

US Water Consultants, Inc.(1/1/05)-Terms & Conditions

1. **QUOTATION AND ACCEPTANCE:** This document is an offer to sell the equipment, parts, machinery, and/or services described herein (collectively "Equipment") under the following terms and conditions and shall hereinafter be referred to as the Quotation. Acceptance of this Quotation by Buyer is expressly limited to the terms and conditions stated herein. Any changes or modifications to these terms and conditions contained herein must be expressly agreed to in writing by Seller in order to be effective. This document shall become a binding agreement upon Buyer authorization of Seller's performance for work pursuant to this Quotation. All rights and obligations of the parties hereto shall be governed by and enforced in accordance with the laws of the State of New Hampshire including the Uniform Commercial Code.

2. **COMPLETE AGREEMENT:** Upon acceptance, this Quotation, together with any other documents expressly referenced or attached hereto by Seller, shall constitute the entire agreement between the parties. Any prior negotiations, purchase order, proposals, writing, acknowledgments or other communications issued by Buyer to Seller in connection with this Quotation, whether issued prior to or after Buyer's acceptance, shall be construed to be for record and accounting purposes only and shall not be applicable or considered to be Buyer's exceptions to this Quotation. Buyer shall not have any right to cancel or change this Quotation in any manner, unless mutually agreed by both Buyer and Seller in writing..

3. **PRICE/PERFORMANCE&PAYMENT TERMS:** Stated pricing and performance criteria for the equipment quoted herein are based only on the information, parts, product samples available to Seller at the time. Buyer understands that any changes to these terms after the date of this Quotation may increase the pricing or result in additional charges. Except as agreed to in writing otherwise, payments shall be made upon completion of the work. A 2% monthly interest charge is compounded monthly on any open balances.

5. **SHIPMENT AND DELIVERY:** Seller will deliver the equipment to the Buyer's specified location. Installation is included where applicable with the note above considering ambiguities regarding assumptions and changes by the Buyer. Where the shipment of the Equipment is delayed because of reasons beyond the control of Seller, including but not limited to Buyer's inability to accept delivery, Seller may charge Buyer for any increase costs incurred as a result of the delay.

6. **WARRANTY:** Seller warrants the Equipment manufactured by Seller shall be free from defects in workmanship and material under conditions of normal use and service for a period of one year from the earlier of the date of installation or thirty (30) days from the date of delivery, whichever occurs first. Original equipment manufacturers(when applicable) supercede warranty provisions herein provided. The use of non supplier certified parts will void the equipment warranty. Exception to this is supplied only in writing by the supplier. Buyer is responsible for reasonable condition for the equipment.

THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WHATSOEVER, AND SPECIFICALLY THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, SELLER SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER WITH RESPECT TO EQUIPMENT MANUFACTURED OR SUPPLIED BY, OR SERVICES RENDERED BY, SELLER. SELLER SHALL NOT BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND ARISING FROM THE SALE OR USE OF THE EQUIPMENT SUPPLIED HEREUNDER, WHETHER SUCH CLAIM IS IN CONTRACT OR TORT. SELLER'S LIABILITY FOR DEFECTS IN THE EQUIPMENT SUPPLIED HEREUNDER IS EXPRESSLY LIMITED TO THE FOREGOING WARRANTY.

7. **RESERVATION OF SECURITY INTEREST:** Buyer grants to Seller a purchase money security interest in the Equipment and components thereof. Failure of Buyer to make any payment when due shall entitle Seller, in its sole discretion, to declare all obligations of Buyer immediately due and payable and Seller shall have all the rights and remedies of a secured party under applicable law.

8. **WAIVER:** Seller's failure to insist on performance of any term, condition, or instruction, or failure to exercise any right or privilege or its waiver of any breach, shall not thereafter waive any such term, condition, instruction, right, privilege or breach.

9. **LIMITATION OF REMEDIES:** Seller shall not be liable for any incidental, consequential, special or punitive damages arising from the sale or use of any goods purchased hereunder or the failure of Seller to perform any of its obligations to which these terms and conditions apply, whether the claims be in contract or tort, including negligence or strict liability. Seller shall not be responsible for consequential damage of any kind to facilities, equipment or other items as a result .

10. CHEMICALS, EXPOSURE AND DISPOSAL:

Seller shall not be responsible for:

- i) Any chemical exposure to buyer or others at the buyers' premises as a result of exposure for any reason.
- ii) Chemicals treated and handled by US Water Corporation's equipment and other chemicals present in the water and the air at buyers' location are the responsibility of the buyer. Knowledge is assumed known to buyer about these chemicals and their hazards. Damage to US Water Corporation employees as a result of negligence by the buyer is the responsibility of the buyer.
- iii) Disposal: Disposal of spent materials or other materials deemed non-useful shall be the responsibility of the Buyer completely. If the seller agrees to take materials away(for money or otherwise), then the responsibility of the materials disposition still remains with the Buyer.