

SALES TERMS AND CONDITIONS

- 1. ENTIRE AGREEMENT, MODIFICATIONS** – All quotations, sales, offers and tenders are made subject to the terms, conditions and specifications contained in this agreement ("Terms"), as may be amended from time to time by Airvac, Inc. ("SELLER"), and shall constitute the entire agreement between the parties for the provision of Goods (defined below) by at any time. No change in, addition to, or waiver of the Terms will be a binding obligation on SELLER unless approved in writing by its authorized representative.
- 2. ORDERS** – All orders for products, goods, work equipment and services to be provided by SELLER to CUSTOMER under these terms ("Goods") must be in the form of a purchase order. All purchase orders are subject to final acceptance by SELLER, which shall be evidenced by SELLER'S receipt, acknowledgement and/or acceptance of CUSTOMER'S purchase order. CUSTOMER's form of purchase order will not modify these Terms or become part of SELLER'S agreement to the extent it contradicts these Terms. All orders must show definite prices, delivery dates, exact quantities, complete product description, and if/when acknowledged by SELLER in writing, shall be considered binding on all parties. All variations to an order requested by CUSTOMER shall be in writing and the price shall be agreed prior to performance of any additional work by SELLER in its discretion. CUSTOMER may request changes to a purchase order by submitting a written request to SELLER, which shall be subject to acceptance by SELLER in its discretion. If SELLER accepts any changes to a purchase order in accordance with this condition, then any dates quoted for delivery or completion shall be extended appropriately.
- 3. SHIPMENT, TITLE AND RISK OF LOSS** – Unless otherwise agreed in writing by the parties, all Goods will be shipped FCA CUSTOMER's facility (Incoterms® 2010). TITLE of the Goods shall pass to CUSTOMER upon full payment of said Goods and any prior outstanding debt. RISK OF LOSS (including transportation delays and losses) passes to CUSTOMER upon delivery of the Goods to the carrier or appointed person at SELLER's facility. Such title to and risk of loss of said Goods will not pass to CUSTOMER in any other way, notwithstanding any agreement to the contrary, including, but not limited to, any agreement to pay freight, express or other transportation or insurance charges. SELLER reserves the right to prepay the freight and invoice CUSTOMER for costs, including reasonable packaging costs. If CUSTOMER does not specify a carrier, then SELLER shall select the method of transportation. Time is not of the essence of the contract, all shipping and/or delivery dates specified in a quotation or order confirmation are estimates only and SELLER shall not be responsible for any delays whatsoever.
- 4. PAYMENT AND PRICES** – All orders for Goods sold by SELLER are subject to acceptance and approval by SELLER. SELLER may, at its option, require CUSTOMER to pay for all Goods at the time the order is placed or require CUSTOMER to obtain an irrevocable letter of credit in favor of SELLER from an issuer acceptable to SELLER. In the event SELLER does not require advance payment or require such letter of credit, payment by CUSTOMER will become due thirty (30) days from the date of SELLER'S invoice covering a particular shipment. No retainage or other deductions shall be made from such payments. In the event of failure by CUSTOMER to make any payment when due, SELLER may decline to make further shipments until such default is cured. SELLER may elect to continue to make shipments despite the continuance of such default, however such election by SELLER will in no way constitute a waiver of such default nor affect SELLER'S legal remedies thereof. CUSTOMER assumes full responsibility, including reporting and payment, of all taxes, however designated, or other governmental charges arising out of, levied or based upon, or in connection with the sale of the Goods, including state and local privilege, sales and use, or excise taxes based on gross revenue or any taxes or amount in lieu hereof paid or payable by SELLER in respect of the foregoing. In no event will any charges for engineering services imply a conveyance of any design and/or manufacturing rights as to the Goods, unless such conveyance is expressly set forth in a separate written agreement signed by authorized representatives of both parties. In the event that CUSTOMER falls behind in payment, SELLER, without prejudice to any other right or remedy available to SELLER, shall, at its sole discretion, be entitled to: (i) terminate the order and/or suspend any further deliveries to CUSTOMER and/or (ii) charge the CUSTOMER interest on any unpaid portion of the purchase price at twelve percent (12%) per annum. Furthermore, the defaulting CUSTOMER shall bear all costs arising in connection with the recovery of the invoiced sums outstanding, including costs of reminders and seeking information, collection expenses, and reasonable attorney's fees.
- 5. PRICE ADJUSTMENTS DUE TO TARIFF CHANGES** – SELLER reserve the right to adjust the prices at any time, with or without prior notice, to reflect changes in applicable tariffs, duties, or other governmental charges imposed by U.S. authorities. These adjustments may occur on short notice and will apply to all affected orders not yet fulfilled at the time the price change takes effect. SELLER will make reasonable efforts to notify CUSTOMER of such changes promptly, but it is the CUSTOMER'S responsibility to review current pricing before placing an order.

