



# STANDARD FILTER CORPORATION

## **CUSTOMER'S TERMS AND CONDITIONS**

Seller desires to provide its Customers with prompt and efficient service. However, to negotiate individually the terms and conditions of each sales contract would substantially impair Seller's ability to provide such service. Accordingly, Products and services furnished by Seller are sold only on the terms and conditions stated herein. Notwithstanding any terms or conditions on Customer's order, Seller's performance of any contract is expressly made conditional on Customer's agreement to Seller's Terms and Conditions of Sale unless otherwise specifically agreed to in writing by Seller. In the absence of such agreement, commencement of performance and/or delivery shall be for Customer's convenience only and shall not be deemed or construed to be acceptance of any of Customer's terms and conditions. If a contract is not earlier formed by mutual agreement in writing, acceptance of any Product or service shall be deemed acceptance of the terms and conditions stated herein.

## **QUOTATIONS AND PRICES**

All quotations are subject to the terms and conditions stated herein as well as any additional terms and conditions that may appear on the face hereof. In the case of a conflict between the terms and conditions stated herein and those appearing on the face hereof, the latter shall control.

Seller's prices and quotation are subject to the following:

(a) All published prices are subject to change without notice.

(b) UNLESS OTHERWISE SPECIFIED IN WRITING, ALL QUOTATIONS ARE FIRM FOR AND EXPIRE, THIRTY (30) DAYS AFTER DATE THEREOF AND CONSTITUTE OFFERS.

(c) Unless otherwise stated in writing by Seller, all prices quoted shall be exclusive of transportation, insurance, taxes, license fees, customs fees, duties and other charges, premiums, and fees related thereto, and shall hold Seller harmless therefrom, provided that, if Seller, in its sole discretion, chooses to make any such payment, Customer shall reimburse Seller in full upon demand.

## **TERMS OF PAYMENT**

Unless credit is granted, payment is due upon delivery. All payments for Products released and shipped on approved credit accounts shall be due in full thirty (30) days from date of invoice therefor. Past due balances shall be subject to a service charge of 1.5% per month (18% per annum), but not more than the amounts allowed by law. Seller may cancel or delay delivery of Products in the event Customer fails to make prompt payment.

## **TRANSPORTATION AND RISK OF LOSS**

Transportation will normally follow Customer's shipping instructions, but Seller reserves the right to ship Products freight collect and to select the means of transportation and routing when Customer's instructions are deemed unsuitable. Unless otherwise advised, Seller may insure

to full value of the Products or declare full value thereof to the transportation company at the time of delivery and all freight and insurance costs shall be for Customer's account. Risk of loss or damage shall pass to Customer upon delivery of the Products to the transportation company at the EXW point, whether or not installation is provided by or under supervision of Seller. Confiscation or destruction of, or damage to Products shall remain in Customer until the Products are returned at Customer's expenses to such place as Seller may designate in writing. Customer, at its expense, shall fully insure Products against all loss or damage until Seller has been paid in full therefor, or the Products have been returned, for whatever reason, to Seller. All Products must be inspected upon receipt and claims should be filed with the transportation company when there is evidence of shipping damage, either concealed or external. As used in the clauses appearing herein or attached hereto, "delivery" shall occur when the Product is delivered at the EXW point, which shall be the point of manufacture or such other place as Seller shall specify in writing, notwithstanding installation by or under supervision of Seller.

## **PERFORMANCE**

Seller will make all reasonable efforts to observe its dates indicated for delivery or other performance. However, Seller shall not be liable in any way because of any delay in performance hereunder due to unforeseen circumstances or to cause beyond its control, including, without limitation, strike, lockout, war, fire, act of God, accident, failure or breakdown of components necessary to order completion, subcontractor, supplier of Customer caused delays, inability to obtain labor, materials or manufacturing facilities, or compliance with any law, regulation or order, whether valid or invalid, of any governmental body or any instrumentality thereof whether now existing or hereafter created. Performance shall be deemed suspended during and extended for such time as any such circumstances or causes have been remedied, after which Seller will make and Customer shall accept performance hereunder. No penalty clause of any kind shall be effective. As used herein, "performance" shall include, without limitation, fabrication, shipment, delivery, assembly, installation, testing and warranty repair or replacement as applicable.

## **ACCEPTANCE**

Seller reserves the right to ship order complete with yield quantities plus or minus five percent (5%). Justified reject parts within yield quantity limits shall be credited to Customer account and not be replaced unless reordered. Each Product furnished by Seller shall be deemed accepted by Customer unless notice of defect or nonconformity is received within ten (10) days of delivery thereof, provided that Products for which Seller agrees in writing to provide installation by its personnel, shall be deemed accepted by Customer upon completion by Seller of its applicable acceptance tests or execution of Seller's acceptance form by Customer.



