

**Integrated Environmental Systems, Inc.**  
**Terms and Conditions**

The following terms and conditions (“Terms and Conditions”) apply to all sales of Products to you, the buyer (“Buyer”) by Integrated Environmental Systems, Inc. (“Seller”), unless superseded by the terms of a separate written agreement between Buyer and Seller.

1. Applicability; Governing Law and Conflicting Terms. All transactions with respect to the current or future sale of any products and all services relating thereto (the “Products”) by Seller to Buyer shall be made in accordance with these Terms and Conditions and shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision or rule of any other jurisdiction that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Pennsylvania. These Terms and Conditions constitute an offer by Seller to sell the Products to Buyer for the Purchase Price (defined below) pursuant to the terms set forth herein. In the event of any additional, different, or conflicting terms contained in any document provided by Buyer relating to the Products, including but not limited to any purchase order of Buyer, Buyer expressly agrees that (i) these Terms and Conditions shall apply and (ii) Buyer’s additional, different, or conflicting terms shall not become a part of these Terms and Conditions. Neither the sale of Products, performance of any work or services, nor any statements, claims or representations made by or on behalf of Seller shall alter these Terms and Conditions or the rights and duties of Seller and Buyer.
  
2. Purchase Price; Price Adjustments and Payment Terms. The purchase price for the Products shall be the total, gross amount that is set forth on Seller’s quote and sales offer that relates to the Products (“Purchase Price”), plus any surcharge and Price Adjustments. The Purchase Price shall remain valid for a period of thirty (30) days from the date of Seller’s quote and sales offer. **BUYER HEREBY GRANTS TO SELLER A SECURITY INTEREST IN ALL PRODUCTS AS SECURITY FOR THE PROMPT AND FULL PAYMENT OF THE PURCHASE PRICE. IN THE EVENT THAT THERE IS A CHANGE IN THE PRICE OF RAW MATERIALS, ENERGY OR PROCESS MATERIAL USED TO PRODUCE THE PRODUCTS, LABOR, OVERHEAD, TAXES AND TARIFFS, EXCHANGE RATES, DUTIES OR OTHER COSTS RELATING TO THE PRODUCTS OR ANY COMPONENT THEREOF (COLLECTIVELY THE “PRICE CHANGES”), OR IN THE EVENT THAT SELLER INCURS ADDITIONAL COSTS OR EXPENSES AS A RESULT OF DELAYS OR CANCELLATIONS FROM SUPPLIERS, MANUFACTURERS, OR OTHER THIRD PARTIES OR DELAYS IN BUYER’S PROJECT SCHEDULE (COLLECTIVELY “ADDITIONAL COSTS”), THEN BUYER EXPRESSLY AGREES THAT THE PURCHASE PRICE SHALL BE INCREASED FOR ANY AND ALL OF SUCH PRICE CHANGES AND ADDITIONAL COSTS (COLLECTIVELY, “PRICE ADJUSTMENTS”).**

Accordingly, Buyer hereby agrees and acknowledges that any and all price quotes and sales offer, whether written or verbal, may be changed for any such Price Adjustments. Furthermore, Buyer acknowledges and agrees that (a) any sales offers or price quotes from

Seller must be accepted by the product manufacturer/supplier prior to Sellers' fulfilling any order for Buyer and (b) Seller will not be legally bound by any such offer or quote to Buyer that is not accepted by Seller's manufacturer or supplier.

Payment of Purchase Price is due from Buyer within thirty (30) days following delivery of the Products by Seller. If at any time the financial responsibility or condition of Buyer becomes impaired or unsatisfactory to Seller or, in Seller's good faith and reasonable opinion inadequate to meet the obligations hereunder, the terms of credit may, at Seller's option, be changed or withdrawn. If the terms of credit are withdrawn, Seller at its option may require cash or satisfactory security before making shipments or deliveries. The exercise of Seller of its rights under this paragraph shall not be deemed a default of any agreement on the part of Seller. The parties agree that all payments still owing after the due date shall bear interest at a monthly rate of one and one half (1.5%) percent or the maximum rate allowed by law, whichever is lesser.

