TERMS AND CONDITIONS (INCLUDE WARRANTY)

GENERAL: All orders are subjected to approval and acceptance by PowerSeal's Sales Department. Add-ons to orders must be within 5 days of original order date unless authorization is given by PowerSeal's inside sales personnel.

Acceptance of orders, whether oral or written, is based on the express condition that Buyer aggress to all the terms and conditions contained here-in. Acceptance of delivery by Buyer will constitute Buyer's assent to these terms and conditions. These terms and conditions represent the complete agreement of the parties, and no terms or conditions in any way adding to, modifying or otherwise changing the provisions stated herein shall bind PowerSeal unless made in writing and signed and approved by an officer or other authorized person at the home office of PowerSeal in Wichita Falls, Texas. No modification of any of these terms will be order, shipping request or similar forms containing printed terms and conditions conflicting or inconsistent with the terms herein. Users shall determine the suitability of the product prior to its use.

SHIPPING: All prices are FOB point of manufacture, unless otherwise specified, and are subject to adjustment, with notice, to PowerSeal's prices in effect at the time of shipment. Any increase in transportation rates or any changes in routing resulting in an increase in transportation costs shall be paid and borne by Buyer.

PowerSeal shall not be liable for delays in shipment or default in delivery for any cause beyond PowerSeal's reasonable control as determined by PowerSeal including, but not limited to government action, shortage of labor, raw material, production or transportation facilities, labor difficulty involving employees of PowerSeal or others, fire, flood or other casualty. In the event of any delay in PowerSeal's performance due in whole or in part to any cause beyond PowerSeal's reasonable control as determined by PowerSeal, PowerSeal shall have such additional time for performance as may be reasonably necessary under the circumstances. Acceptance by Buyer of any goods shall constitute a waiver by Buyer of any claim for damages on account of any delay in delivery of such goods.

PowerSeal will use all reasonable efforts to comply with Buyer's request as to method of shipment, but PowerSeal reserves the right to use an alternate method of transportation or route of shipment if substantial delay might otherwise occur. In such cases PowerSeal will notify Buyer of such changes as soon as reasonably possible.

Delivery by truck will be made to nearest points reasonably accessible by truck as determined by the driver. Buyer will furnish and pay for necessary labor to unload and store goods. Buyer shall note loss or damage on truck shipments upon delivery ticket returned to PowerSeal.

CLAIMS: Delivery of goods by PowerSeal to carrier at point of manufacture shall be deemed delivery to Buyer, and thereupon title to such goods, and risk of loss or damage, shall de Buyer's. Claims must be made within ten days following delivery of the product. A signed delivery ticket or bill of lading will reflect the condition, count and description of the product received. Exceptions are to be noted. Seller must be given reasonable time for inspection after notification. Buyer will finish and pay for the necessary labor to unload and store the materials.

PAYMENT: Unless otherwise specified, terms are 2% 15, NET 30days. A service change of the lesser of 1½% per month at the applicable maximum legal rate will be added to all past due accounts. Until payment in full, PowerSeal retains a purchase money security interest in the goods purchased by Buyer. PowerSeal shall have all rights granted a creditor under Article Nine of the Texas business and Commerce Code.

All taxes and excises for any nature whatsoever, now or hereafter levied by governmental authority upon the sale or transportation of any goods covered hereby, shall be paid and borne by Buyer.

PowerSeal reserves the right to require payment for any shipment hereunder in advance, or for the granting of satisfactory security prior to shipment, if the financial responsibility of Buyer becomes unsatisfactory to PowerSeal. If buyer fails to make payment in accordance with the terms of this agreement, or fails to comply with any provision hereof, PowerSeal may, at its option, (and in addition to other remedies) cancel any unshipped portion of this order, Buyer to remain liable for all unpaid accounts. Buyer grants to PowerSeal a security interest in the goods sold by PowerSeal to buyer for any and all indebtedness owed to PowerSeal by Buyer.

