

TERMS AND CONDITIONS OF SALE

EMD Global LLC (EMD)

January 1, 2014

Terms and conditions of sale: All descriptions, quotations, and sales of EMD products are subject exclusively by the terms and conditions stated herein. There is an exception in the case where an independent warranty is provided by a manufacturer for which EMD serves as a sales agent, and the factory warranty has primacy. Buyer's acceptance of any offer by EMD to sell is limited by these terms and conditions, which shall be considered a part of all accepted purchase orders unless otherwise noted on the Sales Order Confirmation or Invoice. Any terms and conditions proposed by the Buyer that are inconsistent with or in addition to the terms and conditions herein, are hereby objected to. EMD reserves the right to accept or reject any order.

Prices & Billing: Credit approval and non-delinquent account status are necessary before shipping on open account. Standard open account terms are net 30 days, unless otherwise specified. Delinquent accounts are subject to a 1.5% per month service charge on the unpaid balance, billed on the first day of each month following the due date. Invoices paid by credit card after the shipment date are subject to a 3% processing charge. Imported factory-direct shipments with a value below \$5,000 are subject to a \$150 export processing fee. For invoices overdue in excess of 90 days, and at the sole discretion of EMD, the Buyer agrees to convert the overdue balance, including finance fees, into a promissory note with personal guaranty by an officer of the company.

Shipment: All delivery dates quoted are approximate and EMD has no liability for delays in delivery for any reason. EMD will make best reasonable efforts to inform buyer of potential shipping delays. All items are FOB the shipping point with shipping charges the responsibility of the customer. EMD shall not be responsible for incidental or consequential damages resulting from shipment delays. Right to title of purchased goods does not transfer from seller to buyer until full payment of monies due are received by EMD.

Limited Warranty and Suitability for Use: EMD warrants that items sold are free of defects in workmanship and materials at the time of shipment. EMD makes no specific warranty of fitness for use. It is the customer's responsibility to determine if a product meets requirements for function, performance, and other attributes. EMD reserves the right to make changes in product design at any time that do not conflict with previously agreed-upon specifications. Any alteration, modification, abuse, or use inconsistent with that for which the product was intended, voids warranty. This warranty is offered in lieu of any other warranties, express or implied, including any implied warranty of fitness or merchantability. EMD shall not be liable for any incidental or consequential damages arising from the use of the product. Stainless steel filter housings are warranted against defects in workmanship and materials for a period of one year from the date of shipment, with the exception of product use with brackish water, seawater, or with any water source in excess of 1,000 ppm total dissolved solids.

Returned goods: Special order or custom goods will only be accepted for return in the event of non-conformance with engineering specification documents agreed to and documented between buyer and seller. Buyer must receive authorization from EMD to return non-conforming goods and must ship goods for credit within 30 days of original receipt. EMD reserves the right to repair or replace non-conforming goods. For non-defective returned goods, EMD reserves the right to assess a processing charge of 20%. Returned goods are to be shipped with freight costs prepaid.

Damaged goods: EMD is not responsible for damage or loss of a shipment by a freight carrier. Check shipments for damage before acceptance or note on freight bill "*subject to inspection for concealed damage*". Consignee is responsible for filing a claim with the freight carrier for any and all damage or loss.

Cancellation or change order: Orders are entered and processed as they are received. Once they are put into production, changes or add-ons may delay shipment of the original order, or these may be shipped as a separate order. Cancellations and/or change orders are subject to acceptance by EMD.

The parties acknowledge that by ordering products from EMD, all obligations and rights pertaining to the sale of products or extension of credit for the same are performable in the state of Iowa, and further agree and acknowledge that the laws of the State of Iowa will govern the rights and duties of EMD and the customer.

EMD Global LLC
1129 Portsmouth Circle
Marion, IA 52302 USA
tel 970.443.9376 fax 203.286.2097
www.emdglobal.net