

MARS SALES COMPANY, INC. (DBA MARS AIR DOORS) SALES TERMS AND CONDITIONS

Effective January 1, 2009

Acceptance: By placing an order, customer agrees to Mars Air Doors terms and conditions stated herein. Any dispute shall be resolved based on these terms and conditions and governed by the laws of the State of California. The terms and conditions stated herein supersede any terms and conditions previously published.

Prices and Quotations: Prices are subject to change without prior notice. Mars Air Doors quotations are generally good for 60 days unless special terms are negotiated and agreed in advance and in writing. It is customer's responsibility to confirm pricing before placing an order.

Product Changes: Mars Air Doors reserves the right to change product design and specifications without notice.

Sale: Point of sale and purchase contract jurisdiction is Gardena, California. All orders are subject to credit review and approval. Minimum order is \$50 net (exclusive of discounts, sales tax, shipping, etc.).

Payment: Payment terms are Net 30 Days (unless special terms are negotiated and agreed in advance and in writing). We also accept Visa and MasterCard at the time of order placement only. If our invoice is not paid within the sixty days of its date, we reserve the right to revoke any applicable sales discounts and charge interest at annum rate of 10% per year starting from the date of an invoice. If an invoice is transferred for collection to collection agency or attorney, customer shall

be responsible for all applicable legal and collection fees. Mars Air Doors reserves the right to void warranty for non-payment of invoice.

Freight: Our freight terms are FOB destination. Mars Air Doors will pay ground freight (best way) in the continental U.S. (48) for domestic customers and to port of embarkation for foreign customers. All Indirect Gas Fired models, WMI, WMH, WindGuard, and component parts are excluded and customer is responsible for paying freight charges on orders for these models and for parts. Mars Air Doors will not be responsible for expedited or guaranteed transportation charges and for applicable accessorial charges such as residential / school delivery, liftgate, notification, etc. Customer will be responsible for actual freight charges which may differ materially from freight estimate provided by Mars Air Doors.

Delivery: Mars Air Doors will do its best to meet customer's required delivery date. Under no circumstances, is Mars Air Doors liable for any economic consequential damages (including lost profits) resulting from late delivery. Mars Air Doors does not guarantee specific delivery date unless customer agrees to reimburse Mars Air Doors for guaranteed or expedited delivery. In this case, if Mars Air Doors cannot ship on specified date, Mars Air Doors will cancel expedited delivery service and any fees associated with expedited shipping charges.

Orders and Inspection: Mars Air Doors equipment is inspected and tested before packing and is shipped in working condition. All orders must be inspected by customer upon receipt for accuracy and correctness. Any discrepancies or damages must be reported to Mars Air Doors within five business days after receipt of a

shipment. If equipment is found to be defective or incorrect, Mars Air Doors will provide replacement at no charge to customer. Furthermore, Mars Air Doors will not be responsible for expedited replacement.

Freight Damage: Mars Air Doors is not liable for damages to customer orders during transportation. It is customer's responsibility to inspect his order at the time of delivery to ensure its accuracy and condition. Any shortages or damages MUST be noted on freight carrier's bill of lading. Mars Air Doors shall not be responsible for any shortages or damages (concealed damages) not noted on bill of lading. Concealed damages must be reported to freight carrier upon discovery, no later than ten days after the shipment was delivered. In the case of concealed damage, customer is responsible for filing freight claim directly with freight carrier.

Changes: Changes to customer orders are generally made at no charge to customer. However, in certain instances additional charges may apply. Please consult the factory at the time of order revision for more information. Custom or modified equipment is not subject to the above guidelines, additional charges will apply.

Cancellations: If customer order has not been processed, there will be no cancellation charges. If customer order has been processed and put into production, there will be a cancellation charge of at least 35%, minimum \$50. If order has been processed and built, cancellation charges of at least 50% will apply. The factory will advise of actual cancellation charges at the time of cancellation. Custom or modified equipment is not subject to the above guidelines, higher cancellation charges will apply.

Returns: Customer must obtain Return Goods Authorization (RGA) number prior to returning any merchandise. All returned merchandise must be shipped in its original condition; freight prepaid and may be subject to handling or restocking charges of at least 30%, or a minimum of \$200, for standard equipment and at least 50% for custom equipment. The factory will advise of actual handling or restocking charges at the time of return. Exchanges are subject to at least a 10% exchange

fee, a minimum of \$100. Custom or modified equipment is not subject to the above guidelines, higher exchange charges will apply. If equipment is more than 90 days old, additional handling or restocking charges will apply. All credits can only be applied to future orders and not refunded.

Limitation of Liability: The liability of Mars Air Doors with respect to any contract, equipment performance, manufacture, sale, delivery, resale, installation or use whether arising out of contract, negligence, strict tort, or under warranty, shall not exceed the purchase price of the equipment upon which liability is based.

Taxes: Any applicable sales taxes and/or other government charges upon production, sale and/or shipment of merchandise sold hereunder, not imposed by Federal, State, or Municipal authorities, or hereafter becoming effective, shall be added to the price herein provided, and shall be paid by customer.

WARRANTY COVERAGE, PERIOD, EXTENT AND LIMITATIONS (Equipment only)

Mars Air Doors warrants that Mars Air Doors equipment 1) is free from defects in materials and workmanship and 2) conforms to Mars Air Doors specifications.

Warranty period for Mars Air Doors equipment, except heated and custom models, is a five-year period commencing from the date of shipment. Warranty period for Mars Air Doors heated and custom equipment is an eighteen-month period commencing from the date of shipment. The date on your invoice is the date of shipment, unless Mars Air Doors or your reseller informs you otherwise. Mars Air Doors will provide free replacement of any part that fails as a result of a defect in material or manufacturer's workmanship. The warranty does not cover labor and transportation expenses that may be required to provide and to install replacement parts. Changes in operational specification parameters that are different from those provided on the original purchase order are not covered. Mars Air Doors is not liable for any of the following: 1) Third-party claims against you for damages; or 2) Special, incidental, or indirect damages or for any economic consequential damages (including lost profits), even if Mars Air Doors, its suppliers or its reseller is informed of their possibility. The warranty does not cover repair or exchange of Mars Air Doors equipment resulting from misuse, accident, modification, unsuitable physical or operating environment, improper maintenance and installation by you, or failure caused by a product for which Mars Air Doors is not responsible. The warranty does not cover damages caused by mishandling during transportation. The warranty is voided by removal or alteration of Mars Air Doors equipment or parts identification labels, by improper installation of equipment and resulting noncompliance to federal, state and local codes and regulations. Additionally, Mars Air Doors reserves the right to void the warranty for non-payment of invoice.