

TERMS, CONDITIONS, and, WARRANTY STATEMENT

Any Quotation into which this Terms & Conditions Policy is incorporated constitutes an offer by Quality Air Management (QAM), div of O₂ Environmental Technologies Inc to sell to the Addressee ("Buyer") the machines, attachments and parts listed therein only on the terms set out in the Quotation, including these Terms and Conditions. Buyer is invited to accept the offer on its exact terms by signing the Quotation where indicated and returning a copy of it to QAM (hereafter "Resulting Agreement"). Any changes to the offer or any purchase order or other document purporting to accept the Quotation shall constitute only a counteroffer and shall not be binding on QAM unless and until it has been accepted by QAM at its offices in Cleveland, OH, and until QAM's acceptance has been confirmed to Buyer by a written acknowledgment, which will also contain these Terms and Conditions. Upon QAM's mailing or faxing such acknowledgment to Buyer, the offer becomes a binding contract (also hereafter "Resulting Agreement") on the Terms and Conditions set out in that acknowledgment and below, and on no others.

1. Terms of sale

- All sales of QAM, products are net 30 days from date of invoice. No cash discounts will be allowed. A credit account must be approved and opened prior to processing an order.
- Invoices not paid within payment terms may result in a credit hold being placed on the account until it is current. QAM reserves the right to add a 1-1/2% per month finance charge (18% annual percentage rate) to all invoices over 30 days past due.
- **A default of payment, of any kind, will be assessed an "administration fee" calculated at 33% of the outstanding amount.** Accounts that are unpaid 90 days from invoice date will be deemed as being in default. This action can be taken without prior notice.
- The account can be placed for collection with an agency or attorney, at any time, without prior notice. The Buyer shall reimburse QAM for all costs of such recovery and/or enforcement, including but not limited to reasonable legal and attorney's fees.
- Orders from Buyer without previously arranged credit will be shipped on a COD or payment in advance basis, until credit is established. QAM will extend open credit only to buyers who qualify. Payment history of all accounts will be reviewed and credit lines will be adjusted accordingly.
- **Deposit payments are non-refundable.**

2. Remittances

Remittances should be made to:
Quality Air Management
1430 Wesser Ct.
Fuquay Varina, NC 27526

3. Pricing

- Prices are subject to change without notice. Price changes are effective on a specified date. All orders received on or after that date will be invoiced at the revised price.
- Orders received with deferred shipping dates not exceeding twelve months, will be billed at the price in effect on the order date. No rebates or refunds will be given to customers because of price declines to cover their stock on hand.
- No material will be shipped on consignment to any customer. All orders received involving special pricing must clearly indicate the special quote number on the purchase order.
- Any agreed-upon deviation in price from standard pricing must be confirmed in writing by QAM. A special quote form will be issued to specify the product or part, price, expiration date and other provisions.

4. Minimum order

The minimum order is \$75.00 net (excluding freight). Orders for less than \$75 may be raised to this amount at QAM's discretion.

5. Acceptance of orders

- Standard Items: All orders are subject to acceptance by QAM in writing.
- Verbal orders for standard products will be accepted subject to receipt of written confirmation in a timely manner.
- No verbal orders will be shipped until written confirmation is received.
- Custom-made or special size items: Orders for custom-made or non-standard products and services will be accepted only upon receipt of a written purchase order.

6. Cancellation of orders

- Orders for stock products or parts as shown in the current QAM stock list may be cancelled prior to shipment without penalty.
- Orders for special sizes or non-stock products or parts may not be cancelled after the production process has begun.
- If cancellation is desired, please contact customer service to determine if production has begun and determine the appropriate cancellation fee.

7. Freight terms

- All material will be shipped F.O.B Shipping Point, regardless of freight terms. Buyer assumes full responsibility for products once the bill of lading is signed by the carrier.
- Material should be inspected immediately upon receipt, and if damaged, claim should be filed immediately with the carrier. QAM will not be responsible for freight damage or subsequent claims.
- Responsibility to file claims on goods damaged rests with the consignee. In the event concealed damage is uncovered after receipt of goods, the carrier should be notified immediately and an inspection of the goods requested so that the proper liability may be established and appropriate claims filed.
- All orders requesting prepaid & add may, at the discretion of QAM, receive the full freight and customs clearance (where applicable) charge. The current preferred carrier at time of shipment will be used.
- Method of shipment is at the discretion of the factory. QAM makes every attempt to utilize the most economical means available to ship your order. Whenever possible, United Parcel Service (UPS), FedEx ground, or similar parcel service will be utilized. QAM reserves the right to exclude certain products from shipment by these carriers.

8. Title

Title to any product or part will pass to the Buyer upon the later of acceptance as provided above or payment in full.

9. Delivery

Any delivery date specified shall be approximate only. QAM will not be in default or liable for any expense, loss or damage occasioned by a delay in performance due to causes beyond its control, including but not limited to labor disputes, floods, fire, transportation delays, inability to obtain materials, or manufacturing equipment breakdown.

