Novelaire Technologies LLC
Terms and Conditions of Sale

These Terms and Conditions of Sale and the non-conflicting provisions in Seller's quote, acknowledgement, or invoice from Seller form the parties agreement (the **Agreement**) which governs all sales of any product(s) (**"Products")** and **Services** from Novelaire Technologies Inc, LLC or its North American affiliates or business units selling Products and Services ("**Seller)** to purchaser ("**Buyer**"). Seller disclaims any Buyer terms that are different or conflicting. Any agreed exceptions to these terms and conditions shall be made in writing and attached to this Agreement.

1. Prices and Taxes. Prices are those in effect when Seller accepts a purchase order and as indicated on quotation. Seller may accept or reject purchase orders in its sole discretion. All sales are subject to prior credit approval. Buyer must pay or promptly reimburse Seller for any sales, use or any other local, state, provincial or federal taxes (including duties and tariff's) arising from the sale or delivery of the Products and Services or provide an exemption certificate.

2. Payment. Unless otherwise agreed in writing, Buyer shall pay invoices, without setoff, prior to release to production in the currency specified on the invoice. If Buyer fails to make payment, (a) Buyer shall pay all of Seller's costs arising from Buyer's failure to pay according to terms, including attorneys' fees, and product cancellation costs, (b) Seller may accelerate all Buyer payments, and (c) Seller may terminate or suspend further performance under the Agreement and any other agreements with Buyer. Past due amounts are subject to service charges of 1½% per month (or the maximum amount permitted by law) and, if credit terms have been agreed to in writing, Seller reserves the right to charge lawful rates of interest upon any outstanding balance, whether past due or not. If in Seller's judgment, reasonable grounds for insecurity arise concerning Buyers ability to make payment when due, Seller may demand additional satisfactory security or adequate assurance of due performance, may refuse delivery except for cash, including payment for all goods previously delivered under the contract, or may stop delivery or reclaim the Products, in addition to all other remedies provided for by law. **Changes**. Seller may revise prices, dates of delivery, and warranties upon acceptance of requests by Buyer for modifications to Products or Services. If Buyer rejects proposed changes to made-to-order Products deemed necessary by Seller to conform to the applicable specification, Seller is relieved of its obligation to conform to such specification.

3. Shipment and Delivery. Deliveries of Product, risk of loss and title (subject to reservation of Seller's security interest) pass to Buyer FCA Seller's facility (Intercoms 2010) for domestic shipments or EXW Seller's facility for international shipments. Buyer is responsible for all damage or detention charges. Title to any software provided with Products remains with Seller or its supplier. Any claims for shortages or transit damage must be submitted directly to the carrier by Buyer. All shipping dates are approximate and not guaranteed. Seller reserves the right to make partial shipments. Seller is not bound to tender delivery of any Products for which Buyer has not provided shipping instructions. If shipment of Products is postponed or delayed by Buyer for any reason, including a Force Majeure Event (see Section 9), Seller may move Products to storage at Buyers cost and risk of loss the Products then deemed delivered. Products may not be returned except with the prior written consent of Seller, which may include additional terms.

4. Inspection and Acceptance. Unless otherwise agreed in writing signed by Seller, Buyer shall inspect Products upon receipt of the first delivery destination. Buyers' failure to inspect Products and give written notice to Seller of rejection within ten (10) days after receipt at first delivery destination shall constitute Buyer's irrevocable acceptance of Products delivered. Notice of any latent defect must be delivered to Seller in writing within ten (10) days of start-up.

5. Limited Warranty. Unless otherwise agreed in writing signed by Seller:

(a) Seller warrants: (i) All Products (excluding software and spare parts) manufactured by Seller will conform to the specifications and submittals provided by Seller and will be free of defects in material and workmanship (**"Defects")** for 12 months following start-up or 18 months following ship date, whichever occurs first, under normal use and regular service and maintenance, if installed and maintained pursuant to Seller's instructions. Extended warranties, if offered, may be purchased for an additional fee at the time of Product sale. For warranty purposes, start-up occurs when the equipment (or any portion thereof) is started for operation regardless of when the building may be ready for operation. (Per submittal, certain DX Products require Seller or its authorized Agent to perform start up or Product warranties are void. Any Seller required completed start-up form shall be delivered to Seller within six (6) months from shipment, or start-up will be deemed to have occurred on the ship date.) Except for OEM parts that may provide a longer pass-through warranty term from the third-party manufacturer, new spare parts will be free of Defects for 3 months following ship date. Refer to New Spare Parts Warranty Policy.

