

# TERMS AND CONDITIONS OF SALE

**1. ORDERS AND CONTRACTS:** Any statement in an order of contract which modifies Neologic Solutions, Inc. (NLS) Terms and Conditions as set forth here, must first be accepted in writing by NLS. NLS reserves the right to correct clerical or technical errors in documents.

**2. MINIMUM ORDERS:** There is a minimum order requirement of \$250 (domestic) or \$1000 (international), and we cannot accept orders that do not meet this requirement. Also, orders should be for case quantities. To break a case there will be a 25% surcharge.

**3. ORDER ACCEPTANCE:** NLS reserves the right to accept or reject all orders. Possession of a price sheet or catalog shall not be construed as an offer to sell the product listed. NLS sells wholesale only to distributors, OEM's, Water Conditioning Dealers and other Qualified businesses (Plumbing and Construction Suppliers or Installers, Coffee (OCS), Food Service, Vending & Bottling). NLS does not sell directly to consumers.

**4. ORDER CONFIRMATIONS:** NLS will confirm all orders by e-mail or fax. It is the purchaser's responsibility to review the order confirmation and immediately notify NLS of any order corrections. Unless otherwise notified, NLS will assume the order is correct and will package and ship the order with the least expensive carrier.

**5. SHIPPING:** Shipping methods should be specified on purchaser's purchase order; otherwise NLS will ship best method. NLS standard shipping method is FedEx Ground or Common Carrier LTL or services are available upon request. Stock items are generally shipped within one day. Special orders, large orders, or items not in stock will require additional lead-time. Items out of stock are automatically backordered and shipped when received.

**6. DELAYS IN SHIPPING:** The purchaser shall not hold NLS responsible for any delay or for any damages suffered by the purchaser by reason of any delay due to fires, strikes, riots, Acts of God, government orders or restrictions, delays in transportation, delays by suppliers of materials or parts, inability to obtain necessary labor, or other caused beyond the control of NLS. In the event of such delay, the shipping date shall be extended for a period equal to the time lost by reason of such delay.

**7. DAMAGE/LOSS IN TRANSIT, ERRORS AND SHORTAGES:** Delivery of goods to a carrier at NLS's warehouse or other shipping point shall constitute delivery. Regardless of freight payment, all risk of loss or damage in transit shall pass to the purchaser at that time. NLS is not responsible for damage, shortage, or loss incurred during transit. Check shipments for damage before acceptance. The purchaser must inspect the goods on arrival from the carrier. Purchaser shall make claims for loss or damage to goods while in transit against the carrier. NLS will assist purchaser in securing satisfactory adjustment of such claims. Claims for errors, shortages, etc. must be made within 5 days of the receipt of the goods, otherwise no allowance will be made. **WHEN PRODUCTS ARE SHIPPED ON PALLETS, INDIVIDUAL CARTONS MUST BE COUNTED UPON RECEIPT. ANY SHORTAGES OR OTHER DISCREPANCIES MUST BE NOTED ON THE DELIVERY RECEIPT AT THE TIME OF RECEIPT OR CLAIMS WILL BE CONSIDERED WAIVED.**

**8. SPECIAL TOOLING:** Where it is necessary for NLS to manufacture or purchase special tooling in order to execute a contract (including without limitation tools, dies, fixtures, molds, and patterns), the purchaser will be charged with a proportion of the cost of such special tooling. Such special tooling shall be and remain NLS property notwithstanding payment of any charges made by the purchaser. In no event will the purchaser acquire any interest in such special tooling belonging to NLS, which is utilized in the manufacture of the items, sold hereunder. Unless otherwise agreed, NLS shall have the right to alter, discard or otherwise dispose of any special tooling or other property at its sole discretion at any time.

**9. PRICES & QUOTATIONS:** Orders will be invoiced at the prices in effect at time of shipment. Unless otherwise specified, prices are F.O.B. point of shipment. We reserve the right to change prices and quotations without notice.