10. Acceptance of products

- Upon delivery, the Buyer will inspect the products or parts and notify QAM of any nonconformity. Failure to give such notice within 10 days after delivery will constitute an irrevocable acceptance of the products or parts, and the purchaser will be obligated to make payment in full.
- Upon notice of nonconformity prior to acceptance, as Buyer's exclusive remedy, QAM, at its option, will either repair the products or parts or accept the prepaid return of the products or parts and refund all payments, excluding freight, made to QAM.

11. Standard packaging

- All standard size products are shipped in standard package quantities as listed in the QAM price pages.
- Orders for less than full carton quantities will be increased to the standard package quantities.
- Made-to-order products are packaged at the discretion of the factory. Minimum order quantity may be required for special/custom items. An extra charge may per non-standard packaging may apply.
- Orders requesting palletized shipment may be charged \$10 per pallet.

12. Placing orders

Please place all orders in writing via email, regular mail or fax to the address below:

Quality Air Management

1430 Wesser Ct.

Fuquay Varina, NC 27526

Phone: (800) 267-5585 toll-free, Fax: (440) 448-8888

Email: info@qamanage.com

13. Warranty

- QAM warrants to the original Buyer that its products and parts thereof will be free of structural or mechanical defects due to faulty materials or workmanship during the useful life of the product or part (or such shorter period as is specified in the product warranty, literature or manual for a particular product).
- This warranty applies only to products or parts manufactured by QAM and is contingent upon the following conditions: that the purchaser promptly notify QAM of the defect; that the Buyer establish that the product has been properly installed, maintained and operated within the limits of normal usage as specified by QAM; and that, at QAM's request, the Buyer return the defective product or part to QAM at the Buyer's expense.
- QAM makes no other warranties and specifically makes no implied warranty of merchantability, fitness for a particular purpose or non-infringement.
- Buyer waives any rights under and QAM shall have no obligations under any of its warranties if any portion of the purchase price remains unpaid or if Buyer's account with QAM is in arrears.
- **Complete jobsite and operating conditions must be provided, by the purchaser, either on our job survey forms or with the quote request or with the purchase order. Otherwise the performance guarantee and/or warranty shall be void.**

14. Limitation of liability

- As the Buyer's exclusive remedy for any claim (whether in warranty, contract, tort or strict liability), QAM, at its option, will repair or replace the defective products or parts or refund the purchase price of defective products or parts.
- QAM will not be responsible for labor or transportation charges for the removal, return, reshipment or reinstallation of products or parts.
- In no event or under any circumstances is QAM responsible for any incidental or consequential damages relating to any claim (whether in warranty, contract, tort or strict liability), including without limitation claims for injury to person or property, down-time on production lines, lost wages, or lost profits.

15. Applicability of terms

- These terms and conditions of sale constitute the entire agreement of the parties and supersede any prior oral representations, correspondence, proposals or agreements. The Buyer will be deemed to accept these terms upon shipment of products or parts.
- Any additional or different terms in the Buyer's purchase order will be deemed objected to by QAM and of no effect. These terms, as stated here, may be amended only in writing by QAM.

16. Governing law

The contract for the supply of products or parts will be governed by the laws of the State of Ohio, USA. The parties hereto irrevocable submit to the jurisdiction of the federal and state courts sitting in Wake County, North Carolina, USA and waive any claims as to inconvenient forum.

17. Returned goods policy

- At its discretion, QAM will accept the return of goods in resalable condition for a restocking charge on the following terms:
- Only standard size stock products as listed in the current QAM stock list are eligible for return. Special size or non-stock products or, parts are not eligible for return unless sent to the customer as the result of an error at the factory.
- Authorization must be obtained from QAM customer service prior to returning any merchandise, including standard merchandise.
- Authorizations from QAM must be in writing. (RGA is acceptable.)
- Returned merchandise must be in resalable condition, in the original factory packaging. Credit will not be issued for that portion of the merchandise that is not considered resalable. Only full cartons may be returned.
- QAM reserves the right to inspect all returned merchandise and issue final determination as to its condition.
- Credit will be issued based on the invoice price, less a 15% restocking charge, plus all applicable inbound or outbound freight costs.
- The original invoice must be paid in full before an RGA is accepted.
- Merchandise will not be accepted for return after 30 days past the invoice date.
- Merchandise must be returned to QAM within 30 days from the date of issue of the returned goods authorization. All returns must have the returned goods tag prominently displayed on the largest package. Mark the returned goods authorization number on each package.

18. Procedure to return merchandise to QAM

- Step 1: Request authorization from the appropriate customer service department at the appropriate location:
Quality Air Management, Fuquay Varina, NC, USA, Phone: (919) 415-1111
- Step 2: Obtain a Returned Goods Authorization (RGA) tag and number.
- Step 3: Return merchandise as indicated on the RGA to the QAM facility designated on the tag within 30 days of authorization.
- Step 4: Shipments are to be prepaid, unless otherwise instructed.
- Step 5: Upon receipt and inspection by QAM, credit will be issued.
- Unauthorized returns will be refused.