

H2W TECHNOLOGIES, INC.
STANDARD TERMS AND CONDITIONS OF SALE

1. **CONTRACT.** ANY ACCEPTANCE BY H2W TECHNOLOGIES, INC. (H2W) OF THE BUYER'S ORDER IS EXPRESSLY MADE CONDITIONAL ON THE BUYER'S ASSENT TO ANY ADDITIONAL OR DIFFERENT TERMS CONTAINED HEREIN. Quotations issued by H2W representatives or field offices shall not be construed as offers to sell and be binding upon Buyer's acceptance thereof unless expressly confirmed in writing by H2W's headquarters in Santa Clarita, California. All orders are received subject to acceptance by H2W at said headquarters.
2. **PRICES.** The prices set forth on the reverse side are based upon the manufacture of the quantity and type of goods (products) ordered, and the prices are subject to revision when interruptions in the engineering and/or manufacturing schedule or changes in the specification of or quantity of the goods ordered are caused or requested by the Purchaser. All prices quoted, unless otherwise stated, reflect a three percent (3%) discount due to payment made with cash or check drawn from a United States Banking Institution. Clerical errors made by H2W are subject to correction without prejudice.
3. **TERMS OF PAYMENT.** Terms of payment on any accepted and acknowledged order are net 30 days from the date of the invoice unless otherwise specifically stated on the Sales Order, Quote, or Order Acknowledgement. Discounts for earlier or prompt payment of amounts due are not normally offered or allowed. We understand and agree that any credit granted shall be paid promptly in accordance with terms and agreements, that the credit grantor may add one and one half percent (1 ½%) per month to any balance owed, and in event of default to pay reasonable collection charges and/or attorney fees.
4. **TAXES.** H2W's prices do not include any applicable sales, use, excise or similar taxes, and any such taxes which H2W may now or hereafter be required to pay or collect shall be billable to the Buyer as a separate item unless the Buyer has furnished H2W with a tax exemption certificate acceptable to the taxing authorities.
5. **INSTALLATION.** H2W's prices for equipment do not include an allowance for installation and/or final on-site adjustment. Any such service performed by H2W shall be billable to the Buyer as a separate item at H2W's then prevailing rates unless otherwise expressly indicated in the contract.
6. **DELIVERY.** Delivery dates indicated in the contract documents are approximate and are based on prompt receipt of all necessary information regarding the equipment covered by the contract. H2W will use its best efforts to meet the indicated delivery dates, but cannot be held responsible for its failure to do so due to fire, war, civil commotion, strikes, failure of transportation, any act of God, or other cause beyond its control including delays or inability to deliver by H2W's vendors. If changes are made to the description of, specification for or quantity of goods ordered at the request of the Buyer, H2W reserves the right to change the expected delivery dates and will advise the Buyer of the new date at the time the change is acknowledged. All discrepancies associated with shipments from H2W Technologies must be reported within 2 days of receipt of shipment.
7. **SHIPPING.** H2W's prices do not include shipping and handling. Unless otherwise provided in the contract, H2W will select the method of transportation and routing for equipment sold F.O.B. Santa Clarita, California and shipment may be made freight collect. Title to equipment passes at place of origin.
8. **CRATING CHARGE.** A crating charge is added for positioning stages. This price will be quoted prior to shipment.
9. **SECURITY INTEREST.** H2W shall retain a security interest in the products furnished by it under the contract until the full purchase price has been paid. No equipment furnished by H2W shall become a fixture by reason of being attached to real estate. Buyer's failure to pay any amounts, when due, shall give H2W the right to possession and removal of the equipment.
10. **SPECIFICATIONS.** Weights and dimensions set forth in sales literature or quotations of H2W are not guaranteed unless previously certified by H2W in writing. H2W may, without affecting its obligations under these Terms and Conditions of Sale, make non-significant changes in specifications when such changes will not adversely affect the performance of the goods ordered.
