

# SAFE-AIR OF ILLINOIS INC.

## STANDARD TERMS AND CONDITIONS OF SALE

As used herein, "Safe-Air of Illinois Inc." or Safe Air shall include Dowco Products Group and Vent-Ure-Aire.

### QUOTATIONS AND ORDERS

Safe-Air provides quotations only for the specific goods described in its written quotation and does not warrant that its goods will conform to any specifications, drawings, plans or requirements other than the product description stated on its own quotation. No quotation or order is binding upon Safe-Air until the order has been accepted in writing by an authorized employee of Safe-Air at its offices in Cicero, Illinois. **SAFE-AIR'S ACCEPTANCE OF ANY ORDER IS EXPRESSLY CONDITIONED UPON BUYER'S ASSENT TO THESE TERMS AND CONDITIONS. ANY SALE BY SAFE-AIR SHALL BE SUBJECT TO THESE TERMS AND CONDITIONS.**

### PRODUCT DESCRIPTION

The product description stated on Safe-Air's Order Acknowledgment shall take precedence over any description stated on Safe-Air's quotation. Buyer's order or any other document and Safe-Air will fabricate and ship the goods described in its Order Acknowledgment unless Buyer objects in writing within one day after receipt of Safe-Air's Order Acknowledgment. In the event that (1) Buyer objects to the description stated on Safe-Air's Order Acknowledgment as provided above, (2) Buyer on the face of its order requires that drawings or designs be submitted by Safe-Air and approved by Buyer or any person on behalf of Buyer, or (3) Safe-Air submits drawings or designs for approval after acceptance of Buyer's order, the drawing or design prepared by Safe-Air and approved by Buyer or approved by any person on behalf of Buyer and transmitted to Safe-Air shall apply and Buyer agrees to accept goods fabricated in accordance with such drawing or design.

If Buyer or any person on behalf of Buyer requests any specific changes in the product description stated on Safe-Air's Order Acknowledgment or in the drawing or design submitted by Safe-Air for approval, then at its option (1) Safe-Air shall fabricate and ship the goods described in its Order Acknowledgment with the specific changes requested without any increase in price, (2) Safe-Air shall notify Buyer of the increased price resulting from the changes requested and shall fabricate and ship such goods unless Buyer objects in writing within ten days, or (3) Safe-Air shall notify Buyer that it will not furnish such goods. If Buyer objects to the increased price resulting from the changes requested or Safe-Air notifies Buyer that it will not furnish such goods, any contract for the sale of goods created under the Order Acknowledgment shall be cancelled and Buyer shall pay to Safe-Air all costs incurred by Safe-Air to date of cancellation in filling the order and a reasonable allowance for overhead and profit.

Safe-Air's obligation under any contract of sale shall be limited to furnishing the specific goods described in Safe-Air's Order Acknowledgment or the drawing or design approved by Buyer or any person on behalf of Buyer. In no event will Safe-Air be obligated to comply with the terms of any description, requirement, modification, or condition stated in any plans, specifications, laws or requirements unless such terms are expressly stated upon the face of Safe-Air's Order Acknowledgment or approved drawing or design other than by reference.

### PRICE

Except as stated herein, all prices are subject to change without notice. Prices stated in Safe-Air's written quotation will remain in effect for thirty days from and after the date of the quotation, unless written notice is given by Safe-Air to Buyer. If Buyer's order is not received by Safe-Air, released for immediate fabrication and shipment, within such thirty day period the order will be subject to prices in effect on the date of shipment.

### TAXES

Prices stated in Safe-Air's written quotation do not include sales, use, excise or similar taxes which may arise from the sale, transportation or use of goods property or the performance of services by Safe-Air. Buyer agrees to pay such taxes directly to the appropriate taxing authorities, and if such taxes are assessed against or paid by Safe-Air, Buyer agrees to pay such taxes to Safe-Air upon demand.

