

CONTINENTAL INDUSTRIE TERMS AND CONDITIONS

1. GENERALITIES

The present conditions of sale are an integral part of all the purchasing and sales contracts drawn up by CONTINENTAL INDUSTRIE S.A.S. These conditions, taken as known to and accepted by the Purchaser from the moment each order is placed, may not be modified unilaterally by the Purchaser, but only through a written agreement with CONTINENTAL INDUSTRIE S.A.S.

2. ACCEPTANCE

All orders shall be made out to CONTINENTAL INDUSTRIE S.A.S. and subject to acceptance by us at our Head Office located in Villeurbanne, France. This proposal may be revoked by us without liability at any time prior to our written acceptance. The quotation is based on CONTINENTAL INDUSTRIE S.A.S. terms and conditions as stated herein. Any modifications must be communicated in writing and accepted by an officer of CONTINENTAL INDUSTRIE S.A.S. Modifications to our terms may affect the quoted price. This agreement is governed by and subject to the French laws. For any controversy arising from the interpretation or fulfilment of the purchasing and sales contract, the Purchaser recognizes and accepts the sole competence of the judicial authorities of Lyon - FRANCE

3. SHIPMENTS, DELIVERY & « FORCE MAJEURE »

Shipment dates are our best estimate, and not guaranteed. CONTINENTAL INDUSTRIE S.A.S. will make all reasonable efforts to meet specified shipment dates including expediting sub vendors, but will have no liability for any failure or delay in performance with respect to delivery or otherwise, if such failure or delay is due to any cause beyond our control including but not limited to : any act of God, war, civil disturbance, riot, labor difficulty, fire, other casualty, accident, or our supplier's failure or inability to perform.

All shipments, whether partial or complete, will be accompanied by a detailed shipping list with the quantities certified correct by a CONTINENTAL INDUSTRIE S.A.S. inspector. It is the Customer's responsibility to inspect each item carefully for damage or shortages. We shall not be obligated to consider any claim for shortages unless notified within ten (10) working days after your receipt of equipment.

CONTINENTAL INDUSTRIE S.A.S. pricing is based on ex-works point of shipment (factory), which means title passes to the Purchaser when loaded on trucks at the point of manufacture. Any damage or claims for shipment damage is the Purchaser's responsibility. (CONTINENTAL INDUSTRIE S.A.S. shall retain a security interest in the equipment as enumerated in Item six (6) below).

4. APPROVAL DRAWINGS & SUBMITTALS

Any preliminary drawings and accompanying information attached to our quotation are for illustration purposes only to show approximate dimensions and arrangement. Certified construction drawings will be furnished as required, after receipt of order.

The specified sets of submittal drawings, engineering data and catalogue cuts will be forwarded in the time period indicated on the proposal. This estimate of submittal time may be affected by our backlog at the time of order acceptance and timely receipt of specifications, drawings and details from the Purchaser. Negotiation of terms and conditions will also affect the submittal date.

5. CREDIT APPROVAL & PAYMENT

All orders are subject to the approval of Purchaser's credit. CONTINENTAL INDUSTRIE S.A.S. terms of payment are 100% net 30 days after invoice date for any partial or complete shipments made. Other terms may be discussed and agreed upon before the order confirmation and will affect our pricing. Orders written to CONTINENTAL INDUSTRIE S.A.S. providing for retention of monies until total job completion are not acceptable. The Purchaser's payment obligation shall not be in any way dependent or contingent upon payment from any other party.

Any balance owed CONTINENTAL INDUSTRIE S.A.S. after thirty (30) days is subject to a 1_% per month delinquency charge until paid. If the Purchaser's financial condition becomes impaired, or if payments are delayed for any reason, CONTINENTAL INDUSTRIE S.A.S. may, at our sole option, suspend work on the equipment or demand prepayment before any future shipments are made. We may withhold instruction manuals, certification of equipment or startup services as required to secure payment. Any additional charges for collection, including attorney's fees, shall be paid by the Purchaser.

When the Purchaser is responsible for any delay in shipment, the date of completion of equipment may be treated by CONTINENTAL INDUSTRIE S.A.S. as the date of shipment and the purchasing company invoiced accordingly. Completed equipment shall be held by us and we have the right to bill the Purchaser for reasonable storage and insurance expenses

6. SECURITY INTEREST

Until all amounts due to us have been paid in full, CONTINENTAL INDUSTRIE S.A.S. shall retain a security in the equipment and have all rights of a secured party under the Uniform Commercial Code, including the right to repossess the equipment without legal process

7. FREIGHT

Claims for loss or damage in transit are the responsibility of the consignee. CONTINENTAL INDUSTRIE S.A.S. will give Purchase all the possible assistance. Any claims for shortages not covered by the common carrier, in order to receive consideration, must be made in writing within 3 (three) days from the date of delivery.