Buyer must notify Seller in writing of any Defect promptly upon discovery and if such notification occurs within the applicable warranty period, Seller shall remedy such Defect at Seller's option, adjustment, repair or replacement of Products or any affected portion of Products or providing a refund of the portion of the purchase price attributable to the defective portion of the Product. Buyer must grant Seller access to the premises at which Products are located at all reasonable times so that Seller may evaluate the Defect and make repairs or replacements on site. Repaired or replaced portions of Products are warranted until the later of the end of the original warranty period applicable to the defective portion of Products repaired or replaced or 30 days following the completion of the repair or ship date of the replacement parts; and (ii) Services will be of workmanlike quality. If Buyer notifies Seller in writing of any nonconforming Services within 30 days after Services are completed, Seller shall re-perform, if able to be cured, those Services directly affected by such failure at its sole expense. Buyer's sole remedy for such nonconforming Services is limited to cost of re-performing the Services.

b) Buyer is responsible for disassembly, removal and re-assembly or otherwise of non-Seller supplied products. Seller does not warrant and shall have no obligation with respect to any Products or parts that: (i) have been repaired or altered by someone other than Seller or Seller's authorized representative; (ii) have been subject to misuse, abuse, neglect, intentional misconduct, accident, Buyer or third party negligence, unauthorized modification or alteration, use beyond rated capacity, improper grounding, voltage irregularities, a Force Majeure Event, or improper, or a lack of, maintenance; (iii) are comprised of materials provided by, or designed pursuant to instructions from, Buyer; (iv) have failed

due to ordinary wear and tear; or (v) have been exposed to adverse operating or environmental conditions, including but not limited to contaminants, corrosive agents, chemicals or minerals, (vi) were manufactured or furnished by others and which are not an integral part of a product manufactured by Seller or (vii) have not been fully paid for by Buyer. Refrigerants, fluids, oils and expendable items such as filters are not covered by this Limited Warranty. If Seller has relied upon any specifications, information, representations or descriptions of operating conditions or other data supplied by Buyer or its agents to Seller in the selection or design of Products, and actual operating conditions or other conditions differ, any warranties or other provisions contained herein that are affected by such conditions will be null and void.

(c) Buyer is solely responsible for determining the fitness and suitability of Products for the use contemplated by Buyer. Buyer shall ensure that (i) the Products are used only for the purposes and in the manner for which they were designed and supplied, (ii) all persons likely to use or come into contact with the Products receive appropriate training and copies of applicable instructions and documentation supplied by Seller, (iii) all third parties who use or may be affected by or rely upon the Products are given full and clear warning of any hazards associated with them or limitations of their effectiveness and that safe working practices are adopted and complied with, (iv) any warning notices displayed on the Products are not removed or obscured, (v) any third party to whom the Products are supplied agrees not to remove or obscure such warning notices.

(d) If Software is Licensed: To the extent available and authorized by the Third-Party Software supplier, Seller hereby assigns to Buyer any warranties provided by Third Party Software providers. Seller provides Third Party Software "as is" without warranties, express or implied. Seller has no obligation for Third Party Software failures.

(e.) THE WARRANTIES SET FORTH IN THIS SECTION 6 ARE SELLER'S SOLE AND EXCLUSIVE WARRANTIES WITH RESPECT TO PRODUCTS, SOFTWARE AND SERVICES, AND ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES OF ANY KIND EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY INFRINGEMENT AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, USAGE OF TRADE AND FITNESS FOR A PARTICULAR PURPOSE. Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to Buyer. SELLER DOES NOT WARRANT THAT THE OPERATION OF SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE, OR THAT ANY DEFECT OR MALFUNCTION IN THE SOFTWARE IS CORRECTABLE OR WILL BE CORRECTED. THE REMEDIES PROVIDED IN THIS SECTION 6 ARE BUYER'S EXCLUSIVE REMEDIES FOR ANY AND ALL CLAIMS ARISING FROM OR RELATED TO PRODUCTS AND SERVICES. All warranty claims must be received by Seller in writing on or before the end of the applicable warranty period.

6. Limitation of Remedy and Liability. Unless otherwise provided by law, Seller's total liability under the Agreement, whether in law, equity, contract, infringement, negligence, strict liability or other otherwise, shall not exceed the price paid by Buyer under the Agreement for the Product or Services giving rise to the claim. Under no circumstances shall Seller be liable for special, incidental, indirect, delay or liquidated, punitive or consequential damages for any reason. "**Consequential damages"** includes without limitation, loss of anticipated profits; business interruption; loss of use, revenue, reputation, or data; costs incurred, including without limitation, costs for capital, fuel or power; loss or damage to property or equipment; and environmental clean-up. Any action arising under or relating to the Agreement, (whether based in law, equity, contract, infringement, negligence, strict liability, other tort or otherwise), must be commenced with one year from the date the claim arose. Seller assumes no obligation or liability for technical advice given or not given, or results obtained. Seller has set its prices and entered into the Agreement in reliance upon the limitations of liability and other terms and conditions specified herein, which allocate the risk between Buyer and Seller and form a basis of this bargain between the parties.

7. Indemnity. (a) Seller shall defend at its own expense any action brought against Buyer by a third party alleging that Products **(**the **"Indemnified Items")** directly infringe any United States patent, and shall pay all damages and costs finally awarded in any such action, provided that Buyer has promptly notified Seller in writing of the action, delivers all necessary assistance in the defense of the action, and permits Seller to control all aspects of the defense, including settlement rights. Seller has no obligation with regard to (i) any non-Seller originated Products, software or processes, including Indemnified Items or processes which have been modified or combined with non-Seller products or processes. (ii) any Indemnified Items or process provided pursuant to a design provided by or on behalf of Buyer; (iii) any patent issued after the date of the Agreement; (iv) any action settled or otherwise terminated without the prior written consent of Seller; or (v) any claims arising from or related to Seller's adherence to any specifications or instructions provided by or on behalf of Buyer.

