

TERMS AND CONDITIONS OF SALE

(January 2014)

ROTH PUMP COMPANY

1. Priority of Terms and Conditions. Unless otherwise agreed to in writing by Seller, the following terms and conditions are part of Seller's quotation and shall govern any resulting order. No term or condition stated in any Buyer solicitation, purchase order or contract shall become part of an order or shall otherwise be binding on Seller unless expressly agreed to in writing by Seller. Seller's failure to object to any term or condition contained in any customer communication shall not be construed as consent to such terms and conditions nor be deemed a waiver of any term or conditions set forth herein. All international shipping terms specified herein shall be construed in accordance with the 1990 INCOTERMS published by the International Chamber of Commerce.

2. Commercial Contract. All sales are made in strict accordance with these commercial conditions and prices and shall not be subject to the procurement regulations of the United States Government or of any state, local or foreign government unless agreed to in writing by the Seller.

3. Quotation, Prices and Taxes. Quotations are valid for a period of 30 days. Quotations are available for other specific time periods upon request. The Seller reserves the right to apply a price escalation for quotations not accepted within the time period. Seller's prices on date of acknowledgment of order will prevail on all goods accepted for delivery within six (6) months of acknowledgment. Prices on goods not accepted for delivery within six (6) months of date of acknowledgment are subject to change without notice. Unless specified otherwise, prices do not include retailer's occupation, sales, use, privilege, value-added tax, excise or any other tax (except for gross income tax), duty, tariff or assessment which may arise from the sale of the products or services quoted. Such amounts shall be added to the contract price in the event the Seller becomes liable to pay or bear the burden thereof. A request for exemption from any such tax, duty or assessment must be accompanied by a properly executed exemption certificate prior to shipment.

4. Minimum Order. Minimum order value will be US\$50.00.

5. Shipment and Risk of Loss. Shipments will be made via carriers designated by the Buyer unless such carriers are not available at time of shipment. In the absence of shipping instructions, routing will be at the Sellers discretion. In the event it is necessary to prepay shipping costs, such prepayment will be added to the invoice unless there is prior agreement to the contrary. Products will be packed, packaged and crated in accordance with Seller's standard commercial practices. Export packing is available on request at an additional charge. Orders delivered within the United States are shipped F. O. B. Seller's Factory, Freight Prepaid and Billed. Orders delivered outside the United States are shipped Ex Works, Seller's Factory, unless otherwise requested. Title to and risk of loss of the products shall pass to Buyer upon delivery to the common carrier. Seller may make partial shipments and submit invoices for such partial shipments in accordance with the payment terms set forth below. International shipments are contingent upon receipt of required United States export licenses.

6. Terms of Payment. Payment for orders delivered in the United States is due within 30 days from the invoice date, unless otherwise specified by Seller. Orders delivered outside the United States shall be paid by an irrevocable letter of credit or by other means as agreed upon between Seller and Buyer. Orders accepted on other terms shall be due in strict accordance with the terms quoted. Past due charges are subject to a service charge of 1.5% per month (18% annual) on the unpaid balance or the maximum legal rate permitted by state law, whichever is lower. Seller reserves the right, in its sole discretion, to reject Buyers purchase order or to withhold shipment of Buyers orders if Buyer's accounts are in arrears. Buyer is responsible to Seller for all reasonable attorney fees, court costs, and/or collection agency fees should Buyer default on payment. Buyer acknowledges that Seller retains full security interest in all products until Buyer renders payment in full and upon request, agrees to execute any documents necessary to perfect Seller's security interest.

7. Delivery. Delivery schedules are offered for Buyer information. due to material shortages and other difficulties, delivery schedules can only be made with approximate accuracy. Seller shall make every reasonable effort to meet Buyer's requested delivery and performance dates, but shall not be liable for delays due to causes beyond its control, including but not limited to, acts of God, acts of the public enemy, acts of the United States, its States, Territories, or any political subdivision of the foregoing, acts of the Buyer, its employees, agents, or subcontractors, fires, floods, strikes, freight embargoes, unusually severe weather conditions, inadequate transportation facilities, or any cause whatsoever beyond the control and without the fault or negligence of Seller, its suppliers or subcontractors, whether similar to or dissimilar from the causes herein enumerated. In the event of any such delay, Seller shall be given a reasonable extension of time within which to complete performance.

