

ONLINE STORE TERMS AND CONDITIONS

1. PRICE AND PAYMENT

Purchaser agrees to pay for the goods, shipping, handling, sales taxes, and any other fees as shown to purchaser in the online order form. FCI currently accepts payment for its online store via Visa, Master Card, or America Express credit cards issued by U.S. Banks. FCI may obtain a credit card pre-authorization for the amount to be charged for the order on your credit card. If the pre-authorization expires prior to the order being shipped, FCI may obtain additional pre-authorizations until the order ships. Once the order ships, your credit card will be charged.

2. MODIFICATIONS

A writing signed by an officer of FCI can only modify this Online store purchase.

3. DELIVERY OF GOODS

The goods will be delivered within reasonable time after Purchaser's successful order placement on FCI online store. The goods are provided F.O.B., FCI's factory. FCI, in its sole discretion, will determine and arrange the means and manner for transportation of the goods. Purchaser is to pay all costs of shipping and insurance. Shipping charges for shipments will be prepaid and added to the Purchaser's approved credit card. The goods will be shipped under a straight bill of lading naming the Purchaser as consignee.

4. DELIVERY NOT IN DISPUTE

Purchaser shall waive failure in shipment or delivery of shortages unless Purchaser files a written claim with FCI within ten (10) days after delivery of the goods hereunder.

5. PACKAGING OF GOODS

FCI will package and prepare the goods for shipment in accordance with its normal procedures. Packing for return shipments to FCI must, at a minimum, meet FCI's normal packaging standards. Returned equipment shall remain the property of Purchaser and shall be at Purchaser's risk until received in FCI's possession.

6. CONFIDENTIALITY

Drawings, specifications and other information submitted or supplied with FCI goods marked as proprietary are confidential to FCI and may not be disclosed to any other party. Such drawings, specifications and other information are for evaluation purposes only and shall not be deemed to form part of the purchase contract.

7. EXCUSED FROM NON-PERFORMANCE

FCI shall not be liable for any failure to deliver or delay in the performance of orders, contracts, or Online store purchases, or in the delivery or shipment of goods, or for any loss or damages suffered by the Purchaser by reason of such delay, when such delay is, directly or indirectly, caused by, or in any manner arises from fires, floods, accidents, riots, acts of God, war, governmental interference, statutes, ordinances, regulations, embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials or supplies, delay or default of common carriers, transportation delays, or without limiting the foregoing or any other cause or causes, whether or not similar in nature to any of these herein before specified or within or without the United States which are beyond its control. All orders or contracts are accepted with the understanding that they are subject to FCI's ability to obtain the necessary raw materials, and all orders or contracts as well as shipments applicable thereto are subject to FCI's current vendor schedules, failure or curtailment in FCI's usual sources of supply, governmental priorities, and other government regulations, orders, directions, and restrictions which may be in effect from time to time which FCI in its judgment and discretion deems advisable to comply as a public or patriotic duty. Purchaser further agrees and affirms that this order is subject to the prompt and timely delivery to FCI of all information requested of Purchaser by FCI or required of Purchaser by contract, and any delay, failure or conflict arising from such delivery or non-delivery of information will be justification for non-performance by FCI under this paragraph. FCI shall have the additional right, in the event of the occurrence of any of the above contingencies, at its sole option, to cancel this Online store purchase or any part thereof without any resulting liability or extend the date of delivery for a period equal to the time actually lost by reason of the delay. FCI to the best of its knowledge and belief is complying with all laws, orders and regulations applicable to the manufacturing of the ordered goods. FCI has no duty to insure and has not advised Purchaser on compliance with any laws, orders or regulations applicable to the use of the goods.

