



TERMS & CONDITIONS

INTRODUCTION: Maintenance of a satisfactory relationship between buyer and Seller demands a good understanding of the basis on which business is to be done. Accordingly, Industrial Flow Solutions (hereinafter called the "Seller") urges customers to carefully read these terms and conditions of sale, which will govern the sale and distribution of all Seller's commercial products.

QUOTATIONS: Prices quoted for domestic shipment by the Seller are firm for acceptance within 30 days and are subject to change after the "firm" period. Quotations and orders for export are to be handled by the factory except those orders originating in this country by recognized United States firms taking delivery in the United States or possessions. Export quotations are firm for 60 days and are subject to change after the "firm" period.

ACCEPTANCE: These terms and conditions of sale apply to all orders and requests for quotation accepted or acknowledged by Seller. No contract shall arise with respect to any order received from the Customer until such order is accepted or acknowledged by Seller in writing. These terms and conditions of sale, together with Seller's acknowledgement, are exclusive and shall apply in lieu of all other terms and conditions appearing on the Customer's purchase order or other Customer documentation. The Customer agrees that Seller's acceptance of the Customer's order is limited to and governed exclusively by these terms and conditions and Seller's acknowledgement. Neither Seller's commencement of performance nor shipment of goods shall be deemed to constitute acceptance of any additional or different terms and conditions proposed by the Customer. Seller's failure to object to provisions contained in any order or other document of the Customer shall not be construed as a waiver by Seller of any of these terms and conditions of sale or an acceptance of any terms and conditions of the Customer, which are hereby rejected by Seller. No course of conduct or of performance, no usage of the trade, nor any delay or failure of Seller in exercising any rights hereunder shall waive or modify and rights of Seller.

PRICING:

- a. Prices are subject to change without notice, and all shipments will be invoiced at the price in effect at the time of shipment. The only exceptions to this are customers' orders allowing immediate shipment, received, credit approved, and accepted prior to a given price change, which will be invoiced at the price in effect at the time of acceptance. Prices include the Seller's standard packing for domestic shipments. Weights shown in the catalog are approximate.
- b. Pricing of items not covered by the Seller's catalog must be referred to the factory.
- c. No price protection will be extended when shipment is held at the customer's request for longer than six months, notwithstanding the fact that the order had been previously accepted. No price protection will be extended on orders held for lack of credit approval.
- d. Price protection on purchased accessories will be in accordance with that given by the accessory manufacturer.
- e. Prices are Ex Works Seller's plant (Incoterms 2010) and are exclusive of all taxes, tariffs, duties, and other similar charges unless otherwise specifically agreed to in writing by Seller. The Customer shall be responsible for all sales, use, excise, and other taxes, tariffs, duties, and other similar charges payable in connection with the sale or delivery of the goods.

DESIGN: Prices cover the current standard design, which is subject to change or modification by the Seller. When pumps or parts are ordered for use with an existing installation, the Seller will furnish parts as nearly interchangeable as feasible. However, the Seller reserves the right at any time to discontinue the manufacture of any model or to make changes in design to add improvements to products, without incurring any obligation to furnish or install the same on products previously manufactured.

DRAWINGS: On request, the Seller will furnish, with shipment, five (5) paper prints of parts list, performance curves, and general outline prints covering the equipment or such other descriptive material as, in the Seller's opinion, may be necessary. A charge will be made for reproducible, additional lists, curves, or prints required by the customer. Detailed pattern, machine drawings. Specifications and other unpublished material will not be supplied.

TERMS OF PAYMENT:

- a. Seller may invoice the Customer at any time after goods are shipped or services rendered. Payment in full in U.S. dollars is due not later than 30 days after the date of the invoice unless otherwise specifically agreed to

in writing. All orders are subject to the approval of the Seller's credit department, and the Seller may require full or partial payment in advance. Pro rata payments shall become due as shipments are made. If the shipments are delayed by the customer for any cause, payments shall become due from the date on which the Seller is prepared to make shipment, and storage shall be at the customer's risk and expense. If manufacture is delayed by the customer for any cause, a partial payment based upon the proportion of the order completed shall become due from the date on which the Seller is notified of the delay. All invoices paid after the due date will be assessed a monthly late payment charge of 1.5%, or the maximum amount allowed by applicable law, whichever is less. This charge shall be assessed with respect to each month or portion thereof between the due date and the date of payment. The Customer shall have no right of set-off.

