



Brentwood Water Group (Water & Wastewater) Standard Terms and Conditions of Sale

Applicability and Acceptance

These terms and conditions of sale ("Terms") are the only terms which govern the sale of product ("Product") by Brentwood Industries, Inc. ("Brentwood") to Purchaser ("Purchaser"). Brentwood and Purchaser together are the "Parties" and each a "Party" herein. Brentwood's accompanying quotation or proposal (collectively "Quote") and these Terms (collectively this "Agreement"), comprise the entire agreement between the Parties and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, or communications, both written or oral. In the event of a conflict between these Terms and a Quote, the terms in the Quote prevail. The terms of this Agreement prevail over any of Purchaser's Purchase Order terms and conditions and any general terms and conditions of purchase regardless whether or when Purchaser has submitted its purchase order or such terms ("Purchase Order"). The rights and liabilities of Brentwood shall be determined solely by this Agreement. Brentwood's commencement of work or service does not constitute acceptance of any Purchase Order and does not serve to modify or amend these Terms. No Purchase Orders will be binding upon Brentwood without express written acceptance and execution by an authorized Brentwood employee. Brentwood's acceptance of any Purchase Order is not an acceptance of any of Purchaser's terms and conditions or forms. Changes to this Agreement must be agreed to in writing and signed by authorized representative of each Party.

Pricing and Payment:

All orders are subject to credit screening and approval by Brentwood. Brentwood will provide alternative payment options if credit approval is not achieved. Pricing is agreed in accordance with Brentwood's Quote. Payment is due in full within thirty (30) days from invoice date unless a schedule of values or other payment terms have been mutually agreed upon by Parties.

Shipment and Title:

Unless stated otherwise the shipping terms will be as stated in Brentwood's Quote. Title transfers upon Product delivery at the agreed location. Risk of loss passes at the point Product is tendered to commercial carrier unless designated otherwise by the Incoterm agreed between the Parties.

Inspection and Claims:

Upon delivery of Product, Purchaser agrees to inspect and accept the Product within a reasonable timeframe. Purchaser agrees to submit claims alleging nonconforming Product ("Nonconforming Product"), to Brentwood in writing within fifteen (15) days from Purchaser's discovery of alleged nonconformity with the exception that any claims for missing Product or visibly damaged Product, must be made to Brentwood within five (5) days from receipt of delivery. Brentwood may waive claims not made in accordance with the above terms in this section.

Default:

Purchaser's failure to make payment as agreed and according to invoices or Purchaser's failure to perform any of its other obligations under this Agreement constitutes a default. In the event of default, Brentwood will provide written Notice of the default (in accordance with the Notices section of this Agreement) to Purchaser. If Purchaser does not i) correct the default or ii) address how it plans to correct the default in writing to Brentwood within five (5) business days from receipt of Notice of default, Purchaser will remain in default and Brentwood may do any of the following: i) immediately declare any and all invoices due and payable, (ii) exercise any and all other rights and remedies of a secured Party under Article 9 of the UCC or applicable law ; iii) suspend any further Product deliveries or provision of services until Purchaser pays its obligations in full; iv) be excused from any of its performance obligations under this Agreement resulting from Purchaser's delays or inability to complete its obligations. Furthermore, if Brentwood's performance of its obligations under this Agreement is prevented or delayed by any act or omission or uncorrected default of Buyer or its agents, subcontractors, consultants, or employees, Brentwood will not be deemed in breach of its obligations under this Agreement or otherwise be held liable for any costs, charges, or losses sustained or incurred by Purchaser, in each case, to the extent arising directly or indirectly from such prevention or delay.

Termination:

Brentwood may not terminate this Agreement or Purchaser's Purchase Order for convenience. To the extent Purchaser moves to terminate this Agreement (including any of its Purchase Order submissions) for a reason other than Brentwood's default of its obligations under this Agreement, Purchaser agrees to pay cancellation charges to Brentwood in accordance with Addendum A. Brentwood or Purchaser may terminate this Agreement if either Party defaults by materially breaching its obligations in this



Agreement, provided the breaching Party does not commence correction of the breach within five (5) business days from receipt of written notice of default. The Parties will agree upon reasonable amount of time to correct the breach. In the event the Party in default fails to correct the breach within the agreed upon time frame, the other Party may terminate the Agreement by providing written notification to the Party in default. In the event of termination due to Brentwood's default, the Purchaser agrees to pay Brentwood any fees due and payable for Products provided up to and including the date of termination.