TERMS AND CONDITIONS

WARRANTY: PowerSeal warrants for one year from the day of shipment, that the goods furnished hereunder will be free from defects in material and workmanship and will conform to the material and design (if any) specified by Buyer. This warranty shall not apply to any products which (1) have been repaired or altered outside of PowerSeal factory, in any manner: (2) have been subject to misuse, negligence or accidents: (3) have been use in a manner contrary to PowerSeal instructions or recommendations. It also does not apply to parts manufactured by others and incorporated in PowerSeal products.

The foregoing warranty is in lieu of and excludes all other warranties not expressly set forth herein, whether expressed or implied by operation of law or otherwise, including, but not limited to, any implied warranties of merchantability or fitness.

PowerSeal shall not be liable for incidental or consequential losses, damages or expenses, directly or indirectly arising from the sale, handling or use of the goods, or from any other cause relating thereto, and PowerSeal's liability hereunder in any case is expressly limited to the replacement (in form originally shipped) of goods not complying with these agreement, or at PowerSeal's election, the replacement of, or crediting Buyer with an amount equal to the purchase price of such goods whether such claims are for breach of warranty of negligence.

Any and all claims by Buyer with reference to the goods sold hereunder or for any claim shall be deemed waived by Buyer unless submitted to Power-Seal in writing within (30) days from the date Buyer discovered, or should have discovered, any claim breach, but in no event may any claim be made more than one (1) year from the date of shipment of the goods. Any product claimed defective must be available for inspection by PowerSeal upon request.

HPDE PRODUCT: This form of pipe is more susceptible to expansion and contraction than other pipe materials. If questions arise concerning suitability of PowerSeal products in the HDPE section of this publication, please consult with our engineering department.

RETURNS: The agreement cannot be terminated, and goods cannot be returned, without PowerSeal's prior written consent. Special order non-stock items are non-cancelable and non-refundable. Authorized returns are subject to a minimum twenty- five (25%) restock fee or minimum $25.00 net handling charge. Material returns will be replaced with products of equal value or credited against future purchases.

CANCELLATION: All order are non-cancelable unless written authorization is confirmed by PowerSeal inside sales personnel. Such cancellation is subject to expenses borne by PowerSeal of twenty-five (25%) of the order price, whichever is greater.

INTERNATIONAL: International orders will receive Pro Forma invoices upon request and payment is acceptable by Certified Check, Wire Transfer, or Irrevocable Letter of Credit. Standard export quotation pricing in US dollars in FOB PowerSeal Corporation, Wichita Falls, Texas, USA. Cost and freight (C&F) or Cost, Insurance and freight (CIF) quotations are available upon request. International Orders requiring Special Handling, Packaging Consular Invoices, Certificates of origin, Inspection Certificates, etc. are subject to additional charges.

Waiver by PowerSeal of any breach of these terms and conditions shall not be constructed as a waiver of any other breach and failure to exercise any right arising from any default hereunder shall not be deemed a waiver of such right which may be exercised at any subsequent time.

This agreement and all rights and obligations hereunder including matters of construction, validity and performance, shall be governed by laws of the State of Texas, including the Uniform Commercial Code. Any claim by Buyer arising hereunder which cannot be amicably resolved shall be tried in the appropriate state of federal court in Wichita Falls, Texas. Any claim by PowerSeal arising hereunder may, at PowerSeal's option, be tried in the appropriate state of federal court in Wichita Falls, Texas, the jurisdiction of which Buyer hereby submits.

Any dispute concerning goods sold hereunder of the terms of this agreement will be resolved pursuant to arbitration. If this transaction involves interstate commerce the arbitration will be conducted pursuant to the requirements of Title 9 of the United States Code. If this transaction is conducted wholly within the state of Texas and does not involve interstate commerce, the arbitration will be conducted pursuant to the Texas General Arbitration Act.