- b. The foregoing payment terms are subject to change at any time upon written notice in the sole discretion of Seller. With respect to goods shipped outside the United States, Seller may require payment in U.S. dollars prior to shipment of goods. If Seller has reasonable grounds for insecurity with respect to the Customer's ability or willingness to make timely payments for the goods, Seller may at any time suspend performance, decline to ship, or require advance payment in cash or other adequate assurance satisfactory to Seller. The Customer shall promptly inform Seller of any material adverse change in its financial condition or sale of the Customer's business by means of a sale of equity, assets, merger, consolidation, or similar transaction.

RISK OF LOSS: Unless otherwise agreed in writing by Seller, risk of loss shall pass in accordance with Incoterms 2010 (Ex Works), and transportation shall be at the Customer's sole risk and expense. Any claim for loss or damage in transit shall be against the carrier only unless otherwise specifically agreed to in writing by Seller.

TITLE: The right of possession of the products (or any part thereof) furnished by the Seller shall remain in the Seller until paid for in full, and the customer shall do all acts necessary to protect and maintain such right in the Seller.

DELIVERY: Seller will use reasonable efforts to meet specified or requested delivery dates, but such dates are estimates only and are not guaranteed. Seller shall, in no event, be liable to the Customer for damages or losses resulting from any delays in delivery.

CANCELLATIONS AND CHANGE ORDERS: While Seller has no desire to assess penalty, when it becomes necessary for a customer to change or cancel an order, it will be done in certain instances.

When in Seller's opinion the change or cancellation will result in excess inventory of standard parts or material, a charge of 30% of the net value of the changed or cancelled portion of the order will be made. In the case of non-standard parts, material, engineering and/or labor, a charge will be made equal to Seller's cost plus 30% for that portion which Seller cannot immediately recover by sale or return to suppliers.

CLAIMS & NOTICE OF DEFECTS: The Customer shall give written notice of rejection of any shipment or portion thereof within 30 days after the date of shipment, specifying the reasons therefor. Failure to give such notice shall be deemed a waiver of any right of rejection and any claim with respect thereto (except as to claims under the warranty) and shall be deemed an acceptance of such shipment. The Customer shall set aside and hold rejected goods until the Seller has an opportunity to inspect and advise of the disposition, if any, to be made of such goods. In no event shall any rejected goods be returned, reworked, or scrapped by the Customer without the express written authorization of the Seller.

PACKING:

- a. Normal domestic packing for air or motor freight shipment at no additional charge. Pumps 5 HP and smaller are packed in cardboard cartons, 10 HP and larger are shipped on pallets.
- b. Seller's standard export packing will be charged for at the rate of an additional two percent (2%) of the net price of the shipment. Seller's shipping terms are "F.O.B. the factory at New Haven, Connecticut". Pricing and billing terms were established based on "transportation charges collect".
- c. When prepayment of transportation charges is specified by the customer, a special handling charge amounting to five percent (5%) of the prepaid transportation charges will be made on all orders.
- d. The Seller is not responsible for damage incurred during shipment or delivery. The customer should inspect shipments upon receipt from the carrier and in event of differences, file a claim against the carrier. The Seller will gladly aid in securing claim adjustments upon request. The customer should immediately order replacement parts for those damaged. Such parts will be billed to the customer's regular account for payment. Reimbursement for damaged parts must be from the carrier to the customer based on the customer's claim.

DELAYS: The Seller will not be responsible for any delay or failure to meet a shipment date caused by circumstances beyond the reasonable control of the Seller or others including but not limited to the following: Acts of God, the government or the public enemy; riots; embargoes; strikes or other concerted

acts of work man; casualties or accidents; deliveries in transportation and shortage of cars, fuel, power, labor or material.