8. Final Acceptance. Buyer's express acceptance of the products, or Buyer's possession, use or beneficial use of the products for more than 30 days after delivery shall constitute final acceptance and, except as provided in Seller's warranty below, shall waive all Buyer claims of nonconformity of the products.

9. Infringement. Goods manufactured to Buyer's specifications are sold subject to condition that the buyer hold the Seller harmless against any claims for infringement or the like which arises out of compliance with the specifications.

10. Warranty. Seller warrants that its products are transferred rightfully and with good title; that its products are free from any lawful security interest or other lien or encumbrance unknown to Buyer; and that for a period of one (1) year from the date of installation or eighteen (18) months from the date of original shipment, whichever period expires first, such products will be free from defects in material and workmanship which arise under proper and normal use and service, when installed and operated in accordance with the instructions for the services recommended in the Sellers catalog. These obligations shall be limited to replacement or repair of material accepted as defective upon its return. Transportation costs in connection with the return of products to and from Seller's plant or designated facility shall be paid by the Buyer. This warranty shall not apply in the event of any alteration or disassembly by the Buyer or in the event of misuse, negligence, or accident. In cases where corrosive or abrasive liquids are being pumped, the Seller warranties to furnish the materials in accordance with the Buyer's specifications, but does not warranty resistance to corrosion or abrasion. Electrical equipment furnished by the Seller is warranted by its original manufacturer and claims dealing with such equipment may be referred to the original manufacturer. The provision of the warranty shall be applicable with respect to any product which Seller repairs or replaces pursuant to it. SELLER MAKES NO WARRANTY, EXPRESSED OR IMPLIED, OTHER THAN AS STATED ABOVE. EXPRESSLY EXCLUDED ARE THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE. THE FOREGOING SHALL CONSTITUTE ALL OF SELLER'S LIABILITY UNDER THIS WARRANTY WITH RESPECT TO THE PRODUCTS. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INSTALLATIONS COSTS, LOST REVENUE OR PROFITS, OR ANY OTHER COSTS OF ANY NATURE AS A RESULT OF THE USE OF PRODUCTS MANUFACTURED BY THE SELLER, WHETHER USED IN ACCORDANCE WITH INSTRUCTIONS OR NOT. UNDER NO CIRCUMSTANCES SHALL SELLER'S LIABILITY TO BUYER UNDER THIS WARRANTY EXCEED THE ACTUAL SALES PRICE OF THE PRODUCTS PROVIDED HEREUNDER. No representative is authorized to assume for Seller any other liability in connection with the products.

11. Claims. Claims for losses or damage in transit shall be reported immediately by the Buyer to the carrier and is not warranted by the Seller. Claims for shortages should be presented promptly to the Seller. Where products selected, installed and operated in accordance with instructions fails to perform as predicted by the catalog, the Seller should be given the opportunity to inspect the installation. The accumulation of years of specialized experience with turbine pumps has enabled the Seller to suggest improvements in the installation that have secured good operation results. In such cases the Seller will accept no claims for labor or damage. The Seller will cooperate with the Buyer to offer technical information to obtain necessary performance results.

12. Limitation of Liability. Seller shall not be liable to Buyer for any indirect, exemplary, incidental, special or consequential damages arising from any action for breach of contract, breach of warranty, or for any action based on the tortious acts or omissions of Seller. Buyer acknowledges that such lack of liability includes, but is not limited to, loss of actual or anticipated revenue or profits, loss of actual or anticipated value of the business to the Buyer, or damage to the business reputation or goodwill of Buyer.