### TERMS OF PAYMENT

Safe-Air's standard terms are net cash due within thirty days of the date of invoice. Safe-Air reserves the right to require payment before fabrication and shipment. All past due payments shall bear interest until paid at the highest legal rate of interest per annum permitted to be charged to Buyer in accordance with applicable law. Any terms of payment other than that stated herein must be expressly agreed in writing by Safe-Air. All invoices are payable at Safe-Air's offices at 1855 So. 54th Avenue, Cicero, Illinois 60650. If Buyer fails to pay invoice when due Safe-Air may repossess the delivered goods and cease further deliveries on Buyer's order or on any other without waiving any rights it may have against Buyer.

### SHIPPING SCHEDULES AND CHARGES

Safe-Air's standard freight terms are F.O.B. point of shipment. Shipments will be made from points and by carriers and routes selected by Safe-Air and, unless otherwise agreed in writing by Safe-Air, all freight charges will be paid by Buyer. All shipping dates are estimates and date of delivery is not guaranteed. Under no circumstances will Safe-Air be liable for incidental, special or consequential losses or damages to any person due to delays in shipping and delivery, irrespective of the cause or length of such delays. Safe-Air shall be entitled to ship in lots and to bill immediately for any appropriate portion of the total selling price. If shipping is delayed beyond the scheduled shipping date at Buyer's request or convenience, Safe-Air may bill Buyer the total selling price immediately and charge Buyer for any warehousing, handling, insurance, trucking charges and all other expenses incident to such delay.

### DELIVERY, TITLE AND RISK OF LOSS

Title and risk of loss, damage or destruction of the goods shall pass to Buyer upon delivery to a carrier consigned to Buyer or upon delivery directly to Buyer, whichever occurs first; provided that Safe-Air shall retain title to such goods for security purposes only. Any claims for shipping loss, breakage or damage must be made by Buyer to the carrier.

### WARRANTY

Safe-Air warrants products of its manufacture to be free from defects in material and workmanship for a period of one year from date of shipment. This warranty shall apply only if (1) Buyer notifies Safe-Air of the alleged defect within thirty days of discovery; (2) Safe-Air receives from Buyer written notice of the alleged defect within the warranty period and (3) Safe-Air, in its sole judgement, determines that the part or product is covered by this warranty.

Safe-Air's warranty does not apply to (1) parts or products which have been improperly installed, operated, maintained or repaired; (2) parts or products which have been in any way tampered with or altered by anyone other than Safe-Air; (3) parts or products which have been misused, abused or subjected to operating conditions in excess to those for which such products were designed; (4) parts or products which

have been damaged in shipment or without otherwise fault of Safe-Air; and (5) parts or products purchased for personal, family, or household purposes.

**BUYER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY IS REPAIR OR REPLACEMENT AT SAFE-AIR'S FACTORY OF ANY PART OR PRODUCT WHICH IS COVERED BY THIS WARRANTY.** Buyer shall pay all installation, removal and transportation costs incurred in effecting performance of this warranty, and Safe-Air shall be responsible only for the cost of repairing or replacing the defective part or product at its factory. Safe-Air shall have the option of requiring Buyer, at Buyer's sole risk and expense, to return the alleged defective part or product to Safe-Air for inspection and Safe-Air's inspection will not in any way constitute an admission by Safe-Air that the part or product is covered by this warranty.

### DISCLAIMER OF WARRANTIES

**SAFE-AIR MAKES NO WARRANTY, EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY AND FITNESS, OTHER THAN THE EXPRESS WARRANTY STATED ABOVE.**

### INSPECTION OF WARRANTIES AND CLAIMS

Buyer shall inspect all goods upon receipt and such goods shall be deemed accepted by Buyer unless written notice of rejection is received by Safe-Air within fifteen days after Buyer's receipt of shipment. All claims by Buyer against Safe-Air including but not limited to claims that the goods do not conform to the product description, must be made in writing to Safe-Air within fifteen days after receipt of shipment or they are waived. Safe-Air will replace or repair, at its option, any goods not conforming to the product description only if Buyer notifies Safe-Air as stated above and only if such nonconforming goods are returned, sold, or otherwise disposed of in accordance with Safe-Air's instructions. The Buyer's right to reject nonconforming goods with goods conforming to the product description, are exclusive of all other remedies provided by law. Under no circumstances will Safe-Air be responsible for the cost of removal of any nonconforming goods or the cost of installation of any replacement goods.