8. LIMITATION OF LIABILITY

In no event as a result of breach of contract, warranty or negligence shall CONTINENTAL INDUSTRIE S.A.S. be liable for special or consequential damages including but not limited to loss of profits or revenues, loss of any equipment, cost of capital, cost of substitute equipment, facilities or services, down time costs or claims of the Purchaser for such damages. Further CONTINENTAL INDUSTRIE S.A.S. will not be liable for any delay in the performance of contracts and orders, or in the shipment and delivery of goods, or for any damage suffered by the Purchaser by reason of delay, when such delay is, directly or indirectly, caused by or in any manner arises from fires, floods, accidents, riots, war, Government interference, priorities, embargoes, strikes, shortage of labour, fuel, materials or supplies, inadequate transportation facilities or any other cause or causes whether or not similar in nature to any of those herein before specified beyond CONTINENTAL INDUSTRIE S.A.S.' control. Unless otherwise agreed to in writing by CONTINENTAL INDUSTRIE S.A.S., the equipment manufactured by CONTINENTAL INDUSTRIE S.A.S. is not intended for use in connection with any nuclear facility or activity. If so used and any nuclear damage, injury or contamination occurs, CONTINENTAL INDUSTRIE S.A.S. disclaims all responsibility and the Purchase shall indemnify CONTINENTAL INDUSTRIE S.A.S. from any and all liability for such a damage or contamination arising out of such use, including CONTINENTAL INDUSTRIE S.A.S.' negligence.

9. CANCELLATION OR DELAY

Should this order be cancelled by the Purchaser without our consent, the Purchaser shall be obliged to pay for work performed and equipment purchased by us, plus a reasonable profit. Any costs related to suspension or delays caused or required by the Purchaser shall be for the Purchaser's account.

10. PERFORMANCE

Performance of CONTINENTAL INDUSTRIE S.A.S.' equipment is based on data furnished by Purchase. CONTINENTAL INDUSTRIE S.A.S.' performance figures are estimates only, based on the best reliable engineering practice. The actual performance obtained by Purchaser may be influenced by any changes in conditions prevailing at jobsite.

11. WARRANTY

For the benefit of the original user only, CONTINENTAL INDUSTRIE S.A.S. warrants that the equipment of our manufacture will be free from defects in material and workmanship when installed, operated and maintained under design conditions and in accordance with our written instructions. CONTINENTAL INDUSTRIE S.A.S. will replace or repair ex-works our factories or other locations designated by us, any parts returned which examination shall show it to have failed under normal use and service by the original user, normal wear and tear excepted. Warranties will expire eighteen (18) months after shipment of twelve (12) months after startup, whichever occurs first. Expendable items such as V-belts and filter media are excluded from this warranty

This warranty, including stated remedies, is expressly made by CONTINENTAL INDUSTRIE S.A.S. and accepted by Purchaser in lieu of all other warranties, and CONTINENTAL INDUSTRIE S.A.S. disclaims any implied warranty of merchantability or fitness for any particular purpose. We will not be liable for any consequential, incidental or liquidated damages, and in no event shall be liable for any amount in excess of the purchase price of the equipment. CONTINENTAL INDUSTRIE S.A.S. makes no warranties, express or implied, that the equipment sold will meet any particular specifications

If the equipment we are to provide is contractually subject to the final approval of a consulting engineer, who disapproves our equipment prior to shipment, the purchase order may be cancelled by either of us, without liability to the other, provided that CONTINENTAL INDUSTRIE S.A.S. shall have the right to appeal the consulting engineer's decision, if such right is available under the contract or applicable law and regulations. In the event the consulting engineer has not given final approval to our equipment within 20 weeks after original submittals are forwarded, CONTINENTAL INDUSTRIE S.A.S. may cancel your order without liability.

This warranty shall not apply to equipment or parts thereof which have been altered or repaired outside of a CONTINENTAL INDUSTRIE S.A.S. factory, or damaged by improper installation, application, erosion or corrosion of any sort, or subjected to misuse, abuse, neglect or accident. CONTINENTAL INDUSTRIE S.A.S. will make no allowance or reimbursement for repairs, alteration, replacements or work of any kind, done or ordered by others without CONTINENTAL INDUSTRIE S.A.S.' prior, written authorization. This warranty does not include any installation, removal or freight expense that might be associated with warranty repair or replacement. Repair, replacement or refund of the purchase price by CONTINENTAL INDUSTRIE S.A.S., at our sole option, shall be the exclusive remedy for breach of this warranty. CONTINENTAL INDUSTRIE S.A.S. makes no warranty with respect to parts, accessories, or components manufactured by others. The warranty applicable to such items is that offered by their respective manufacturers and will be passed through CONTINENTAL INDUSTRIE S.A.S. to the original user.

12. TAXES

Taxes are not included in our pricing. Any applicable taxes will be added to the price and invoiced separately.

13. NOISE TESTS

CONTINENTAL INDUSTRIE S.A.S. will certify a standard open field noise test only, conducted at our plant, as related to blowers and other rotating equipment assembled by CONTINENTAL INDUSTRIE S.A.S. We cannot and will not certify or guarantee a final installed noise level because of the many variables that affect sound levels, i.e. size of room, room construction materials, other equipment in room, equipment spacing, ventilation, piping, etc. Refer to proposal for any specific details.

14. STARTUP

Unless specifically stated in our quotation, installation, start-up, service supervision and training are not included in our pricing. These responsibilities shall be the exclusive responsibility of the Purchaser.

A trained factory serviceman is available at the rate stated in our quotation, with all travel and living expenses billed at cost + 10%. Service charges are based on a standard eight (8) hours work day with time charged from the date of his departure from his home office to the date of his return. Over-time and weekend travel will be charged at time and one-half and double-time, respectively.

15. VARIATIONS

Any variation from the CONTINENTAL INDUSTRIE S.A.S. terms and conditions herein must be approved in writing by an officer of the company, or CONTINENTAL INDUSTRIE S.A.S. will not be bound thereby