

VANDEWATER INTERNATIONAL INC.

GENERAL TERMS AND CONDITIONS

GENERAL	These terms and conditions shall control with respect to any purchase order or sale of Seller's products. No waiver, alteration or modification of these terms and conditions whether on Buyer's purchase order or otherwise shall be valid unless the waiver, alteration or modification is specifically accepted in writing and signed by an authorized representative of Seller.
DELIVERY	Seller will make every effort to complete delivery of products as indicated on Seller's acceptance of an order, but Seller assumes no responsibility or liability, and will accept no back charge, for loss or damage due to delay or inability to deliver caused by acts of God, war, labor difficulties, accident, delay by carriers, by contractors or suppliers inability to obtain materials, shortages of fuel and energy, or any other causes of any kind whatsoever beyond the control of Seller. Seller may terminate any contract of sale of its products without liability of any nature, by written notice to Buyer, in the event that the delay in delivery or performance resulting from any of the aforesaid causes shall continue for a period of sixty (60) days. Under no circumstances shall Seller be liable for any special or consequential damages or for loss, damage, or expense (whether or not based on negligence) directly or indirectly arising from delays or failure to give notice of delay.
WARRANTY	<p>Seller warrants for one year from the date of shipment Seller's manufactured products to the extent that Seller will replace those having defects in material or workmanship when used for the purpose and in the manner which Seller recommends. If Seller's examination shall disclose to its satisfaction that the product is defective, and an adjustment is required, the amount of such adjustment shall not exceed the net sale price of the defective products only and no allowance will be made for labor or expense or repairing or replacing defective product or workmanship or damage resulting from the same. Seller warrants the products which it sells of other manufacture to the extent of the warranties of their respective makers. Where engineering design or fabrication work is supplied, Buyer's acceptance of Seller's design or of the delivery of work shall relieve Seller of all further obligations, other than expressed in Seller's product warranty. THIS IS SELLER'S SOLE WARRANTY. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED SELLER'S AFORESTATED OBLIGATION ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED FROM THIS WARRANTY.</p> <p>Seller neither assumes, nor authorizes any person to assume for it, any other obligation in connection with the sale of its engineering designs or product. This warranty shall not apply to any products or parts of products which (a) have been repaired or altered outside of Seller's factory, in any manner (b) have been subjected to misuse, negligence or accidents (c) have been used in a manner contrary to Seller's instructions or recommendations. Seller shall not be responsible for design errors due to inaccurate or incomplete information supplied by Buyer or its representatives.</p>
LIABILITY	Seller will not be liable for any loss, damage, cost of repairs, incidental or consequential damages of any kind, whether based upon warranty (except for the obligation accepted by the Seller under "Warranty" above), contract or negligence, arising in connection with the design, manufacture, sale, use or repair of the products or of the engineering designs supplied to Buyer.
RETURNS	Seller cannot accept return of any products unless its written permission has been first obtained, in which case same will be credited subject to the following: (a) All material returned must, on its arrival at Seller's location, be found to be in first class condition; if not, cost of putting in salable condition will be deducted from credit memoranda; (b) A handling charge deduction of twenty five percent (25%) will be made from all credit memoranda issued for material returned; (c) Transportation charges if not prepaid will be deducted from credit memoranda.
SHIPMENTS	All products sent out will be carefully examined, counted and packed. The cost of any special packing or special handling caused by the Buyer's requirements or requests shall be added to the amount of the order. No claim for shortages will be allowed unless made in writing within ten (10) days of receipt of a shipment. Claims for products damaged or lost in transit should be made on the carrier, as Seller's responsibility ceases, and title passes, on delivery to the carrier.
PRODUCTS	Orders covering special or non-standard products are not subject to cancellation except on such terms as Seller may specify on application.
PRICES	Prices and designs are subject to change without notice. All prices are FOB Point of shipment, unless otherwise stated.
TAXES	The amount of any sales, excise, or other taxes, if any, applicable to the products covered by this order, shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with an exemption certificate acceptable to the taxing authorities.