

TERMS & CONDITIONS OF SALE

SCOPE: The Terms and Conditions (“Terms”) contained herein shall apply to all quotations and offers made by and purchase orders accepted by Distributor WESTERN HYDRO (“WESTERN HYDRO”). These Terms apply to all sales made by WESTERN HYDRO except to the extent the Terms conflict with an existing individual customer contract where special terms and conditions (signed by WESTERN HYDRO and Buyer) may take precedence over this document. These Terms apply in lieu of any course of dealing between the parties or usage of trade in the industry. These Terms may in some instances conflict with other terms and conditions referenced to. In such case, the Terms contained herein shall govern, and acceptance of Buyer’s order is conditioned upon Buyer’s acceptance of the terms and conditions herein, irrespective of whether the Buyer accepts these conditions by a written acknowledgment, by implication, or acceptance and payment of products ordered hereunder. WESTERN HYDRO’s failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of the provisions herein. Any changes in the Terms contained herein must specifically be agreed to in writing signed by an officer of WESTERN HYDRO before becoming binding on either party.

ORDERS: Phone lines are available for placing your orders. Please use WESTERN HYDRO’s order numbers, size and any other definite information necessary. Whenever possible, orders will be processed and shipped within 24 hours. All items not shown as shipped have been back ordered and will be shipped as soon as possible unless otherwise notified. WESTERN HYDRO reserves the right to correct clerical errors or omissions in quotations or other documents.

DELIVERY: All orders are shipped EXWORKS shipping location unless they qualify for Prepaid Shipment as stated in our current freight terms. We reserve the right to ship via the most economical transportation means, including the routing of the shipment, and the selection of the point of origin for the shipment. If special routing or method is requested, resulting in a higher rate, the additional amount will be charged to the customer. WESTERN HYDRO will not be responsible for any extra charges, handling or otherwise, arising out of possible misdirected shipments to any location. If the specific error was WESTERN HYDRO’s, only the additional freight charged involved in returning the shipment to WESTERN HYDRO, or the freight cost involved in forwarding the shipment to another location or company will be paid by WESTERN HYDRO.

SHORTAGES & FREIGHT CLAIMS: No claims for allowances will be entertained unless presented immediately upon receipt of goods. Shortages or damaged material must be noted on the delivery receipt. WESTERN HYDRO will not be held responsible for breakage or shortage after goods are delivered to and accepted from the common carrier. Seller shall retain a security interest in the products until Buyer’s final payment to WESTERN HYDRO for the products. Risk in the products shall pass to Buyer as soon as the products have been placed with a transport agent

PRICES & QUOTATIONS: Orders will be invoiced at the price in effect at the time of shipment. All prices are exclusive of any present or future sales, revenue or excise tax, value added tax, turnover tax, import duty (including brokerage fees) or other tax applicable to the manufacture or sale of any product. Such taxes, when applicable, shall be paid by Buyer unless Buyer provides a proper tax exemption certificate. Unless otherwise specified, prices are Ex Works. All prices and quotations are subject to change without notice. If you need material not shown in our catalog, then please call for a quote. When ordering quoted items, you must specify price, quantity and our quote number.

PAYMENT TERMS: Unless otherwise agreed in writing, Payment terms shall be net thirty (30) days from the date of invoice. Buyer agrees to pay interest on any unpaid balance as detailed below under “Finance Charges”. Unless otherwise agreed in writing, all payments are to be in United States dollars. In the event that WESTERN HYDRO is

required to bring legal action to collect delinquent accounts, Buyer agrees to pay reasonable attorney's fees and costs of suit.

FINANCE CHARGES: Any account that is past its normal terms will be assessed a finance charge as stated on each invoice. Standard finance charges are 2% per month.

CANCELLATION: Special order items may be cancelled only with WESTERN HYDRO's consent and will be subject to the manufacturer's standard restock charge. Stock items will be subject to a 25% handling and restocking charge. The purchaser will be billed for reasonable charges based on expenses incurred or will occur due to commitments made by WESTERN HYDRO for the cancelled order.

RETURN MATERIAL POLICY: Material you desire to return will be considered for credit subject to a 25% restocking charge. Material must be approved for return and in good saleable condition within thirty (30) days of delivery.

WARRANTY: Defective material under manufacturer's warranty will be accepted for return to be replaced or repaired in accordance with the manufacturer's policy. WESTERN HYDRO offers no additional warranty beyond that of the manufacturer's written warranty policy. Please include the invoice number & date of purchase. All warranty return merchandise should be sent prepaid.

LIMITED LIABILITY: Neither WESTERN HYDRO nor Buyer shall be liable for incidental or consequential damages, including but not limited to, the cost of labor, re-qualifications, rework charges, delay, lost profits, or loss of goodwill arising out of the sale, installation or use of any WESTERN HYDRO product. If WESTERN HYDRO has any liability for breach of contract, breach of any implied condition, warranty or representation, the aggregate liability of WESTERN HYDRO to Buyer shall be limited in respect of any occurrence or series of occurrences to the total contractual value of the products or services supplied by WESTERN HYDRO under these Terms and to which the claim relates.

WAIVER: Failure by WESTERN HYDRO to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right nor operate to bar the exercise or enforcement thereof at any time or times thereafter.

APPLICABLE LAW: Unless otherwise agreed in writing, the terms and conditions contained herein shall be governed by and construed under the laws of the local law. Any dispute arising from or in connection with these Standard Terms and Conditions will be brought before the competent court in United States.

FORCE MAJEURE: WESTERN HYDRO shall not be liable for any damage or penalty for delay in delivery or for failure to give notice of delay when such delay is due to the elements, acts of god, acts of the Buyer, act of civil or military authority, war, riots, concerted labor action, shortages of materials, or any other causes beyond the reasonable control of WESTERN HYDRO. The anticipated delivery date shall be deemed extended for a period of time equal to the time lost due to any delay excusable under this provision.

CONFIDENTIALITY: Except as required by law, neither party shall use (except for purposes connected with the performance of its obligations hereunder), divulge or communicate to any third party any information of the other it reasonably knows to be confidential.