

## **TERMS & CONDITIONS OF SALE:**

Every offer to sell, acceptance of offer to purchase, confirmation of sales agreement and sale by Integrated Aqua Systems, Inc. (IAS) is conditioned on assent by the Client to these standard terms of sale which may not be varied or waived except by written agreement signed by an officer of IAS.

### **Payment**

Standard payment terms for IAS products are prepaid in full prior to shipping. Payment is accepted by company check, money order, wire transfer, Mastercard or VISA. Credit card orders will be charged a 4% convenience fee. Special payment terms that appear on the quotation may also apply, including deposit payments or credit terms upon approval of credit. IAS shall be entitled to charge interest on any amounts not timely paid by or on behalf of Client at the maximum rate permitted by law, not to exceed 1.5% per month. If the Seller is required to engage the services of a collection agency or an attorney, the Purchaser agrees to reimburse the seller for any reasonable amounts expended in order to collect the unpaid balance.

### **Order Cancellation**

Orders may only be cancelled upon written notice to IAS. Any cancelled order and any wrongful non-acceptance of goods is subject to a cancellation fee and additional terms as follows:

- Minimum 15% cancellation fee will be applied
- Additional cancellation fees may apply depending on the amount of work completed at time of cancellation.
- Cancellation fees may include the costs to cover re-stocking of materials ordered or in progress, cost of non-returnable materials, repackaging costs or cost of design labor.

### **Technical Information**

All technical documents, drawings and information (other than general catalogs and brochures) furnished to Client by IAS in conjunction with the sale of product are confidential and shall remain property of IAS and may not be duplicated or disclosed by Client and shall be promptly returned to IAS if no order is placed.

### **Force Majeure**

IAS and Client assume the non-occurrence of the following contingencies which, without limitation, might render IAS' performance impracticable: strike, riots, fires, war, late or non-delivery by IAS suppliers, assertion by 3<sup>rd</sup> parties of infringement claims, and all other contingencies beyond IAS' reasonable control.

### **No Consequential Damages**

Under no circumstances whatsoever shall Seller be liable for any consequential damages, whether based on lost goodwill, lost resale profits, work stoppage, impairment of other goods or otherwise and whether arising out of breach of contract, negligence or otherwise, except only in the case of personal injury where applicable law requires such liability.

### **Governing Law & Arbitration**

California state law shall govern all transactions to which these terms of sale apply. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by binding arbitration held in San Diego, CA and administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules then in effect.

## Standard Warranty

For a period of one (1) year from the date of purchase by the original end user Integrated Aqua Systems, Inc. (IAS) products are warranted against defects in materials and workmanship under normal use. The limited warranty covers only parts and labor based on IAS service cost and IAS is not liable for field repair work without prior written or verbal agreement with a Repair Authorization (RA) number with a fixed maximum charge. If a defect arises and a valid claim is received within the warranty period, IAS will, at its sole discretion, either repair the defect at no charge or replace the product with a product that is new or which has been manufactured from new or serviceable used parts and is at least functionally equivalent to the original product.

2.) Some materials and equipment used in the assembly of IAS products may have warranty terms that exceed 1 year. In this case the original manufacturer's standard equipment warranty will apply for the entire warranty term.

### EXCLUSIONS AND LIMITATIONS

(a) No IAS products will be covered under warranty until any and all balances due are paid in full. No Exceptions.

This limited warranty does not apply:

(b) to damages caused by accident, abuse, misuse, flood, fire, earthquake or other external causes;

(c) to damage caused by operating the product outside of the permitted or intended uses as described by IAS;

(d) to damage caused by service of maintenance performed by anyone who is not a representative of IAS;

(e) to a product or part that has been modified to significantly alter functionality or capability without the written permission of IAS.

(e) to damage caused by failure of any third party equipment or device (such as a controller or pump).

(f) Merchandise returned to IAS for warranty repair or replacement must be accompanied with a valid Return Merchandise Authorization (RMA) number issued by IAS. Any packages not marked with an RMA number will be refused.

(g) This warranty applies to the original purchaser and is not transferable.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY AND REMEDY SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES, WHETHER ORAL OR WRITTEN, STATUTORY, EXPRESS OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, IAS SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. FURTHER, IAS IS NOT RESPONSIBLE FOR DIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR CONDITION, OR UNDER ANY OTHER LEGAL THEORY, SUCH AS ANTICIPATED LOSS OF PROFITS, REPUTATION, GOOD WILL OR OPPORTUNITY.

This warranty is governed by the laws of the State of California and in case of dispute venue shall be in the San Diego County Superior Court, State of California.