6. SECURITY INTEREST – CUSTOMER hereby grants to SELLER a purchase money security interest (“PMSI”) in all Goods, including all accessions, replacements, substitutions and proceeds (whether cash, noncash, insurance, accounts, chattel paper or general intangibles), to secure the payment of the purchase price and all other amounts owed by CUSTOMER to SELLER (the “Secured Obligations”). The security interest attaches upon CUSTOMER’s receipt of the Goods and continues until all Secured Obligations are indefeasibly paid in full. CUSTOMER hereby authorizes SELLER to file UCC financing statements (including amendments and continuations) in any jurisdiction SELLER deems necessary to perfect its PMSI, and shall promptly execute any additional documents SELLER may require to perfect or enforce its security interest. CUSTOMER agrees that a reproduction of these Terms shall be sufficient as a financing statement.

CUSTOMER represents, warrants, and covenants that: (a) CUSTOMER’s legal name, jurisdiction of organization, and chief executive office are as set forth in CUSTOMER’s credit application or other certified documentation accepted by SELLER, and CUSTOMER shall provide SELLER thirty (30) days’ prior written notice before changing any of the foregoing; (b) CUSTOMER shall not sell, transfer, or dispose of the Goods without SELLER’s prior written consent; and (c) CUSTOMER shall maintain the Goods in good condition, insured with SELLER named as loss payee.

- 7. LIMITED WARRANTIES** – (A) Provided that CUSTOMER subjects and operates the Goods in accordance with SELLER’S written operating instructions, SELLER warrants the Goods to be free of defects in material and workmanship for an applicable period of time (the “Warranty Period”) as follows:

For VACUUM STATION & OTHER EQUIPMENT the “Warranty Period” shall mean the earlier of (i) 18 months following delivery of the Goods in question or (ii) the first anniversary from the date the vacuum system is placed in service (defined as successful station start-up completed by AIRVAC).

For AIRVAC VALVES, VALVE PITS & MANUFACTURED ITEMS the “Warranty Period” shall mean the earlier of (i) 30 months following delivery of the Goods in question or (ii) the second anniversary from the date the vacuum system is placed into service (defined as successful station start-up completed by AIRVAC).

EXCEPT FOR THE WARRANTY SET FORTH IN THE PRIOR SENTENCE, SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE PRODUCTS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; OR (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE; OR (c) WARRANTY OF NONINFRINGEMENT, ALL OF WHICH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW. The above warranty does not apply to: (i) used Goods or Goods that have been repaired or refurbished; (ii) Goods that have been modified or subjected to improper handling, storage, installation, operation or maintenance by CUSTOMER, including use of unauthorized replacement or spare parts; (iii) component parts not manufactured by SELLER; (iv) normal wear and tear; and (v) models or samples furnished to CUSTOMER as illustrations only of general properties of equipment. This warranty is subject to the CUSTOMER, upon SELLER’s request, returning the defective part to SELLER for inspection at CUSTOMER’S cost, and freight prepaid. (B) If prior to the end of the Warranty Period any Goods sold and delivered by SELLER to CUSTOMER fail to conform to the warranty set forth above, SELLER shall, at its sole discretion and as CUSTOMER’s sole and exclusive remedy, repair or replace the defective part. All parts repaired or replaced hereunder shall be repaired or replaced at SELLER’S facilities. In the case that (field) services are rendered by SELLER in connection with the Goods sold or the installation of a vacuum sewer project, SELLER’S warranty only applies to the products and equipment sold and supplied. SELLER does not warrant or provide any guarantees for the planning, construction and installation of the system.