3. Indemnification. Buyer agrees to indemnify, defend and hold harmless Seller, its owners, officers, directors, employees, representatives and any affiliate of Seller and the owners, officers, directors, employees and representatives thereof, from and against any and all damages, claims, expenses (including reasonably attorneys' fees), losses or liabilities of any nature whatsoever, and whether involving injury or damage to person or property, and any and all suits, causes of action and proceedings thereon arising or allegedly arising out of, based upon or attributable to the Products sold hereunder or from the use thereof.
4. Disclaimer of Warranties. ANY WARRANTY PROVIDED BY A THIRD-PARTY MANUFACTURER OF THE PRODUCTS SHALL BE AVAILABLE TO THE BUYER. SELLER EXTENDS NO WARRANTIES, EITHER EXPRESS OR IMPLIED, CONCERNING THE PRODUCTS OR ANY COMPONENT PARTS THEREOF, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER, ANY USER OF THE PRODUCTS, OR ANY THIRD PARTY FOR INCIDENTAL CONSEQUENTIAL, SPECIAL, PUNITIVE OR OTHER DAMAGES WHATSOEVER ARISING FROM THE USE OR PERFORMANCE OF THE PRODUCTS, OR FROM THE NON-DELIVERY, DELAYED DELIVERY, DAMAGE OF PRODUCTS OR OTHERWISE. BUYER EXPRESSLY ASSUMES ALL RESPONSIBILITY FOR DETERMINING THE FITNESS OF SUCH PRODUCTS FOR BUYER'S INTENDED USE. ANY TECHNICAL INFORMATION, PRODUCT LITERATURE, SELLER TECHNICAL ASSISTANCE OR OTHER INFORMATION IS GIVEN TO AND ACCEPTED BY BUYER AT ITS OWN RISK AND IS NOT A WARRANTY BY SELLER.
5. Inspection; Rejection of Nonconforming Products. Buyer must promptly inspect the Products upon delivery and must notify Seller of any claimed nonconformity of the Products. No claim for defective quality, noncompliance with industry standards, or shortage of quantity of any individual delivery of Products shall be valid, unless made in writing within five (5) working days from the time of delivery. In default of such timely notice, the corresponding deliveries shall be deemed to have been accepted by the Buyer.

Any claim must state the basis of the alleged nonconformity of the Products and describe the portion of the Products being rejected.

6. Exclusive Remedies of Buyer. In the event that Buyer timely notifies Seller of nonconforming Products, Seller shall, in its sole discretion (i) replace the nonconforming Products or the nonconforming component parts of such Products, or (ii) repair the nonconforming Products or nonconforming component parts of such Products. Buyer acknowledges and agrees that the remedies set forth in this Section 6 are Buyer's exclusive remedies for the delivery of nonconforming Products. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY TO BUYER FOR ALL DAMAGES FROM ANY CLAIM, REGARDLESS OF FORM, EXCEED THE TOTAL PRICE PAID BY BUYER TO SELLER FOR THE PRODUCTS AT ISSUE.
7. Title and Risk of Loss. Unless otherwise agreed in writing by Seller, Seller shall have the sole and exclusive right, exercisable from time to time and at any time, to determine the carrier that will be used to ship the Products. Seller shall have title to the Products and bear the risk of loss of the Products at all times until the Products are delivered to the carrier. Title to the Products and risk of loss of the Products shall be in and remain with Buyer from the date and time that the Products are delivered to the carrier.
8. Modification, Rescission, and Termination. These Terms and Conditions can be modified or rescinded only by a writing signed by both parties or their duly authorized agents. Seller may terminate these Terms and Conditions with immediate effect upon written notice to Buyer, if Buyer (i) fails to pay any amounts when due under these Terms and Conditions and such failure continues for 30 days after Buyer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of these Terms and Conditions, in whole or in part; (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.
9. Severance. If any term or provision herein is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Terms and Conditions or invalidate or render unenforceable such term or provision in any other jurisdiction.
10. No Waiver. No waiver by either party of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by either party. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
11. Force Majeure. Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached these Terms and Conditions, for any failure or delay in fulfilling or performing any provision hereunder when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including,

without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, increased taxes and tariffs, increased costs of producing and delivering the Products, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage. If Seller determines that Seller's ability to deliver Products is hindered, limited or made impracticable, Seller may, in its sole discretion (i) suspend, delay or cancel delivery of all or any portion of the Products and/or (ii) allocate its available supply of Products among itself and its purchasers on such basis as Seller determines to be equitable, without any liability to Buyer for any such suspension, delay, cancellation, allocation or failure of performance which may result therefrom. In the event in question continues for a continuous period in excess of three (3) months, Buyer shall be entitled to give notice in writing to Seller to terminate this Agreement, provided that Buyer shall not be excused from the obligation to make payment for goods delivered to Buyer by Seller in accordance with the terms hereof.

12. Assignment. These Terms and Conditions shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; provided, however, that no assignment shall relieve the Buyer of any of its obligations hereunder.
13. Entire Agreement. These Terms and Conditions, any invoice or purchase order, and the Price Adjustments constitute the sole and entire agreement of the Buyer and Seller with respect to the subject matters therein and herein, and supersedes all prior and contemporaneous understandings and agreements, whether written or oral.