8. WARRANTIES

Goods furnished by FCI are to be within the limits and of the sizes published by FCI and subject to FCI's standard tolerances for variations. All items made by FCI are inspected before shipment, and should any of said items prove defective due to faults in manufacture or performance under FCI approved applications, or fail to meet the written specifications accepted by FCI, they will be replaced or repaired by FCI at no charge to Purchaser provided return or notice of rejection of such material is made within a reasonable period but in no event longer than one (1) year from date of shipment to Purchaser, and provided further, that an examination by FCI discloses to FCI's reasonable satisfaction that the defect is covered by this warranty and that the Purchaser has not returned the equipment in a damaged condition due to Purchaser's or Purchaser's employees', agents'; or representatives', negligence and Purchaser has not tampered, modified, redesigned, misapplied, abused, or misused the goods as to cause the goods to fail. In addition, this warranty shall not cover damage caused by Purchaser's exposure of the goods to corrosive or abrasive environments. Moreover, FCI shall in no event be responsible for (1) the cost or repair of any work done by Purchaser on material furnished hereunder (unless specifically authorized in writing in each instance by FCI), (2) the cost or repair of any modifications added by a Distributor or a third party, (3) any consequential or incidental damages, losses or expenses in connection with or by reason of the use of or inability to use goods purchased for any purpose, and FCI's liability shall be specifically limited to free replacement, or refund of the purchase price, at FCI's option, provided return or rejection of the goods is made consistent with this paragraph, and FCI shall in no event be liable for transportation, installation, adjustment, loss of good will or profits, or other expenses which may arise in connection with such returned goods, or (4) the design of products or their suitability for the purpose for which they are intended or used. Should the Purchaser receive defective goods as defined by this paragraph, the Purchaser shall notify FCI immediately, stating full particulars in support of his claim, and should FCI agree to a return of the goods, the Purchaser shall follow FCI's packaging and transportation directions explicitly. In no case are the goods to be returned without first obtaining a return authorization from FCI. Any repair or replacement shall be at FCI's factory, and shall be returned to FCI transportation prepaid by Purchaser. If the returned goods shall prove defective under this clause, they will be replaced or repaired by FCI at no charge to

Purchaser provided the return or rejection of such material is made within a reasonable period, but in no event longer than one (1) year from the date of shipment of the returned goods. If the goods prove to be defective under this paragraph, the Purchaser shall remove the goods immediately from the process and prepare the goods for shipment to FCI. Continued use or operation of defective goods is not warranted by FCI and damage occurring due to continued use or operation, shall be for Purchaser's account. Any description of the goods contained in this offer is for the sole purpose of identifying them, and any such description is not part of the basis of the bargain, and does not constitute a warranty that the goods will conform to that description. No affirmation of that fact or promise made by FCI, whether or not in this offer, will constitute a warranty that the goods will conform to the affirmation or promise. THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE GOODS OR THEIR INSTALLATION, USE, OPERATION, REPLACEMENT OR REPAIR, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE; AND THE GOODS ARE BEING PURCHASED BY PURCHASER "AS IS". FCI WILL NOT BE LIABLE BY VIRTUE OF THIS WARRANTY OR OTHERWISE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE RESULTING FROM THE USE OR LOSS OF USE OF THE GOODS.

9. TITLE

Title to the goods shall transfer upon shipment from FCI's factory. FCI gives no warranty that it has any title whatever to the goods or that they are not subject to a security interest, lien or other encumbrance prior to receipt.

10. AUTHORITY OF FCI'S AGENTS

No agent, employee or representative of FCI has any authority to bind FCI or form a part of the basis of this bargain with any affirmation, representation or warranty concerning the goods sold under this Online store purchase, unless such affirmation, representation, or warranty made by an employee, or representative of FCI is specifically included within the Online store purchase and signed by an officer of FCI.

11. NO RESALE OF GOODS

In the event of rejection, Purchaser shall in no event resell the goods, even in the absence of instruction from FCI. It is agreed that said goods are not perishable and Purchaser shall hold the goods without charge to FCI, until such time as FCI may give the Purchaser transportation instructions. Should Purchaser sell the goods, such sale shall be deemed unequivocal acceptance of the goods. Where the Purchaser rejects goods, which FCI had reasonable grounds to believe would be acceptable, FCI shall be granted a reasonable time to cure the nonconformity or substitute conforming goods.

12. RETURNED MATERIAL

Standard catalog goods accepted for credit and in excellent condition may be subject to a minimum service/re-stocking charge of twenty-five percent (25%) of the invoice amount for restocking plus all transportation charges. Goods built to order are not subject to return for credit under any circumstances. Goods must be received in as new condition to receive credit.