Changes:

Purchase Order changes are subject to Brentwood's written approval, and additional time and charges may apply. Brentwood will not be liable for any delays due to change order requests.

Taxes:

All government charges upon the production, shipment or sale of the Product, including, without limitation, use, occupation, export and import taxes, and any other impositions by any government whatsoever, direct or indirect, including those required to be collected by Brentwood, will be paid by Purchaser or, in lieu thereof, Purchaser will furnish Brentwood with an exemption certificate acceptable to the taxing authority. Brentwood reserves and Purchaser disclaims all rights to drawback of duties paid on materials used in the manufacture of the Product. Purchaser will supply Brentwood with proof of exportation and all other documents necessary and otherwise cooperate to obtain payment thereof.

Storage Fees:

Unless otherwise agreed upon by Brentwood and Purchaser, in the event Purchaser notifies Brentwood it cannot take delivery on the agreed upon delivery date on the face of Purchaser's Purchase Order, Brentwood will store the Product free of charge for up to thirty (30) days after the initially agreed delivery date. After the thirtieth (30th) day, Purchaser agrees to pay a monthly storage fee equal to one and one-half (1.5%) percent of the invoice price of the Product. The monthly storage fee will be due in full upon receipt of invoice for the storage fee regardless of whether Purchaser has been invoiced or has paid for the Product.

Returns:

No Product may be returned for credit or otherwise unless Purchaser receives Brentwood's authorization. Product authorized for return or credit must be returned in good condition, in its original packaging with completed identification and with all supporting documentation detailing of any claimed defect as required by Brentwood.

Warranty:

Unless agreed otherwise, in writing, between Brentwood and Purchaser (or other third party beneficiary named by Brentwood), Brentwood warrants the Product against defects in materials and workmanship that affect the performance for which the Product was intended. Warranty coverage is contingent and shall remain in effect only if beneficiary has adhered to proper storage, installation, use, operation, maintenance, and shutdown procedures, all under ordinary conditions and in accordance with good industry standards, the approved design criteria, Brentwood's approved Submittal and Operation and Maintenance Manual, and Brentwood's Warranty claim procedure. The Warranty period shall be limited to twelve (12) months from substantial completion or eighteen (18) months from Product shipment date, whichever occurs first; however, the Warranty for part and component orders not part of an entire system purchase shall be limited to twelve (12) months from date of shipment of Product. This Warranty is limited to the Purchaser or third-party beneficiary named by Brentwood by written agreement of the parts and components of a purchased system, or individually purchased parts and components, all defined as Product under this Warranty section. The terms of this Warranty shall be modified only through written agreement by an authorized Brentwood employee.

The remedy for a covered defect during the Warranty period shall be limited, at Brentwood's option and control, to repair or replacement of defective Product, including shipping costs. The remedy excludes costs of labor, removal of non-conforming Product, and expenses related to installation of the replacement Product. In no event will Brentwood be obligated to pay costs, damages or other amounts, in total, exceeding the original price paid to Brentwood for the Product by the Purchaser. Brentwood shall not warrant Product, nor be liable to the Purchaser or any third party for any damage caused by non-compliance with any of the foregoing conditions or, without limitation, any of the following:

- i) abuse or neglect;
- ii) acts of god;



- iii) abnormal contaminants detrimental to the Product or any other material of construction as submitted or damages due to pollutants, solvents, or other hazardous substances;
- iv) improper operation, maintenance, storage, or improper/unplanned shut down procedures;
- v) improper handling during installation, improper installation or improper or unintended use;
- vi) damage caused by excessive hydraulic flows or other surface damage caused by abusive foot traffic;
- vii) exceeding maximum media structural loads or temperatures;
- viii) media blocks assembled in the field or elsewhere by contractor or others; and
- ix) additional exceptions provided for by Brentwood and agreed upon in Brentwood's Quote to Purchaser or executed contract between Brentwood and Purchaser.

THE TERMS OF THIS WARRANTY ARE THE SOLE AND EXCLUSIVE OBLIGATION OF BRENTWOOD TO PURCHASER OR THIRD PARTY FOR CLAIMS RELATED TO THE PRODUCT. UNDER NO CIRCUMSTANCE SHALL BRENTWOOD BE LIABLE TO ANY PERSON OR ENTITY FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES OR ANY OTHER LOSS, COST, OR EXPENSE OTHER THAN SPECIFICALLY STATED IN THIS WARRANTY. OTHER THAN THE EXPRESS LIMITED WARRANTIES MADE HEREIN, BRENTWOOD EXPRESSLY DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED BY LAW, WITH RESPECT TO ANY SERVICE OR DELIVERABLE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AS WELL AS ANY WARRANTIES WHICH MAY ARISE FROM PRIOR COURSE OF DEALING, CUSTOM, TRADE USAGE, PROVISION OF SAMPLES, PRODUCT LITERATURE OR WEBSITE CONTENT.