RETURN OF EQUIPMENT:

- a. No equipment shall be returned to the Seller without written authorization and shipping instructions first having been obtained from the Seller. In the event, such authorization is granted by the Seller, the customer must prepay the charges in full for transportation to Seller's service terminal.
- b. Credit allowed for new, undamaged equipment of current standard design will be 70% of the invoiced price or current billing price, whichever is the lesser. Equipment which, in the Seller's opinion, shows tool marks or effects of use, however slight, will not be accepted for credit. Authorization will not be given for the return of equipment which would, in the opinion of the Seller, result in an excess in the amount of stock normally carried by the Seller. For non-standard equipment not manufactured by the Seller, the only credit allowed will be such credit as may be allowed by the manufacturer of such equipment, minus all freight and other expenses incurred by the Seller in handling such equipment.
- c. Equipment must be returned within 30 days of the issuance of the returned equipment authorization.
- d. The foregoing serves only to establish procedure in the event the Seller agrees to accept the return of equipment. It shall in no way act to pre-obligate the Seller to accept the return of equipment for any reason. Unauthorized returns may be refused and/or returned to the sender freight collect.

LIMITED WARRANTY:

- a. Seller warrants to the Customer that the goods sold hereunder will be free from defects in material and workmanship for the period of 18 months from the date of delivery by the seller or 12 months from the date of installation, whichever comes first. Notwithstanding the foregoing, all prototype or beta product is sold and provided "as is" and "with all faults" and without warranty of any kind, express or implied.
 1. Seller may provide information to the Customer relating to the goods, including information regarding performance, quality, physical properties, weights, etc. Such information is intended to provide general guidance only and does not constitute any part of the basis of any contract between the parties. Such information does not constitute a guarantee or warranty.

2. Seller's sole liability and the Customer's exclusive remedy under this warranty is the repair or replacement, at Seller's option, of goods not conforming to such warranty that are, at the Customer's expense, delivered to Seller or to a person or entity specified by Seller.
 1. Products or parts thereof that are replaced or repaired under warranty during the original warranty period shall be covered under this warranty until the expiration of the original warranty period or ninety (90) days from the date of such replacement or repair, whichever is later. In any event, such extended warranty period shall not exceed ninety (90) days after the expiration of the original warranty period. Products must be repaired by a Seller authorized repair center for warranty coverage to be considered.
 2. Pump protection features such as moisture sensors and thermal overloads, incorporated in the products, must be connected and operable for warranty coverage. This warranty is valid only if Seller-supplied or authorized alarm monitoring components, cables, and control components/panels are used.
3. Seller shall have no liability under this warranty for defects that are not identified within the warranty period. A defect shall be deemed "identified" within the meaning of this paragraph only if
 1. The goods have been delivered to Seller (or a person or entity specified by Seller) for the purpose of remedying such defect, or
 2. Seller (or a person or entity specified by Seller) has received a written notice from the Customer specifying such defect and stating that the Customer intends to seek warranty coverage promptly.

e. THIS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND OR CONFORMANCE TO THE CUSTOMER'S SPECIFICATIONS.

- This warranty does not apply to any defect of any kind that is attributable to information or specifications supplied by the Customer or to any products or parts thereof which have been

- subjected to misuse, misapplication, accident, alteration, neglect, failure to act in a timely manner to address alarms/warnings, or physical damage.
- damaged due to a defective power supply, improper electrical protection, faulty repair, ordinary wear and tear, corrosion, erosion or chemical attack, an act of God, an act of war, or by an act of terrorism.
- This warranty does not cover costs for standard and/or scheduled maintenance that is performed, nor does it cover Seller's parts that, by virtue of their operation, require replacement through normal wear (aka: Wear Parts), unless a defect in material or workmanship is determined by Seller. Wear Parts are defined as cutters, cutting plates, seals, bearings, impellers/propellers, diffusers, wear rings (stationary or rotating), volutes (when used in an abrasive environment), oil, grease, cooling fluids and/or any items deemed necessary to perform and meet the requirements of normal maintenance on all Seller's equipment.