13. SOLVENCY OF PURCHASER

If Purchaser's credit card becomes invalid or payment is otherwise rejected, or if Purchaser becomes bankrupt or insolvent during the period covered by this Online store purchase and FCI terminates this Online store purchase in accordance with this clause, FCI shall be entitled to such amounts as are then due under this Online store purchase. The foregoing shall not be construed as limiting, in any manner, any of the rights or remedies available to FCI because of any default of the Purchaser under the Uniform Commercial Code as enacted and in force in the State of California on the date of this Online store purchase.

14. TERMINATION

Purchaser will strictly observe and comply with all Federal, State, and local laws, ordinances, and regulations, which may govern the manufacture, sale, handling, use and disposal of the goods. If Purchaser violates any such laws, ordinances, or regulations or is officially charged with such violation to the detriment or damage of FCI, FCI in its sole discretion may immediately terminate this Online store purchase and any other existing Online store purchases with Purchaser and may refuse to deliver the goods, without prejudice to such other remedies as FCI may be entitled thereto.

15. INDEMNIFICATION

FCI (including its parent, affiliates, or subsidiaries) will not have any liability for liquidated damages, or for collateral, indirect, consequential, or special damages, including loss of profits or loss of use, for breach of this Online store purchase or otherwise and the aggregate total liability of any damages under this purchase shall in no event exceed the contract price of the individual Article giving rise to the claim (or claims) of liability, whether resulting from delays in delivery or performance, breach of warranty, claims of negligent manufacturing, patent or copyright infringement, or otherwise. Purchaser agrees to indemnify and hold harmless FCI from all claims by third parties, which extend beyond the foregoing limitations of FCI's liability.

16. DEFECTIVE GOODS

In the event any of the goods sold under this Online store purchase shall allegedly be defective in any respect whatsoever, Purchaser shall indemnify and save harmless FCI from all loss or the card of all sums of money by reason of accidents, injuries or damages to persons or property that may happen or occur in connection with the use or sale of such goods whether or not such goods are found to be defective or otherwise, and the Purchaser's sole remedy shall be as appears herein.

17. REMEDIES OF FCI

In case of breach by Purchaser, Purchaser shall be liable for all lost profits of FCI, together with all other rights and remedies of FCI specifically reserved herein or as generally available.

18. EFFECT OF ONLINE STORE PURCHASE

This order is intended as a final expression of FCI's and Purchaser's Online store purchase and is intended also as a complete and exclusive statement of the terms of their Online store purchase. No course of prior dealings between FCI and Purchaser and no usage of the trade and no Terms & Conditions on any confirmation order, acceptance or acknowledgment by Purchaser will be relevant or admissible to supplement or explain any term used in this Online store purchase. Acceptance of or acquiescence in, a course of

ONLINE STORE TERMS AND CONDITIONS *(continued)*

performance rendered under this, or any prior Online store purchase, will not be relevant or admissible to determine the meaning of this Online store purchase even though the Purchaser has knowledge of the nature of the performance and opportunity for objection.

19. WAIVER

No claim or right of FCI arising out of a breach or default of this Online store purchase by the Purchaser can be discharged in whole or in part by a waiver or renunciation of the claim or right unless FCI's waiver or renunciation is supported by consideration and is in writing signed by an officer of FCI. Any waiver by FCI will not be deemed a waiver by FCI or any breach of default of this Online store purchase by the Purchaser, which occurs thereafter.

20. ASSIGNMENT AND DELEGATION

No assignment of any right or interest or delegation of any obligation or performance of the Purchaser under this order may be made without the prior written consent of FCI. Any attempt assignment or delegation will be wholly void and totally ineffective for all purposes.

21. ADVICE OF FCI

The advice of the technical staff of FCI is available to the trade at a reasonable cost, but FCI, not controlling or supervising the subsequent manufacture, fabrication, or installation of goods or their use after sale, does not warrant or guarantee such advice.

22. TAXES

The purchase price for the goods is exclusive of any and all federal, state, and local taxes, including but not limited to, sales, use, excise, income, occupation, or other taxes. Whenever applicable or practicable, such taxes will be a separate item added to the purchase and included in the billing to be paid by the Purchaser. Purchasers with a valid tax exemption certificate from relevant taxing authorities and shall contact and provide copies of the certificate to FCI's local sales representative's office. (Purchasers with a tax exemption certificate may not be able to purchase from FCI's online store and may be required to order through FCI's non-online store process.)