- 8. LIMITATION OF LIABILITY** – NOTWITHSTANDING ANY OTHER PROVISION OF THESE TERMS, CUSTOMER EXPRESSLY AGREES THAT NEITHER SELLER NOR ITS SUPPLIERS WILL UNDER ANY CIRCUMSTANCES BE LIABLE UNDER ANY THEORY OF RECOVERY, WHETHER BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), UNDER WARRANTY, OR OTHERWISE, FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OR PUNITIVE DAMAGES WHATSOEVER; DAMAGE TO OR LOSS OF PROPERTY OR EQUIPMENT; LOSS OF PROFITS OR REVENUE; LOSS OF POWER; LOSS OF USE OF CUSTOMER’S MATERIAL OR EQUIPMENT; LOSS OF INFORMATION AND DATA; LOSS OF INTEREST; INCREASED COSTS OF ANY KIND, INCLUDING BUT NOT LIMITED TO CAPITAL COST; BUSINESS INTERRUPTION; OR CLAIMS OF CUSTOMERS OF CUSTOMER. CUSTOMER EXPRESSLY AGREES THAT THE REMEDIES PROVIDED IT HEREIN ARE EXCLUSIVE AND THAT UNDER NO CIRCUMSTANCES SHALL THE TOTAL AGGREGATE LIABILITY OF SELLER UNDER ANY THEORY OF RECOVERY, WHETHER BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), UNDER WARRANTY, OR OTHERWISE, EXCEED THE LESSER OF ONE MILLION DOLLARS (\$1,000,000) OR THE TOTAL PRICE PAID TO SELLER UNDER THESE TERMS. THE WAIVERS AND DISCLAIMERS OF LIABILITY, RELEASES FROM LIABILITY, AND LIMITATIONS ON LIABILITY EXPRESSED IN THIS SECTION 8 SHALL EXTEND TO THE PARTNERS, PRINCIPALS, SHAREHOLDERS, DIRECTORS, OFFICERS,

EMPLOYEES, AND AGENTS OF SELLER AND ITS AFFILIATES, SUCCESSORS, OR ASSIGNS. ALL LIABILITY OF SELLER AND ITS SUPPLIERS UNDER THESE TERMS SHALL TERMINATE NO LATER THAN TWELVE (12) MONTHS AFTER THE EXPIRATION OF THE WARRANTY PERIOD. THE PROVISIONS OF THIS SECTION 8 SHALL PREVAIL OVER ANY CONFLICTING OR INCONSISTENT PROVISIONS SET FORTH ELSEWHERE.

9. INDEMNIFICATION – CUSTOMER shall defend, indemnify and hold harmless SELLER and its subsidiaries, affiliates, successors or assigns and each of their respective directors, officers, shareholders and employees (collectively, “Indemnitees”) against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, “Losses”) arising out of or occurring in connection with (a) use, handling, storage, transportation, resale or any other activity involving the Goods after risk of loss has passed to CUSTOMER, (b) CUSTOMER’s negligence, willful misconduct or breach of these Terms or other contract, or (c) any services performed or provided by SELLER in connection with the Goods, including any monitoring, troubleshooting, and repair services. SELLER shall not be responsible for any Losses sustained by CUSTOMER or any other person, and CUSTOMER waives all such claims, arising out of or resulting from any services provided with the Goods, the improper installation or misapplication of the Goods, or from any defect or alleged defect in the design, manufacture, instructions, warnings or labeling of any of the Goods or any other product liability claim relating to any of the Goods. CUSTOMER is solely responsible for all training related to the installation and use of any of the Goods. The obligations, indemnities and covenants contained in this paragraph shall survive the consummation or termination of this transaction. CUSTOMER shall bind subsequent buyers or lessees of the Goods to these Terms such that said third parties shall have no further rights against SELLER than does CUSTOMER. CUSTOMER agrees to notify said third parties of this provision and to make this a condition of any contract concerning the Goods. In the event SELLER is subject to any claims, losses, damages or expenses (including attorneys’ fees) as a result of CUSTOMER’s failure to comply with this paragraph, CUSTOMER shall indemnify and hold harmless SELLER from all such claims, losses, damages or expenses (including attorneys’ fees).

10. CATASTROPHIC LOSSES – Notwithstanding anything to the contrary contained herein, CUSTOMER hereby agrees to assume the liability for the following specified types of losses or events: (1) reservoir or underground damage, including loss of any mineral substance, or water or the wellbore itself; (2) control of a wild well, underground or above the surface; and (3) pollution, including clean-up and control of the pollutant or contamination.