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## C O R P O R A T I O N

Notwithstanding the foregoing, use of any such Product by Customer, its agents, employees or licensees, for any purpose after delivery thereof, shall constitute acceptance of the Product by Customer.

### **TERMINATIONS/RESCHEDULES**

Termination and reschedule provisions shall be in accordance with Seller's standard practices and procedures unless otherwise specified by mutual agreement.

### **QUALITY ASSURANCE**

Quality assurance provisions applicable to the Product(s) specified herein shall be in accordance with Seller's standard practices and procedures unless otherwise specified by mutual agreement.

### **WARRANTY**

Seller warrants to the original purchaser that each Product delivered shall be free from defects in material or workmanship at time of shipment, and that each Product delivered will meet the published specifications for that Product or any contractually agreed upon specifications. Seller's obligation under the Warranty contained herein is limited to the repairing or replacing of any Product that does not meet this Warranty, provided that said Product is returned to Seller, transportation charges pre-paid, and provided that upon Seller's examination, the Product, when tested within the specified ratings and in accordance with good engineering practice, does not meet the Warranty contained herein. This Warranty does not extend to any of the Seller's Products which have been subject to misuse, neglect, or accident, nor shall it extend to material which has been altered or repaired outside of Seller's factory. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND OF ANY OTHER LIABILITY OR OBLIGATION.

### **WARRANTY REPLACEMENT AND ADJUSTMENT**

All claims under warranty must be made promptly, in writing, after occurrence of circumstances giving rise thereto, and must be received within the applicable warranty period by Seller or its authorized representative. Such claims should include the Product type and serial numbers and a full description of the circumstances giving rise to the claim. Before any Products are returned for repair and/or adjustment, written authorization from Seller or its authorized representative for the return and instructions as to how and where these Products should be shipped must be obtained. Any Product returned to Seller for examination shall be sent prepaid via the means of transportation indicated as acceptable by Seller. Seller reserves the right to reject any warranty claim not promptly reported and any warranty claim on any item that has been altered or has been shipped by non-

acceptable means of transportation. When any Product is returned for examination and inspection, or for any other reason, Customer will be responsible for all damage resulting from improper packing or handling and for loss in transit, notwithstanding any defect or nonconformity in the Product. In all cases Seller has sole responsibility for determining the cause and nature of failure, and Seller's determination with regard thereto shall be final.

If it is found that Seller's Product has been returned without cause and is still serviceable, Customer will be notified and the Product returned at its expense, in addition, a charge for testing and examination may, in Seller's sole discretion, be made on Products so returned.

### **DAMAGES AND LIABILITY**

SELLER'S LIABILITY FOR DAMAGES SHALL NOT EXCEED THE PAYMENT, IF ANY, RECEIVED BY SELLER FOR THE UNIT OF PRODUCT OR SERVICE FURNISHED OR TO BE FURNISHED AS THE CASE MAY BE WHICH IS THE SUBJECT OF CLAIM OR DISPUTE. IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES. LIABILITY TO THIRD PARTIES, FOR BODILY INJURY INCLUDING DEATH, RESULTING FROM SELLER'S PERFORMANCE SHALL BE DETERMINED IN ACCORDANCE WITH APPLICABLE LAW AND THE TOTAL LIABILITY LIMITATION STATED ABOVE SHALL NOT BE CONSTRUED AS A LIMITATION ON SELLER FOR DAMAGES FOR ANY SUCH BODILY INJURY OR DEATH.

### **DISPUTES**

All disputes under any contract concerning Products, not otherwise resolved between Seller and Customer, shall be resolved using California law in a court of competent jurisdiction in San Diego County, California, and in no other place. However, in Seller's sole discretion such action may be heard in some other place designated by Seller (if necessary to acquire jurisdiction over third persons), so that the dispute can be resolved in one action. Customer hereby consents to the jurisdiction of such court or courts and agrees to appear in any such action upon written notice thereof. No action, regardless of form, arising out of, or in any way connected with the Products or services furnished by Seller, may be brought by Customer more than one (1) year after the cause of action has accrued. In any dispute arising out of Customer's failure to pay for Seller's goods and services as provided herein, the prevailing party shall be entitled to recover reasonable attorney fees and costs, including those incurred for the purpose of enforcing a judgment. If any part of the terms and conditions stated herein is held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions notwithstanding the part or parts found void or unenforceable.