

AIR QUALITY ENGINEERING, INC. (“AQE”) – RESELLER TERMS AND CONDITIONS

Reseller Expenses: Reseller is responsible for all expenses and taxes incurred in selling goods or performing services by or on behalf of Reseller in connection with the distribution of the Products for which Reseller is selling.

Billing: Reseller as a purchaser of product for resale, is solely responsible for invoicing and collecting payments from their customers.

Returns: Returned product(s) will only be accepted upon written prior approval by AQE. Returns are considered on standard product(s) purchased within 90 days of the original invoice. AQE reserves the right to access a 20% restocking fee and shipping charges for returned items. Used media or carbon filters are non-returnable. MSDS of contaminant must be supplied to AQE when requesting a return of any used equipment. There are no returns on custom products and parts.

Reseller Receipt of Product: Agents of Reseller will inspect all Products before any freight bill or delivery sheet is signed. Reseller will promptly notify the AQE of any defects in the Products delivered to it. Freight claims are to be filed with the appropriate freight carrier by Reseller.

Trademarks: The AQE Products will bear only the trademarks, service marks or other marks designated by AQE from time to time. To protect AQE’s Trademarks, Reseller agrees to comply with all reasonable instructions or requests of AQE respecting AQE’s Trademarks including those related to promotional materials. Reseller acknowledges that AQE has the sole right, title and interest in the AQE Trademarks, patents and know-how relating to the Products.

Confidentiality: Reseller will treat as confidential, during and after the term of this Program, all information identified or treated as confidential and pertaining to the Products or AQE, its pricing, business or assets including any confidential memorandums, manuals or customer lists provided by AQE (collectively, “Confidential Information”). Reseller will use the Confidential Information only to perform its duties under this Program, and will not disclose the Confidential Information to any third parties. Upon termination of this Program, Reseller will return to AQE all copies of the Confidential Information, in whatever form, and refrain after the term from any use of the Confidential Information. Reseller agrees to also immediately delete any electronic storage of any Confidential Information, including but not limited to any information saved on Reseller’s computers.

Reseller Relationship: Reseller is an independent contractor and not an agent, franchisee, partner or joint venture of AQE. Neither Reseller nor its agents are authorized to enter into or execute any contract, order, or other commitment and will have no authority to otherwise obligate AQE.

Warranties: AQE makes no warranties, express or implied, to Reseller as to the Products except as stated within AQE’s Owner’s Manuals. In addition, any warranties shall become immediately null and void if the Products are altered, modified, tampered with or used in a manner not specifically approved in writing by AQE. Reseller represents and agrees that it will make all statements, representations and warranties with respect to the Products in strict compliance with any such warranty and will not deviate there from except upon written authorization of AQE. With respect to claims by a customer of AQE based upon a defect in the Products, the sole and exclusive remedy of the customer and (if applicable) Reseller, as well as the sole and exclusive liability of AQE, will be limited to repair or replacement at AQE’s sole option of any Products which are defective in material

workmanship and returned to AQE in accordance with AQE’s applicable standard service rules provided to Reseller from time to time. AQE will not be liable for indirect, special, incidental or consequential damages or losses or loss of profits as a result thereof. AQE assumes no duties or obligations beyond these specified in this Program.

THE ABOVE MENTIONED WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

AQE makes no claim of design or warranty on installation services and/or duct work design/installation performed by Reseller, its agents, the end user or the agents of the end user.

Indemnification: Reseller agrees to indemnify AQE for and to hold it harmless against any loss, liability or expense, including costs and expenses of investigating any claim, and reasonable attorney’s fees arising out of or in connection with (a) any acts or failure to act by Reseller or its agents in connection with this Agreement; (b) any acts or failure to act by Reseller to comply with any applicable laws, codes, regulations or ordinances in the geographic area where Reseller sells the Products; (c) any modifications or alternations Reseller or any third parties make to the Products; and (d) Reseller’s or a third-party’s installation of the Products for Reseller. Reseller also agrees to discharge and to hold AQE harmless on account of any taxes imposed upon the AQE with respect to any transactions hereunder or any income earned or payments received Reseller hereunder. Reseller also agrees to indemnify AQE for and hold it harmless against any loss, liability or expense, including reasonable attorney’s fees arising out of or in connection with a or b above.

Injunctive Relief: Reseller acknowledges that any failure to comply with the requirements related to Confidentiality; Trademarks will cause AQE irreparable injury. Reseller, therefore, agrees that AQE may, in addition to all other rights or remedies permitted, seek an order by any court of competent jurisdiction for the specific performance of or an injunction against violation of the requirements of such provisions. Reseller consents to the jurisdiction of the U.S. District Court of Minnesota and Hennepin County, Minnesota State District Court and agrees that any litigation between the parties may be brought in either of such courts.

Notices: All notices, correspondence and payments will be in writing and will be mailed by certified mail postage prepaid or sent by fax to the respective party to the address stated above. Any notice by certified mail will be deemed to have been given five (5) days after the date of mailing. Any notice by fax will be deemed to have been given two (2) days after receipt.

Miscellaneous: These terms and conditions replaces all prior programs and agreements, promises or representations, either direct or implied, between the Reseller and AQE. Agreement to these terms and conditions can be amended by AQE upon written 60 day notice. These terms and conditions are personal to Reseller and cannot be assigned by it without AQE’s prior written consent, which AQE shall not unreasonably withhold.

Governing Law; Severability: This purchase will be governed by and enforced in accordance with the laws of the State of Minnesota. If any provisions or terms of this purchase are held to be unlawful or unenforceable, the remainder of the provision will remain in full force and effect and will not be affected, impaired

or invalidated. Any waiver or failure by AQE to enforce any breach of these terms and conditions shall not operate as a waiver of any future breach.

Arbitration: Subject to *Injunctive Relief*, any dispute arising under terms and conditions shall be submitted to binding arbitration in Minneapolis, Minnesota in accordance with the Commercial Arbitration Rules of the American Arbitration

Association. The non-prevailing party shall pay the reasonable fees and expenses of the arbitrator.

Collection: In the event AQE resorts to collection of any amounts due from Reseller, the parties agree that AQE shall be entitled to recover all costs and expenses of collection, including but not limited to, reasonable attorney's fees.

Payment Terms:

- To be determined Per Reseller credit approval by AQE
- Reseller is responsible for shipping to site, rigging, and installation.
- Reseller is responsible for meeting all applicable local and national zoning and building, codes, rules and regulations.
- Pricing does not include shipping and applicable taxes