Warranty claims must be submitted to Brentwood within fifteen (15) days of discovering facts upon which the claim is based. Claims must be accompanied by an original Warranty certification or proof of purchase, detailed explanation of claim and damages, any relevant work logs/repair orders, and pictorial documentation of the claimed defect. Claims made after installation shall be accompanied by a signed certification (and, as applicable, signed punch list) by an authorized Brentwood employee, verifying Brentwood's certification of the Product's installation. Failure to provide evidence of Brentwood's certification may void this Warranty; however, provision of such certification is merely support indicating proper installation and is not conclusive evidence of the existence of an alleged defect. At all times, Brentwood reserves the right to investigate all claims and request additional information. Claims should be emailed to water@brentwoodindustries.com or mailed to: Brentwood Industries, Inc., Attn: Warranty Claims-Clarification and Biological Treatment, 500 Spring Ridge Drive, Reading, PA, 19610. Claims may be waived if they are not received in writing or are not submitted within the aforementioned Warranty period.

Brentwood, in its sole opinion, has the authority to judge the existence and extent of any alleged defect. In the event Brentwood denies a Warranty claim, the Purchaser (or third-party beneficiary named by Brentwood) has ten (10) days to supply additional data in support of its claim. If a second denial is made by Brentwood, or a resolution cannot otherwise be reached amongst the parties, both Brentwood and Purchaser (or third party beneficiary named by Brentwood) reserve the right and agree to pursue, at the Parties mutual decision, either impartial mediation or arbitration under the Pennsylvania Uniform Arbitration Act, Pa. Stat. §7301-7320, subchapter A, as the means of dispute resolution. Mediation or arbitration shall take place in Reading, Berks County, in the Commonwealth of Pennsylvania. Costs of mediation or arbitration (excluding attorneys' fees and travel/individual related expenses which shall be borne by the party incurring the costs/expenses) will be divided equally between Brentwood and Purchaser (or third-party beneficiary named by Brentwood).

Brentwood reserves the right to modify or discontinue offering this Warranty at any time. A signed copy of the Warranty with Purchaser named, and order-specific details will be available upon request subsequent to Product certification by an authorized Brentwood employee for system purchases. Limited to parts and components orders, signed warranties will be available, upon request, after Product has shipped. This Warranty will not be honored when past due invoice amounts related to the system project or parts and components order exist at the time a Warranty claim is made.

Limitation of Liability:

REGARDLESS OF THE FORM OF ACTION, BRENTWOOD'S LIABILITY RELATING TO THE PRODUCT OR THE MANUFACTURE, SHIPPING, SALE OR USE OF THE PRODUCT SHALL NOT EXCEED THE PRICE PAID BY PURCHASER FOR THE SPECIFIC PRODUCT GIVING RISE TO THE CAUSE OF ACTION. BRENTWOOD, ITS AFFILIATES, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT

LIMITATION, LOSS OF PROFITS, LOSS OF USE, DOWNTIME, FAILURE TO DETECT ANY FLAW IN ANY SUBJECT MATTER OF ANY TEST, LOSS OF GOODWILL, BUSINESS INTERRUPTION, DELAY IN PERFORMANCE, OR LOST OPPORTUNITIES. REGARDLESS OF THE FORM OF



ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE IN CONNECTION WITH THE SUPPLY OR SUBSEQUENT USE OR POSSIBILITY OF SUCH DAMAGES, BRENTWOOD, ITS AFFILIATES, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS SHALL NOT BE LIABLE FOR PROPERTY DAMAGE AND/OR THIRD PARTY CLAIMS COVERED BY INSURANCE PROVIDED TO PURCHASER, ITS ASSIGNS, AND EACH SUCCESSOR IN INTEREST TO THE PRODUCT.