13. Certification. All products are manufactured and inspected by Seller in accordance with Seller's current product specifications and quality control procedures. Catalog drawings are subject to revision and should not be used for construction unless certified by the Seller. The Seller reserves the right to make minor design and dimension changes, and the most recent design will be substituted for previous designs without prior approval unless certified dimension and construction prints have been furnished. The Seller will furnish certified design and dimension data for catalog material upon request for any order that is placed by the Buyer. Certification cannot be made in advance of purchase order or to cover equipment previously shipped. Certified orders will be shipped in exact conformance with certification. All Roth pumps are individually tested for capacity at specified head and for leaks before shipment. Pumps in sizes up to 30 GPM capacity will be shipped if they test within 10% of catalog performance. Pumps in

sizes above 30 GPM capacity will be deemed satisfactory if they deliver within 5% of catalog performance. The above is applicable provided no prior agreed upon specific commitments of performance exist. Certified tests will be provided at additional charge where required for specific order before shipment.

14. Inspection and Equipment Testing. Prices do not include Buyer inspections or product testing and the cost of performing such tests shall be added to the purchase order price.

15. Governing Law. An order is valid only when accepted in writing at Seller's main office. The contract arising therefrom shall be deemed to have been entered into in the State of Illinois, County of Rock Island, and its interpretation, construction, and the remedies for its enforcement shall be governed in accordance with Illinois law. All claims against the seller to be brought in the State of Illinois, County of Rock Island.

16. Specification Changes. Seller's product specifications are subject to change without notice to Buyer, provided such changes do not materially affect performance. Title to all materials and information provided by Seller to Buyer, including, but not limited to, specifications, drawings, engineering data, and technical designs, shall remain vested in Seller, unless otherwise agreed to in writing by the parties. All such information shall be treated as confidential by Buyer and shall not be disclosed to any third party without written consent of Seller.

17. Returns. Standard catalog products may be returned for credit, provided such products are returned within 6 months after the original shipment date. The minimum value accepted for return from each purchase order is US\$50.00. The amount of credit issued for any returned product shall be determined solely by Seller based on the re-sale condition of the product. Non-standard products, including products specially manufactured in accordance with Buyer's specifications, may not be returned for credit unless otherwise agreed to in writing by the Seller. Buyer shall obtain Seller's written return goods authorization prior to returning any product for credit.

18. Cancellations. Orders for standard catalog products may be canceled prior to shipment. Orders for non-standard products or specially manufactured products may be canceled prior to the start of manufacture, provided Buyer reimburses Seller for any actual costs incurred on the order prior to the effective cancellation date. After manufacture commences, orders for non-standard products or specially manufactured products may not be canceled. In the event Buyer terminates such orders, Buyer shall be liable to Seller for termination charges, including but not limited to, reasonable profit.

19. Delays/Billing in Place. Upon completion of Buyer's order, any delay in shipment attributable to Buyer, including but not limited to, Buyer's request to defer the delivery date, shall cause the following to occur: Thirty (30) days after the original shipment date, a storage charge of 1.5% of the invoice price per month will be billed to Buyer and title to the shipment will automatically pass to Buyer, Seller will invoice Buyer for completed goods and Buyer will pay in accordance with the terms of the original sale, as the goods will be deemed to have shipped in place. Seller will insure against risk of loss until physical shipment of goods to a common carrier.

20. Change Orders. Buyer change orders must be in writing and no change shall be made pursuant to this clause unless agreed to in writing and signed by a duly authorized representative of Seller and Buyer. If any such change causes an increase or decrease in the cost or the time required for the performance of any part of the work, an equitable adjustment shall be made in the contract price and schedule. Seller shall have no obligation to commence any extra or changed work without written agreement as to adjustment to contract price and delivery schedules affected thereby.

21. Termination. In the event Buyers fails to render payment on any invoice, or Buyer's account is in arrears, or Buyer becomes insolvent, enters into bankruptcy or has a receiver appointed to protect assets, Seller shall have the right, without prejudice to any other remedy, to immediately cease manufacture of all Buyer orders and to stop all shipments to Buyer, including stoppage in transit.