LIMITATION OF LIABILITY:

SELLER'S RESPONSIBILITY WITH RESPECT TO THE GOODS AND SELLER'S OBLIGATIONS RELATED THERETO SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE GOODS. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INCIDENTAL, PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF TIME, INCONVENIENCE, LOSS OF PROFIT, LOSS OF BUSINESS, OR ANY OTHER DAMAGES, LOSSES, OR EXPENSES ARISING FROM THE SALE, HANDLING, OR USE OF THE GOODS.

COMPLIANCE WITH LAWS: These terms and conditions relating to any shipment of goods shall automatically be modified to the extent necessary to permit compliance with all U.S. laws relating to the export or re-export of goods or technical information, and the Customer shall refrain from any acts that may violate such laws or cause Seller to violate such laws. The Customer shall refrain from all acts that may violate or cause Seller to violate any provision of the U.S. Foreign Corrupt Practices Act, as amended from time to time, or any regulations promulgated thereunder.

PROPRIETARY RIGHTS: Any drawings, designs, specifications, technical data, technical information, formulations, ideas, inventions, concepts, discoveries, works of authorship, trade secrets, know-how, manuals, installation instructions and other documents and intellectual property furnished or disclosed by Seller are solely for the use of the Customer in the use of the goods. Customer acknowledges that such information and documents are valuable property, confidential information and trade secrets of, and owned

by, Seller, and the Customer shall take all reasonable steps to protect the confidentiality of such information and documents and shall not disclose, copy, publish, in whole or in part, or otherwise disseminate or make available such information or documents or their contents, in whole or in part, to any person without the prior written permission of Seller. The Customer must make all commercially reasonable efforts to confirm for itself the accuracy of information in documents provided by Seller. The seller does not guarantee the accuracy of all information contained therein. Without limiting the foregoing, the Customer is granted no right or license to use any such information or documents for purposes of making or having made any good, or to remanufacture any good sold to the Customer by Seller. The Customer is granted no right or license to use any trademark or service mark of Seller, and the Customer agrees to refrain from using, directly or indirectly, any trademarks or service marks of Seller. The Customer acknowledges that breach of this section may cause irreparable harm to Seller and agrees that Seller shall be entitled to enforce the Customer's obligations hereunder by court injunction, without the need for Seller to post a bond or other security, or court-ordered affirmative action, which injunction or ordered action may restrain a future breaching of this Section if there is reasonable ground to believe that such a breach is threatened.

ENTIRE AGREEMENT: These terms and conditions and Seller's quotation or acknowledgment form constitute the entire agreement between the parties pertaining to the goods or services. If there are or have been any prior or contemporaneous agreements, representations, or understandings between the parties, all such agreements, representations, and understandings are superseded. No waiver or modification, or amendment of any of these terms and conditions is binding unless such waiver or modification or amendment is set out in a writing signed by both parties. Seller's failure to strictly enforce any right on one occasion does not constitute a waiver of that or any other right on any other occasion.

ACTIONS: The Customer shall be responsible for all costs incurred by the Seller in enforcing the agreement between the parties, including attorneys' fees.

GOVERNING LAW: These terms and conditions and the related Seller quotations and acknowledgements, and sale of goods or services by Seller to the Customer shall be governed by and construed and enforced in accordance with the laws of the State of Connecticut without regard to its conflicts of laws principles. The United Nations Convention on Contracts for the International Sale of Goods and any choice of law provisions that require application of any other law are excluded and shall have no force or effect.

LANGUAGE: English shall be the official language of these terms and conditions, and all proceedings related to any disputes with respect to these terms and conditions shall be conducted only in English.

ASSIGNMENT: None of the customer's rights under any order or agreement shall be assigned by the customer to any other person, whether by operation of law or otherwise, without the Seller's prior written approval.

MODIFICATIONS: No waiver or modification of any of the Seller's terms and conditions of sale shall be valid unless it is made in writing and signed by an officer of the Seller. The failure of the Seller to enforce any right possessed under the foregoing terms and conditions of sale shall not constitute a waiver thereof or establish a custom.