Indemnification:

Purchaser will at all times indemnify, defend and hold harmless Brentwood, its officers, directors, employees, agents, servants and representatives from and against any and all damages, liabilities, losses, claims, suits, penalties, fines, costs, and expenses, including attorneys' fees (collectively, "Claims") arising directly or indirectly out of or in connection with any (a) infringement or misappropriation of any patent, trademark, or other intellectual property right, including third Party rights, arising from Brentwood's adherence to Purchaser's Specifications; (b) use, operation or possession of the Brentwood Product, except to the extent the Claim arises from the gross negligence or willful misconduct of Brentwood; or (c) breach by Purchaser of any provision of any Agreement with or obligation to Brentwood.

Brentwood will at all times indemnify, defend and hold harmless Purchaser from and against loss, injury, damage and liability arising directly in connection with bodily injury death, or destruction of tangible or real property, including loss of use directly resulting from or caused by Brentwood or Brentwood's product, its negligent act, error, omission or for damages arising from Brentwood's gross negligence or willful misconduct in performance of its obligations under this Agreement. Claims and damages are limited to Brentwood's proportionate percentage of negligence and/or fault.

Insurance:

During the term of this Agreement, Brentwood, at its own expense, will maintain and carry insurance with a financially sound and reputable insurer, in full force and effect that includes, but is not limited to Commercial General Liability in a sum of \$1,000,000 per occurrence and Workers Compensation in amounts as required by applicable statute. Additional coverages may be available upon request. Upon request, Brentwood will provide to Purchaser a certificate of insurance evidencing its coverages.

Confidential Information:

(a) All non-public, confidential and proprietary information and proprietary materials provided or developed in whole or in part by Brentwood are confidential ("Confidential Information"), whether disclosed orally or reduced to writing or other tangible medium of expression, whether or not marked or otherwise designated or not identified as such.

(b) Confidential Information does not include information which: (i) is or becomes available to the public generally (other than as a result of a disclosure by the Purchaser in violation of this Agreement); (ii) is subject to public disclosure under any federal, state or local law, ordinance or regulation; (iii) becomes available to Purchaser on a non-confidential basis from a source other than Brentwood, its affiliates, and their officers and directors, employees, agents or representatives, or any other person bound by a confidentiality agreement with or has contractual, legal or fiduciary obligation of confidentiality to Brentwood, its affiliates, their officers and directors, employees, agents or representatives; (iv) was known by or was available to Purchaser prior to or at the time Brentwood disclosed it.

(c) Purchaser agrees to protect and safeguard all Confidential Information with at least the same degree of care as the Purchaser would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care. Purchaser shall hold all Confidential Information in confidence and shall disclose it only to its employees. Purchaser agrees not to disclose the Confidential Information to any of Purchaser's employees other than those needing to use the Confidential Information for the limited purposes of this Agreement. Any employee of Purchaser who receives information is bound to the same terms of confidentiality in relation to this Agreement. No other disclosure of Confidential Information is allowed unless written permission is granted by Brentwood.

(d) Purchaser agrees not to use Brentwood's Confidential Information, or permit it to be accessed or used, for any purpose other than this Agreement. Purchaser agrees not to use the Confidential Information in any manner to Brentwood's detriment,



including without limitation, to reverse engineer, disassemble, analyze, reverse engineer, decompile, copy, modify, develop, or design around the Buyer's proprietary services, Products or intellectual property or to allow any other entity or individual do so.

(e) Nothing in this Agreement shall be deemed to grant a license directly or by implication, estoppel, or otherwise under any patent, patent application or other intellectual property related to any Confidential Information disclosed or developed pursuant to this Agreement. This Agreement shall not be construed as a teaming, joint venture, partnership, or other such arrangement; rather, the Parties hereto expressly agree that this Agreement is for the purposes of protecting Brentwood's Confidential Information and intellectual property and defining the ownership of, and use rights in, intellectual property and technical information.

Force Majeure:

Brentwood shall not be liable for any failures or delays due to acts beyond Brentwood's reasonable control, including, without limitation, acts of God, war (declared or undeclared), embargoes, labor disputes, strikes, fires, floods, earthquakes, accidents, terrorist acts, government mandates, restrictions, outbreaks, damage by the elements, or unusually severe weather conditions.

Governing Law and Jurisdiction:

This Agreement shall be construed under the laws of the Commonwealth of Pennsylvania without reference to conflicts of law principles. The Parties hereby agree that disputes hereunder shall be subject to the exclusive jurisdiction and venue of the courts of Berks County, Pennsylvania, in either the Pennsylvania Court of Common Pleas or the United States District Court for the Eastern District of Pennsylvania. The Purchaser waives any objections based on personal or subject matter jurisdiction or venue.