11. **WARRANTY.** H2W warrants that H2W's products will be free from defects in material workmanship from one year after the date on which H2W's products are shipped from H2W. This warranty comprises the only warranty pertaining to H2W products. Seller makes no other warranty, covenant, representation, or guarantee, expressed or implied, under law or at equity, statutory or otherwise. All other warranties, including without limitation the warranties of fitness for a particular use and merchantability, are hereby disclaimed. Notwithstanding this limitation, there are absolutely no warranties, covenants, representations, or guarantees associated with H2W's products manufactured or acquired wholly or partially based on buyer's designs and specifications. Should the product be damaged by the customer for any use other than the prescribed usage described by H2W, the buyer is responsible for any repairs and/or replacement.
12. **CHANGES.** Buyer may with the express written consent of H2W make changes in the specifications for equipment or work covered by the contract. In such event the contract price and delivery dates shall be equitably adjusted. H2W shall be entitled to payment for reasonable costs and expenses incurred by it for work and materials rendered unnecessary as a result of such changes and for work and materials required to effect said changes, plus H2W's usual profit thereon.
13. **CANCELLATION.** The Buyer only with the express written consent of H2W may cancel equipment or work, which remains to be furnished under the contract. In the event of such cancellation, H2W shall be entitled to payment for the cost and expenses incurred by it in connection with the equipment or work so cancelled, plus an amount determined by applying H2W's usual rate of profit for similar items to such costs and expenses, or 20% of the contract price, whichever is greater.
14. **LIMITATION OF LIABILITY.** H2W shall not under any circumstances have liability for any special, indirect, incidental or consequential damage or loss or for reasons of late delivery described in paragraph 6. Clerical or stenographic errors are subject to correction.
15. **CONTRAVENING LAW.** Should any term or provision contained in the contract contravene or be invalid under applicable law, the contract shall not fail by reason thereof but shall be construed in the same manner as if such term or provision had not appeared therein.
16. **DEFAULT.** Upon default and placing of this instrument with an attorney or collection agency for collection repossession of equipment, Buyer agrees to pay attorney's fees, collection costs and any other costs incurred by H2W to collect amounts due.
17. **ASSIGNMENTS.** This contract shall be binding upon and inure to the benefit of the parties and the successors and assigns of the entire business and goodwill of either H2W or Buyer, or of that part of the business of either, used in the performance of this contract, but shall not be otherwise assignable.
18. **RESPONSIBILITY FOR BUYER SUPPLIED MATERIAL.** If the performance of the work hereunder is based upon the Buyer furnishing Buyer's property, H2W shall not be liable for any loss or damage while parts are in process, except if the loss or damage is a result of negligence or other willful acts on the part of H2W. H2W shall not be obligated to insure material furnished to H2W by Buyer.
19. **RETURNS.** Returned product must be accompanied by an RMA issued by H2W Technologies, Inc. Insured shipping costs back to H2W are the responsibility of the customer. Goods must be received in good condition. Custom items are not returnable. Product returned to H2W Technologies, Inc. for repair and/or re-work will not result in a credit to the customer's accounts receivable balance. Debits from customers will not be honored without prior approval from H2W Technologies, Inc. If any part is returned to H2W for restocking, it is subject to a restocking charge.

H2W shall use its best efforts in the rendering of its services so as to obtain accurate results. However, H2W makes no warranties, express or implied with respect to the services being rendered by it and shall not be liable to the Buyer or any other person or entity for personal injury or property damage, loss profit or other incidental, consequential or special damage caused or alleged to be caused, directly or indirectly, by H2W's failure to accurately or properly perform the services rendered even if H2W has been advised of the possibility of such damages. The Buyer's sole remedy with respect to any service rendered by H2W, which is determined to be inaccurate, shall be to obtain a refund of the price paid for such service. Without limitation of the generality of the foregoing, the Buyer accepts all risk and responsibility for determining the manner in which H2W's services are used and H2W assumes no responsibility for the performance of any material, part or component with respect to which it has rendered services, or of any other product designed or utilized by the Buyer which such material, part of component is contained.