**10. CHANGED/CANCELLED/MODIFIED ORDERS:** Orders are processed as they are received. Additions may delay the original shipment or may be shipped as a separate order. We reserve the right to assess a 15%

cancellation charge for all orders cancelled prior to shipping. Non-stock items cannot be changed and are non-cancellable if noted on the order acknowledgment as such. A purchaser's request for modification or cancellation will not be incorporated into the Agreement unless the request is accepted by NLS in a writing that amends the Agreement.

**11. PRODUCT CHANGES:** NLS reserves the right to make changes in pattern, design or materials when deemed necessary, without prior notice. Products which have become obsolete by reason of design change or discontinued as a manufactured item may not be returned for any refund.

**12. RETURNED GOODS:** Only new and marketable items with a copy of the invoice and a Return Merchandise Authorization number (RMA) will be accepted. RMA numbers are available by calling customer service and must be requested within 30 days of the invoice date. We reserve the right to assess a 25% restocking charge. Returned merchandise is to be returned freight prepaid. Non-stock items are not returnable if noted on the order acknowledgment as such. **Returns accepted within 30 days from date of authorization only.**

**13. PAYMENT TERMS AND METHODS:** NLS requires a complete credit analysis prior to shipping on an open account basis. Credit approval and non-delinquent account status are necessary before shipping on an open account. Open account terms are Net 30 days, unless otherwise noted. Delinquent accounts are subject to a 1.5% per month service charge on the unpaid balance. Other payment terms include: prepayment via wire transfer, ACH, check or credit card (Visa/MasterCard and Discover accepted). Credit cards will be authorized upon order placement and charged when the order ships, and may be subject to an additional 3% processing fee. International customers are required to prepay via ACH or wire transfer.

**14. TAXES AND OTHER CHARGES:** Any manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or other tax, fee or charge of any nature whatsoever, imposed by any governmental authority on or measured by any transaction between NLS and purchaser, shall be paid by the purchaser in addition to the prices quoted or invoiced.

**15. WARRANTY/LIMITED REMEDY:** NLS warrants that NLS products shall be free from defects in materials and workmanship under normal use within the operating specifications for a period of one (1) year from the date of purchase; provided that: A) The above warranty shall not apply to any such product or part thereof which is damaged as a result of neglect, misuse, alteration, accident, normal wear and tear, misapplication, fire, act of God, freezing, or hot water; B) Purchaser's exclusive remedies under the above warranty shall be limited to the repair or replacement of the non-conforming product or part(s) thereof, as determined by NLS, with replacement products being shipped F.O.B. Greenville, SC, U.S.A.; C) Any non-conforming product must be returned to NLS within one (1) year from its purchase, F.O.B. Greenville, SC, U.S.A.; D) The warranty contained above does not extend to any goods not manufactured by NLS even though supplied by NLS. Goods not manufactured by NLS carry only the warranty (if any) of their makers and the purchaser is entitled to the benefit thereof only so far as NLS has the power to transfer it; E) NLS shall not be liable for any special, indirect, or consequential damages; F) There are no warranties whatsoever on items built wholly or partially to the purchaser's designs or specifications. The warranty described above is in lieu of any other warranty, express or implied. Except as specifically set forth above, NLS makes no warranty whatsoever with respect to any product, and the implied warranty of merchantability, the implied warranty of fitness for a particular purpose, and all other warranties, express or implied shall not apply to any of the products sold.

**16. GOVERNING LAW:** The parties acknowledge by submitting a credit application, guaranteeing payment of any credit account, or by ordering any products from NLS that all obligations and rights pertaining to the sale of products or extension of credit for the same bear a reasonable relation to the state of South Carolina U.S.A., are performable in the state of South Carolina, U.S.A., and further agree and acknowledge that the laws of the state of South Carolina, U.S.A. will govern the rights and duties of NLS and the purchaser.

I have read and agree to the terms and conditions shown above:

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date