

8.2 No changes, modifications or amendments to this agreement shall be valid unless agreed to by the parties in writing.

Company Name

Company Address

Name

Signature

Date