11. INSPECTION, CLAIMS AND REMEDIES – CUSTOMER shall inspect the Goods upon receipt. CUSTOMER will be deemed to have accepted the Goods unless it notifies SELLER in writing during the time period set forth in this Section 9 addressed to info@airvac.com, Attn: Quality Management of any Nonconforming Goods (as defined below) and furnishes such written evidence or other supporting documentation as required by SELLER. For the purpose of this Agreement, “Nonconforming Goods” means only the following: (a) Goods shipped are different than identified in CUSTOMER’s purchase order (e.g., type, quantity or weight of paper); (b) Goods’ label or packaging incorrectly identifies its contents, or (c) Goods contain manufacturing defects, which include only defects in material or workmanship. In the event of any Nonconforming Goods arising from subparts (a), (b) or latent defects described in subpart (c) above, CUSTOMER must provide the Notice of Nonconformity no later than ten (10) days after receipt of the Goods. In the event of any Nonconforming Goods arising from defects described in subpart (c) above that could not be known by visual inspection of the Goods upon receipt CUSTOMER must provide the Notice of Nonconformity no later than the date that is the later of (i) five (5) days after noticing the defect or (ii) twelve (12) months after receipt of the Goods. Goods that have been altered or otherwise modified, and defects that arise out of processing or transport of the Goods will not constitute manufacturing defects.

In the event that CUSTOMER timely notifies SELLER of any Nonconforming Goods, the SELLER shall, in its sole discretion, (a) replace such Nonconforming Goods with conforming Goods, or (b) credit or refund the price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by CUSTOMER in connection therewith. CUSTOMER shall ship, at its expense and risk of loss, the Nonconforming Goods to SELLER’S facility. If SELLER exercises its option to replace Nonconforming Products, SELLER shall, after receiving CUSTOMER’S shipment of Nonconforming Goods, ship to CUSTOMER, at CUSTOMER’S expense and risk of loss, the replaced Goods. CUSTOMER acknowledges and agrees that the remedies set forth herein are CUSTOMER’S exclusive remedies for the delivery of Nonconforming Goods. Except as provided herein, all sales of Goods to CUSTOMER are made on a one-way basis and CUSTOMER has no right to return Goods.

In the event that CUSTOMER desires to return Goods other than Nonconforming Goods, SELLER may, in its sole discretion, agree to such return on such terms and conditions as SELLER may require, including, but not limited to, a restocking fee.

12. MODIFICATION – CUSTOMER may request changes within the scope of the initial order and, if accepted by SELLER in SELLER’S sole discretion, the price, performance, schedule and other pertinent provisions of the order will be adjusted by mutual agreement of the parties prior to implementation of the change. Expenses incurred by SELLER due to (i) delays, other than delays which are deemed to be within the reasonable control of SELLER, and

(ii) changes in applicable laws and requirements after the date of the offer submitted by SELLER, as applicable, will be treated as changes to the scope of work and the scope of the order will be adjusted as set forth herein.