23. PATENT INFRINGEMENT

In the event Purchaser provides material, specifications, drawings, instructions or the like, or Purchaser uses the goods with another article or material or in a particular manner not specified by FCI, Purchaser agrees to defend, protect and hold harmless FCI from and against any and all suits at law or in equity, and from all damages, claims, and demands for actual or alleged infringement of any United States or foreign patent, and to defend any suit or actions and reimburse all attorney's fees incurred by FCI in defense of such suits or actions which may be brought against FCI for an alleged patent infringement because of the manufacture and/or sale of the goods in accordance with Purchaser's instructions, specifications, drawings, or the like, or use of material provided by Purchaser. In case the goods, or any part thereof, are held to constitute an infringement and the use of such goods enjoined, the Purchaser shall hold FCI harmless and shall not make claim against FCI for non-infringing goods or procure for Purchaser the legal right to continue using said goods. FCI will have the right to participate in any suits or actions described in this paragraph, and no settlement, discontinuance or judgment may be entered without advising and consulting with FCI.

24. CANCELLATION OF ORDER

The Purchaser will be obligated to accept any goods shipped or delivered by FCI prior to cancellation, suspension or extension of the order. Any reduction in quantities ordered shall constitute a partial cancellation subject to this paragraph. Any attempt by Purchaser to unilaterally revoke acceptance for any reason whatsoever after shipment, shall constitute a breach of this Online store purchase.

25. GOVERNING LAW

This Online store purchase will be construed and governed by the Uniform Commercial Code as adopted in the State of California as effective and in force on the date of this Online store purchase, and by the laws of the State of California. All rights and remedies afforded FCI under this Online store purchase or the Uniform Commercial Code shall be cumulative.

26. LOCATION OF LEGAL PROCEEDINGS

If legal or arbitration proceedings are necessary to enforce this Online store purchase, the proceedings shall occur in the county of residence of Fluid Components International LLC, San Diego County, State of California.

27. DRAWINGS AND SPECIFICATIONS

FCI may retain for its records and for its use, a copy of all drawings, specifications, operation manuals, and other documentation produced by it on behalf of the Purchaser with respect to the manufacture, installation and use of the goods. All templates, gauges and other equipment used by FCI in the manufacture of the goods will remain the sole and exclusive property of FCI.

28. ARBITRATION

Unless otherwise provided in this Online store purchase, any controversy or claim arising out of or relating to this Online store purchase, or breach of this Online store purchase, will first be submitted to mediation, and if that should fail, to arbitration in accordance with the Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction of the controversy or claim.

29. LITIGATION COSTS

If any litigation or arbitration is commenced between FCI and the Purchaser, or their personal representatives, concerning any provision of this Online store purchase, the party prevailing in the litigation or arbitration is entitled, in addition to such other relief that is granted, to a reasonable sum as and for their costs and attorney's fees incurred in such litigation or arbitration.

30. EXPORTS

Purchaser hereby agrees to comply fully with all applicable U.S. [and non-U.S.] sanctions and export control laws and regulations, including without limitation those regulations maintained by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), Department of State's International Traffic in Arms Regulations ("ITAR"), and the U.S. Commerce Department's, Bureau of Industry and Security ("BIS"). Specifically, Purchaser

covenants that it shall not—directly or indirectly—sell, provide, export, re-export, transfer, divert, loan, lease, consign, or otherwise dispose of any product, services, software, source code, or technology (collectively, "Products") received from Fluid Components International LLC. ("FCI") under this Online store purchase to any person, entity, or destination, or for any activity or use prohibited by the laws or regulations of the United States [or any other country], without obtaining prior authorization from the competent government authorities as required by those laws and regulations.

To the extent required under U.S. law, Purchaser further covenants to screen all customers and business partners against all relevant U.S. Government lists of persons denied export privileges or otherwise subject to trade, export, or financial sanctions, before providing or agreeing to provide any Products to any person.

Purchaser's breach of this sanction and export compliance provision(s) shall constitute cause for immediate termination of this Online store purchase. Purchaser agrees to indemnify and hold harmless FCI for Purchaser's non-compliance with these controls in connection with the Products. This provision shall survive termination or cancellation of this Online store purchase.

31. SEVERABILITY

If any of the provisions, or portions thereof, of this Online store purchase is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, will not be affected, impaired or invalidated.