

MARS AIR SYSTEMS, LLC. (DBA MARS AIR DOORS)
SALES TERMS AND CONDITIONS
Effective April 1, 2011

Acceptance: By placing an order, customer agrees to Mars Air Systems' (Mars) 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' quotations are generally good for 90 days unless special terms are negotiated and agreed in advance and in writing. It is customer's responsibility to confirm current pricing before placing an order.

Product Changes: Mars 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, upon credit approval (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 sixty days of invoice date, we reserve the right to revoke any applicable sales discounts and charge interest at 10% per year starting the invoice date. If an invoice is transferred for collection to a collection agency or attorney, customer shall be responsible for all applicable legal and collection fees. Mars reserves the right to void warranty for non-payment of invoice.

Freight: Our freight terms are generally FOB destination. Mars will pay ground freight in the continental U.S. (48) for all units except: all Indirect Gas Fired models, WMI, WMH, WindGuard, and all component parts are excluded and customer is responsible for paying freight charges on orders for these models and for parts. Mars will not be responsible for expedited or guaranteed transportation charges and for applicable accessorial charges such as residential / school delivery, lift gate, notification, etc. Customer will be responsible for actual freight charges which may differ materially from freight estimate provided by Mars.

Delivery: Mars will do its best to meet customer's required ship date. Under no circumstances, is Mars liable for any economic or other types of consequential damages (including lost profits) resulting from late delivery. Mars does not guarantee specific delivery date unless customer agrees to reimburse Mars for guaranteed or expedited delivery. In this case, if Mars cannot ship on specified date, it will cancel expedited delivery service and any fees associated with expedited shipping charges. Orders held back more than five days after production will incur a storage fee of \$50 per day.

Orders and Inspection: Mars equipment is inspected and tested before packing and is shipped in working condition. All orders must be inspected by customer promptly upon receipt for damage, accuracy, and correctness. Any discrepancies or damages must be reported to Mars within four business days after receipt of a shipment. If equipment is found to be defective or incorrect, Mars will provide replacement at no charge to customer. Mars will not be responsible for expedited replacement.

Freight Damage: Mars is not liable for damages to orders during transportation. It is customer's responsibility to inspect the 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 shall not be responsible for any shortages or damages not noted on the bill of lading. Concealed damages must be reported to Mars and the carrier upon discovery, no later than four days after the shipment was delivered. In the case of concealed damage, Mars will file freight claim if it is notified within four days of receipt when Mars paid for the freight, if customer paid for freight or Mars was not notified within four days the customer is responsible for filing freight claim directly with freight carrier.

Changes: Changes to customer orders requested in writing within 24 hours of order placement 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 orders will be subject to additional charges, please consult factory for details.

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. Higher cancellation charges will apply on custom or modified equipment.

Returns: Customer must obtain Return Merchandise Authorization (RMA) number prior to returning any merchandise. All returned merchandise must be shipped in its original condition, amount of credit, if any, will be determined upon inspection; no partial credits will be issued. 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 customer 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, or a minimum of \$100. Custom or modified equipment may not be returned or exchanged, please consult factory for equipment is more than 90 days old it may not be returned. All credits can only be applied to future orders and not refunded.

Limitation of Liability: In all cases the liability of Mars 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 warrants that Mars equipment 1) is free from defects in materials and workmanship and 2) conforms to Mars specifications. Warranty period for Mars equipment, except heated and custom models, is a five-year period commencing from the invoice date. Warranty period for Mars heated and custom equipment is an eighteen-month period commencing from invoice date.

Mars 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 expedited transportation expenses. Changes in operational specification parameters that are different from those provided on the original purchase order are not covered. Mars 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, its suppliers, or its reseller is informed of their possibility. The warranty does not cover repair or exchange of Mars equipment resulting from misuse, accident, modification, unsuitable physical or operating environment, improper maintenance and installation, or failure caused by a product for which Mars is not responsible. The warranty does not cover damages caused by mishandling during transportation.

The warranty is voided by removal or alteration of Mars equipment or parts identification labels, by improper installation of equipment and resulting non-compliance to federal, state and local codes and regulations. Additionally, Mars reserves the right to void the warranty for non-payment of invoice.

Please consult factory for international replacement part terms.