



Innovative Hot Water Solutions

TERMS AND CONDITIONS

ACCEPTANCE

By acknowledging receipt of this order (or by shipping the goods or performing the services called for by this order). Seller agrees to the terms and conditions of sale contained in this order. Any additional or different terms or conditions contained in any acknowledgment of this order by seller shall be deemed objected to by buyer without need of further notice of objection and shall be of no effect nor in any circumstance binding upon buyer unless accepted by buyer in writing. Acceptance or rejection by buyer of any such additional terms or conditions shall not constitute an acceptance of any other additional term or condition.

NON-ASSIGNMENT

Assignment by seller of this order or any part thereof without the written consent of buyer shall be void.

QUANTITIES AND PRICES

Buyer's count shall be accepted as conclusive on all shipments not accompanied by a packing slip. Buyer reserves the right to reject and return any material in excess of the quantities specified herein. To the extent that the prices for articles or services ordered hereunder are not specified herein, the prices for the same, unless otherwise agreed by buyer, shall be those applicable to buyer's last preceding order for a comparable quantity, or if there is none such, then seller's last preceding quotation for the same.

WARRANTIES

Seller expressly warrants that all articles, parts and work covered by this order will conform to the specifications, samples or other description furnished or adopted by the buyer and shall be merchantable of good workmanship and material and free from defects. These warranties are in addition to any other warranties specified herein or implied by law and shall survive acceptance and payment in case of ambiguity in specifications, drawings or other requirements of this order. Seller before proceeding must consult buyer, whose written interpretation shall be final.

INSPECTION

All work ordered hereunder is subject to inspection and test during and after manufacture at seller's or any subcontractor's plant by buyer or its designee. However, notwithstanding such test and inspection all articles are subject to final acceptance at buyer's plant. Seller shall provide and maintain an inspection system approved by buyer. However, such approval shall not relieve seller of its obligation of adequate inspection. Buyer may reject lots of material upon its determination that samples drawn therefrom are at variance with the provisions set forth herein.

Rejected work may be returned at F.O.B. buyer's shipping point or accepted with an equitable adjustment in price. Upon rejection, seller shall immediately refund previous payments or issue a credit therefor. Rejected items may not be resubmitted for acceptance without concurrent notice referencing buyer's rejection documents.

DELIVERY

Deliveries must be made by seller in accordance with the delivery schedule specified herein. If for any reason the seller cannot or will not make delivery by the time specified, the seller shall immediately notify buyer to that effect and the reasons therefor. Buyer reserves the right to reject or return at seller's risk and expense all articles or materials shipped which are in excess of or in advance of the time specified for delivery, or to defer payment for advance deliveries until the specified delivery dates.

PATENTS

Seller agrees at its own expense to defend buyer, its customer, and users of its products and to hold them harmless, with respect to any and all claims that the articles which are not of buyer's design furnished by seller under this order infringe any letters patent, and with respect to any and all suits, controversies, demands, and liabilities arising out of any such claim.

CHANGES

Buyer shall have the right, by giving written notice to seller, to make changes in the drawings, specification, design, quantities and delivery schedule of the articles ordered. Upon receipt of any such notice, seller shall proceed promptly to make such changes in accordance with the terms of such notice. Seller shall deliver to buyer as promptly as possible a statement showing the effect of any such change on the delivery dates and prices, and an equitable adjustment shall be made in the delivery schedule.

TERMINATION

Buyer may at any time terminate this order in whole or in part for its convenience upon written notice to seller in which seller shall be entitled to reasonable termination charges consisting of a percentage of the order price reflecting the percentage of the work performed prior to termination plus actual direct costs resulting from termination.

PROPRIETARY INFORMATION

The specifications, drawings, designs, manufacturing data and other information transmitted to seller by buyer in connection with the performance of all purchase orders are the property of buyer and are disclosed in confidence upon the condition that they are not to be reproduced or copied or used furnishing information or equipment to others, or for any other purpose detrimental to the interest of the buyer.



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BUYER'S PROPERTY

Whenever seller has in its possession any of buyer's property seller shall be deemed an insurer thereof and shall be responsible for its safe return. Equipment, patterns, dies, tooling, materials, specifications and drawings supplied or paid for by buyer in connection with this order shall remain its property, shall not be used except for work performed for buyer, and upon request by buyer, shall be returned to it F.O.B., its shipping point specified on the face hereof, together with completed articles and those in process if so specified by buyer. Seller agrees that the nature of said materials, specifications, and drawings, and the purposes, for which the same are furnished by buyer to seller shall be kept in strict confidence and shall be revealed only to seller's employees to the extent necessary.

GOVERNMENT REGULATIONS

- (A) Fair labor standards act. Seller hereby certifies that Seller is in compliance with all applicable requirements of the Fair Labor standards act, as amended, and of regulations and orders issued thereunder.
- (B) Occupational safety and health act. Seller warrants that the goods to be furnished hereunder, comply with the requirements of the occupational safety and health act of 1970, as amended.
- (C) Where applicable, the parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

INDEMNITY AND INSURANCE

Seller shall defend and indemnify buyer against all damages, liabilities, claims, losses and expenses (including attorney's fees) arising out of, or resulting in any way from any defect in the goods or services purchased hereunder or from any act or omission of seller, its agents, employees or subcontractors. Seller shall maintain such public insurance (including products liability, completed operations, contractors liability and protective liability) automobile liability insurance (including non-owned automobile liability) and workmen's compensation and employers' liability insurance as will adequately protect buyer against such damages, liabilities, claims, losses and expenses (including attorneys' fees). Seller agrees to submit certificates of insurance evidencing its insurance coverage when requested by buyer.