(b) Buyer shall indemnify, defend, and hold harmless Seller and its affiliates and their respective shareholders, officers, directors, members, agents, and employees against all expenses, costs, (including reasonable attorney's fees),

claims, demands, damages, liability, suits, or the like arising in connection with or out of (i) any breach by Buyer of the Agreement, or (ii) Seller's adherence to specifications or use of material furnished or specified by Buyer or any of its agents. Additionally, if all or a part of the Indemnified Items sold hereunder are incorporated into an improvement to real property owned by a third party, Buyer will indemnify, defend and hold harmless Seller and its affiliates and their respective shareholders, officers, directors, members, agents and employees against any claim by such third party or its guests or invitees to the extent that the claim seeks to recover damages or otherwise to invoke any legal or equitable remedies beyond those for which Seller has agreed to be liable hereunder.

8. Excuse of Performance. Seller has no liability for non-performance due to acts of God; acts of Buyer; war (declared or undeclared); terrorism or other criminal conduct; fire; flood; weather; sabotage; strikes, or labor or civil disturbances; governmental requests, restrictions, laws, regulations, orders, omissions or actions; unavailability of, or delays in, utilities or transportation; default of suppliers or other inability to obtain necessary materials; embargoes or any other events or causes beyond Seller's reasonable control (each a "**Force Majeure Event"**). Deliveries or toehr performance may be suspended for an approporiate period of time or canceled by Seller upon notice to Buyer in the event of a Force Majeure Event, but the remainder of the Agreement will otherwise remain unaffected as a result of the Force Majeure Event. If Seller determines that its ability to perform the Services or the total demand for Products is hindered, limited or made impracticable due to a Force Majeure Event, Seller may delay delivery of Products and Services and allocate its available supply of Products (without obligation to acquire other supplies of any such Products) among its customers on such basis as Seller determines to be equitable without liability for any failure of performance. In the event of a Force Majeure Event, the date of delivery will be extended by a period equal to the delay plus a reasonable time to train and resume production, and the price will be equitably adjusted to compensate Seller for such delay and related costs and expenses.

9. Laws and Regulations. Compliance with any federal, state, provincial or local laws, regulations and directives ("LAWS**"**) relating to the installation, operation or use of Products or Services is the solf responsibilit of Buyer. In addition, Buyer shall comply with all applicable laws, rules, regulations, and orders related to anti-bribery or anti-corruption legislation (including without limitation the U.S. Foreign Corrupt Practices Act of 1977 and all national, state, provincial or territorial anti-bribery and anti-corruption statutes). The Agreement is governed by the laws of the State where Seller's principal office is located without giving effect to its conflict of laws rules, and the parties consent to the exclusive jurisdiction and venue of the federal and state courts located in such State. The application of the United Nations Convention on Contracts for the International Sale of Goods does not apply.

10. Drawings. Any designs, manufacturing drawings or other information submitted to Buyer remain the exclusive property of Seller. Buyer shall not, without Seller's prior written consent, copy such information or disclose such information to a third party.

11. Cancellation. Buyer may cancel orders only upon reasonable advance written notice and upon payment to Seller of cancellation charges which include: (a) all costs and expenses incurred by Seller, and (b) a fixed sum of 10% of the total price of Products to compensate for disruption in scheduling, planned production and other indirect and administrative costs. Insufficient notice will result in higher cancellation fees.

12. Export Control. Certain Products may be subject to export controls under the Laws of the US and other countries. Buyer must comply with all such Laws and not export, re-export or transfer, directly or indirectly, any such Product except in compliance with such Laws.

13. Assignment. Buyer acknowledges that Seller, through its affiliates (i.e., parents, subsidiaries and other affiliates) offers expanded manufacturing capability, and Seller may in its sole discretion manufacture, supply or deliver from any location or source, including any of its affiliates, any Products or Services and such manufacture, supply or delivery from such affiliates shall also be subject to these Terms and Conditions.

14. General Provisions. The Agreement constitutes the entire agreement between the parties and supersedes all other communications between the parties relating to the subject matter of the Agreement. Seller's quotation are offers that may only be accepted in full. No conditions, usage or trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, reject, or supplement the Agreement shall be binding unless made in writing and signed by both parties, expressly and specifically referencing the Agreement, and no modification or objection shall be caused by Seller's receipt, acknowledgment, or acceptance of purchase orders, shipping instruction forms, or other documentation containing different or additional terms to those set forth herein. No waiver by either party with respect to any breach or default or of any right or remedy and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver is expressed in writing signed by both parties, specifically referencing the Agreement. Nothing in the Agreement confers upon any person other than Seller and Buyer any right or remedy under or by reason of this Agreement. All typographical or clerical errors made by Seller in any quotation, acknowledgment or publication are subject to correction.

BUYER accepts these terms and conditions:

Signature:_____

Name: _____

Title: _____

Company: _____

Date: _____