### REFUNDS AND CANCELLATION

No goods may be returned to Safe-Air for credit or refund without prior written approval of Safe-Air. Any order accepted by Safe-Air may be cancelled by Buyer, either in whole or in part, only with the written consent of Safe-Air and payment of Safe-Air's cancellation charges. Safe-Air's cancellation charges will be determined solely by Safe-Air and will be based upon the costs incurred by Safe-Air as of the date of cancellation, a reasonable profit attributable to work performed as of the date of cancellation. At Buyer's request, Safe-Air will furnish a statement of such charges to Buyer prior to cancellation, but neither this provision nor the determination of cancellation charges will constitute a waiver by Safe-Air of its other rights and remedies granted hereunder or by law.

### DEFAULT BY BUYER

If Buyer defaults in the performance of any of its obligations or in the event of Buyer's bankruptcy or insolvency, the full purchase price shall immediately become due and payable upon demand by Safe-Air, or Safe-Air may, at its option and without prejudice to any other legal remedy, cancel the order and recover its cancellation charges from Buyer. Buyer agrees to pay all costs incurred by Safe-Air including reasonable attorneys fees and expenses and court costs to collect any sum owed to Safe-Air or to enforce any of Buyer's obligations created hereunder.

### AUTHORITY OF SALES REPRESENTATIVES

Safe-Air's sales representatives are independent third parties and have no authority to make any agreement, contract or understandings, or to incur any obligations or liability on behalf of Safe-Air. All orders and contracts are subject to acceptance and approval by Safe-Air at its offices in Cicero, Illinois.

### DELAYS IN DELIVERIES

Safe-Air shall not be liable for any default or for delays in deliveries due to strikes, fires, floods, wars, accidents, delays of carriers, shortages of supplies or materials, delays or default of a supplier or a contractor, government regulation, disruption due to failure of production facilities, disruption due to failure of transportation facilities or any other causes beyond Safe-Air's control. If because of any such circumstances, Safe-Air is unable to supply the total demand for goods or services, Safe-Air may allocate its available supply and personnel among itself and all of its customers, including those not under contract, in an equitable manner. If delivery of the goods sold hereunder is delayed for an unreasonable period of time because of circumstances described above, either singly or in combination, then either Buyer or Safe-Air upon thirty days written above notice may cancel the undelivered or unperformed portion of the order whereupon Buyer shall pay to Safe-Air all costs incurred by Safe-Air to date of cancellation in filling the order and a reasonable allowance for overhead and profit.

### PATENT INFRINGEMENT

If the goods sold by Safe-Air are constructed in accordance with Buyer's specifications, in accordance with designs furnished by Buyer, or in accordance with any designs or specifications other than Safe-Air's standard commercial design, or specifications, Buyer agrees to indemnify and save harmless Safe-Air from any claims arising out of any infringement of United States patent in the design construction, use or sale of such goods, and to defend at Buyer's expense any and all actions or demands based on such claims of patent infringement, including attorney's fees, judgements and costs.

### GOVERNING LAW

These terms and conditions and any sale hereunder shall be governed by the laws of the State of Illinois and Buyer submits itself to the jurisdiction of the courts of the State of Illinois regarding any disputes arising from this transaction.

### STATUTE OF LIMITATIONS

Any action for breach of contract with respect to goods sold hereunder shall be commenced by Buyer within one year after the cause of action has accrued.

### MODIFICATION AND WAIVER

These terms and conditions and all descriptions, drawings or designs stated on the face hereof or attached hereto constitute the entire agreement between Safe-Air and Buyer. It is understood and agreed that any purchase order, memorandum or other instrument issued by Buyer in connection with this transaction is for Buyer's internal use only and its terms shall be of no force and effect with respect to the transaction covered by this quotation. No modification or amendment of this agreement shall be binding upon Safe-Air unless specifically agreed in writing by Safe-Air. Safe-Air's failure to enforce any term or condition or to exercise any of its rights shall not constitute a waiver or relinquishment of any such term, condition or right and shall not affect Safe-Air's right to enforce strict compliance with these terms and conditions.