Export Control:

Purchaser will not use, distribute, transfer, or transmit any Product, components or technical information (even if incorporated into other products) provided in connection with this transaction except in compliance with U.S. export laws and regulations (the "Export Laws"). Purchaser will not, directly or indirectly export or re-export the following items to any country which is in the then-current list of prohibited countries specified in any applicable Export Laws: (a) the Product, components or technical data disclosed or provided to Purchaser by Brentwood; or (b) any improvements or variations of such Product, components or technical data. Purchaser agrees to promptly inform Brentwood in writing of any written authorization issued by the U.S. Department of Commerce office of export licensing to export or re-export any such items referenced in (a) or (b). The obligations stated above in this clause will survive the expiration, cancellation or termination of this Agreement.

Translation:

This document may be translated into one or more languages; however, the English translation shall be the official version and shall prevail over other translations. All dollar amounts are United States currency unless specified otherwise. Purchaser shall abide by the United States Foreign Corrupt Practices Act of 1997, as amended.

Assignment:

Purchaser shall not assign or delegate its obligation hereunder without Brentwood's written consent, and any attempted assignment or delegation without such written consent shall be void.

Waiver:

No waiver by Brentwood of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Brentwood. 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.

Severability:

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.



Notices:

All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the Parties at the addresses set forth on the face of the Quote or to such other address that may be designated by the receiving Party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid or certified or registered mail (in each case, read receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section.

Authority:

The individual assenting to or executing any documents or orders, whether as a hard copy or, on behalf of Purchaser acknowledges, represents and warrants that he or she has read and understands these Terms and Conditions and has been duly authorized by the Purchaser to execute such on behalf of the Purchaser and bind the Purchaser to these Terms and Conditions.

Relationship of the Parties:

The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

Survival:

Provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement.

Amendment and Modification:

This Agreement may only be amended or modified in writing by Brentwood and executed by an authorized representative of each Party.

Services (if applicable):

Brentwood will perform the services as outlined in the Quote, or as amended by an approved submittal. Purchaser understands that requests for additional services will be deemed accepted only if executed by an authorized Brentwood employee. Purchaser will respond promptly to any of Brentwood's reasonable requests and will follow all instructions and recommendations made by Brentwood. The Purchaser will provide Brentwood with adequate access to its premises during normal business hours. Failure to provide access to Purchaser's premises will result in delays at no fault to Brentwood.

By signing below both Parties accept Brentwood Water Group (Water and Wastewater) Standard Terms and Conditions of Sale.

BRENTWOOD INDUSTRIES, INC.

By: _____

Print Name: _____

Title: _____

Brentwood Industries, Inc.

PURCHASER

By: _____

Print Name: _____

Title: _____

Company: _____



ADDENDUM A- Percentage of Purchase Order Amount Owed to Brentwood upon Cancellation

Contracted Shipment (weeks)	Elapsed Time – from date of Executed Purchased Order to date of Cancellation (weeks)															
	0 to 2	2.01 to 4	4.01 to 6	6.01 to 8	8.01 to 12	12.01 to 16	16.01 to 20	20.01 to 24	24.01 to 28	28.01 to 32	32.01 to 36	36.01 to 40	40.01 to 44	44.01 to 48	48.01 to 52	52.01 to 56
Up to 8	20	50	75	100												
8.01 to 12	15	40	60	80	100											
12.01 to 16	10	25	45	60	85	100										
16.01 to 20	10	15	25	45	65	85	100									
20.01 to 24	10	10	20	25	50	70	90	100								
24.01 to 28	10	10	15	20	25	50	70	90	100							
28.01 to 32	10	10	10	15	20	35	60	75	90	100						
32.01 to 36	10	10	10	15	20	25	50	60	85	95	100					
36.01 to 40	10	10	10	10	15	25	50	60	70	85	95	100				
40.01 to 44	10	10	10	10	15	25	45	55	65	80	90	95	100			
44.01 to 48	10	10	10	10	15	25	45	55	60	65	80	90	95	100		
48.01 to 52	10	10	10	10	15	20	40	50	55	60	70	85	90	95	100	
52.01 to 56	10	10	10	10	15	20	35	50	55	60	70	80	85	90	95	100
Above 56	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

X: To be determined- Note: The above cancellation rates apply to Brentwood manufactured equipment only. Any sub-supplier cancellation charges are not reflected above and would apply accordingly.