- 13. PROPRIETARY INFORMATION** – CUSTOMER acknowledges SELLER's ownership of all trademarks, service marks, copyrights, imprints, rights of publicity, patents, design patents, registered designs, industrial designs, drawings, product designs, trade secrets, licenses and other intangible rights relating to the Goods and Services ("SELLER Intellectual Property") and agrees that CUSTOMER shall have no right, title or interest whatsoever in any SELLER Intellectual Property. All non-public, confidential or proprietary information of SELLER, including, but not limited to, SELLER Intellectual Property and all other specifications, samples, patterns, designs, plans, drawings, documents, data, business operations information, customer lists, pricing, discounts or rebates, disclosed by SELLER to CUSTOMER, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with these Terms or otherwise, is confidential, is owned exclusively by SELLER, and is provided to CUSTOMER solely for the purpose of exercising its rights and performing its obligations under these Terms and may not be disclosed or copied unless authorized in advance by SELLER in writing. Upon SELLER's request, CUSTOMER shall promptly return all documents and other materials received from SELLER. SELLER shall be entitled to injunctive relief for any violation of this provision, and CUSTOMER shall indemnify and hold SELLER harmless from and against any loss, damage or liability arising or resulting from non-compliance with the provisions of this Section 13.
- 14. TERMINATION** – Any order may be terminated immediately by SELLER if CUSTOMER is unable to meet its financial obligations as they come due, if CUSTOMER is in breach of these Terms, or in the case of proceedings of bankruptcy against the CUSTOMER. CUSTOMER may terminate the order upon thirty (30) days prior written notice to SELLER. In the event of any termination under this Section 14, CUSTOMER shall pay SELLER full compensation for the Goods reflected on any accepted purchase order with additional markups for overhead and profit as determined by SELLER in SELLER's reasonable discretion.
- 15. FORCE MAJEURE** – SELLER will not be liable for any loss or damage of any nature whatsoever incurred or suffered as a result of any failures or delays in performance due to any cause or circumstances beyond its control, including but not limited to any failures or delays in performance caused by any strikes, lockouts, or labor disputes, fires, acts of God or the public enemy, riots, incendiaries, interference by civil or military authorities, compliance with laws or with the orders or policies of any governmental authority, delays in transit or delivery on the part of the transportation companies or communication facilities, or failures of sources of materials. In the event of a shortage of Goods, SELLER reserves the right to allocate available Goods among all of its customers in its own discretion.
- 16. EXPORT OR IMPORT LICENSE** – CUSTOMER will be solely responsible for, and will procure at its expense, any export or import licenses required for any of the material included in the Quotation or on any purchase order. For any Goods being exported from the United States, CUSTOMER agrees to comply fully with all applicable economic sanctions and export control laws and regulations and indemnify and hold SELLER harmless from any non-compliance therewith. CUSTOMER shall not – directly or indirectly – sell, provide, export, re-export, transfer, divert, loan, lease, consign, or otherwise dispose of any equipment, product, services, software, source code, technical data, or technology received from SELLER to or via any person, entity, or destination, or for any activity or end-use restricted by laws or regulations of the United States or any other applicable jurisdiction (including nuclear, missile, chemical or biological weapons proliferation, military, or money laundering activities) without obtaining all required government authorizations. CUSTOMER recognizes and agrees to comply with SELLER's policy to not support the use of its products for any operations in any country so prohibited under the export laws and regulations of the United States. As may be requested by SELLER, CUSTOMER shall provide SELLER with the relevant end-use, end-user and country of end-use information with respect to the Goods, software or technology to be supplied hereunder. Based on and in reliance on such information, SELLER will supply such goods, software or materials in compliance with applicable law including that of the United States of America. SELLER cautions and CUSTOMER acknowledges that any change in end-use, end-user or country of end- use (including a shipment between countries other than the United States of America) may be restricted or prohibited by applicable law, whether it is of the United States of America or other country.
- 17. ANTI-CORRUPTION** – CUSTOMER represents and warrants that it and all of its affiliates and agents shall act in accordance with the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, as amended ("the Convention"), and the Convention's Commentaries (collectively "the OECD Principles"), and shall comply with all applicable laws implementing the OECD Principles (including the U.S. Foreign Corrupt Practices Act of 1977, as amended), as well as any applicable local laws related to anti-corruption, anti-kickbacks, and anti-money laundering.
- 18. DEFINITIONS** – "CUSTOMER" means the person or company to whom the quotation is submitted. The "Quotation" means techno-commercial offer to which these terms and conditions are attached.

19. QUOTATION – All quotations are subject to withdrawal or variation by SELLER, at any time prior to acceptance by SELLER of a purchase order issued in writing by CUSTOMER.

20. PRICES AND VARIATION – All prices quoted are subject to change, without notice, at any time prior to SELLER's acceptance of a purchase order issued by CUSTOMER. Unless otherwise stated in writing, the quoted prices are net, in U.S. Dollars based upon labor and material cost at the date of Quotation. The Quotation is for supply of Goods to be provided by SELLER for the CUSTOMER or purchased from another manufacturer. The prices quoted are calculated on the basis of the prices charged by the SELLER, the rate of exchange, duty, freight, insurance, clearance, and other similar charges, as applicable, ruling at the date of Quotation and any increase therein shall be to the account of the CUSTOMER. The prices quoted for the Goods manufactured by SELLER are subject to rise and fall for, by way of example but not limitation, variation in the cost of labor, material, or overhauls after the due date of quotation.

21. DISPUTE RESOLUTION – The laws of the State of Indiana shall govern the validity, construction, interpretation, and effect of the transaction, without regard to its choice of law rules. The parties irrevocably consent to the personal jurisdiction of the state and federal courts of the State of Indiana for any and all disputes arising out of or in connection with this agreement and expressly waive any defense of forum non convenience.

22. ALTERATION – The above terms and conditions may be modified by the SELLER from time to time in writing and such variations shall be binding on the CUSTOMER for any subsequent orders.