

**STANDARD TERMS AND CONDITIONS,
AND LIMITED WARRANTY OF
THERMAL RESOURCE SALES, INC. ("TRS")**

1. Orders shall not be binding on TRS until received and approved at TRS's home office in Kernersville, North Carolina.
2. Prices are F.O.B. point of manufacture, unless freight terms are set out in the Quotation. Payment terms are Net 30 days. Buyer agrees that all past due amounts will be assessed a finance charge of 1 ½ % per month. Should collection proceedings be instituted, Buyer agrees to pay all costs including reasonable attorneys' fee.
3. Buyer is responsible for any taxes, which TRS may be required to collect or pay upon the sale of the product (s). TRS will invoice for said tax with the original invoice or at any date subsequent to such original invoice.
4. Delivery of the product(s) to a common carrier or a licensed trucker or Buyer's driver shall constitute delivery to Buyer, and all risks of loss or damage in transit shall be borne by Buyer.
5. Requested shipping date must be noted on Buyer's purchase order for TRS scheduling. Tentative dates will not be used in scheduling. Actual shipping will be established by TRS, based on plant -load and material availability. TRS is responsible for shipping on a specific date only when confirmed in writing by TRS. It is understood that Manufacturers are not within the control of TRS.
6. TRS reserves the right to make delivery in installments. Such installations may be separately invoiced and are due without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining deliveries.
7. Claims for shortages or defects are waived and released by Buyer unless they are received by TRS in writing within ten (10) days after delivery to Buyer.
8. TRS shall not be liable for damages of any kind resulting from errors, omissions, or inconsistencies in Buyer's drawings, plans, or specifications, nor shall TRS have any responsibility to ascertain whether such drawings, plans, or specifications are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations.
9. Buyer agrees to indemnify TRS against and hold it harmless from all claims, liabilities, damages, costs, and expenses (including reasonable attorneys' fees) incurred by TRS which arise out of or from the negligence or intentional misconduct of Buyer or its employees, agents, or independent contractors or subcontractors or from the failure of Buyer to perform any obligations to TRS.
10. TRS is not responsible for any claims for loss, liability or damage to the product(s), to other property, or for any personal injury arising out of the delivery, installation, demonstration or use of the product(s).
11. Unless set aside in TRS's quotation no specification, general condition, special condition, plan, governmental regulation, governmental requirement or other term is a part of this Agreement. Any deviation from the conditions, designs or usages as proposed shall be at Buyer's risk, and TRS does not warrant that any product(s) are fit for any particular purpose except as otherwise expressly stipulated herein.
12. Buyer agrees to pay a reasonable charge for materials, handling, office processing and other costs accruing to TRS as a result of order changes requested by Buyer two weeks or less prior to shipping date.
13. In the event of a cancellation notice or stop work notice by Buyer received by TRS, Buyer agrees to pay for all expenses in connection with the cancelled order, including but not limited to (i) all engineering work performed, (ii) all raw materials, (iii) all work in progress, (iv) all supplies and commitments made by TRS in connection with said cancelled order, (v) a 20% cancellation charge on the purchase price of unshipped orders, and (vi) any other expenses attributable to said cancelled order. TRS may, in its sole discretion, give Buyer an allowance for standard components, and salvage value of materials.
14. If Software is included with the Product(s), the Software, ideas, and expressions contained therein, and all physical forms (including authorized and unauthorized copies), operating instructions, and copyrights relating thereto are acknowledged by Buyer to be confidential proprietary information belonging solely to TRS or Manufacturer. Buyer shall not at any time, without the prior written consent of TRS, permit or cause any person or organization, (1) to copy or duplicate any physical form of the Software from or to any medium except for archival, security, or other regular business purposes, (2) to create or recreate, or attempt to create or recreate the source program, object programs, or any other aspect of the Software in whole or in part, (3) to place any such information unrestricted into the public domain. Buyer will limit access to all media containing the Software and documentation thereof to those of its employees and agents necessary to permit Buyer to use the Software, will store such media and documentation thereof in a secure place except when being used, and will exercise all reasonable precautions to prevent unauthorized access.
15. If Software is included with the Product(s), Buyer agrees to notify TRS promptly upon discovery of any unauthorized possession, use, or knowledge of any part of physical form of the Software, or of any other confidential information made available to Buyer, by anyone not authorized by TRS to have such possession, use, or knowledge, and will cooperate with TRS in every reasonable way to help TRS regain possession, prevent further unauthorized use, and/or recover damages caused by such use.

16. All quotations or sales are expressly conditioned upon acceptance by Buyer of each of the terms and conditions contained herein. If Buyer proposes additional terms then it is expressly understood and agreed that these Standard Terms and Conditions, shall override and prevail over any inconsistent terms and conditions and the issuance of such by Buyer shall be deemed to evidence Buyer's assent and agreement to the foregoing.
17. All disputes concerning dealings, contracts, and agreements entered into between TRS and Buyer, shall be governed, enforced and construed in accordance with North Carolina law, and Buyer hereby stipulates and agrees to exclusive jurisdiction in Forsyth County or Guilford County North Carolina.
18. TRS shall not be liable for any damages suffered by Buyer resulting from delay in the performance of orders or contracts, or in the delivery or shipment of the Product(s). If such a delay is directly or indirectly caused by, (a) any act or omission of Buyer or its employees, agents, or independent contractors, (b) changes ordered in the work to be performed by TRS for Buyer, or (c) labor disputes; fire; casualty; unusual delays in deliveries; civil unrest; acts of God; governmental interference or embargoes; shortages of labor, fuel, power, materials, or supplies; failure or breach of vendors to TRS; or any other causes beyond TRS's control. In the event of any such delay, TRS shall not be deemed to be in default in its obligations to Buyer, and the time for performance by TRS shall be reasonably extended.
19. Limited Warranty.
 - (a) Seller is not a manufacturer and therefore makes no warranties, either explicit or implied. Buyer receives only such warranties, if any, as are provided to Buyer by the manufacturer. All sales are "AS IS." Buyer assumes all risk and liability with respect to use of such Products whether used alone or in combination with other products. **SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE GOODS, THEIR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES BY REASON OF FAILURE OF THE GOODS TO OPERATE OR OF FAULTY OPERATION OF THE GOODS.**
 - (b) **TRS SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, LIQUIDATED, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND (WHETHER OR NOT RECOVERY FOR SUCH DAMAGES IS BASED UPON BREACH OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY IN TORT, OR SOME OTHER THEORY) INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOST SALES OR GOODWILL. BUYER'S SOLE AND EXCLUSIVE REMEDY UNDER THIS WARRANTY AND TRS'S SOLE AND EXCLUSIVE OBLIGATION IS TO FACILITATE BUYER'S CLAIM UPON MANUFACTURER'S WARRANTY.**
 - (c) **THIS LIMITED WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. TRS DOES NOT AUTHORIZE ANY PERSON OR ENTITY TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE MANUFACTURE, SALE, INSTALLATION, OR USE OF ITS PRODUCTS, AND EXCEPT, AS OTHERWISE SPECIFICALLY STATED IN WRITING.**
 - (d) **THESE WARRANTIES SHALL NOT APPLY UNLESS MANUFACTURER AND SELLER ARE GIVEN A REASONABLE OPPORTUNITY TO INVESTIGATE ALL CLAIMS FOR ALLEGEDLY DEFECTIVE GOODS.**
20. If any of the terms herein shall be held invalid, illegal, or unenforceable in any respect, the validity of the remaining terms contained herein shall not be affected, prejudiced, or disturbed in any way and this document shall be construed and enforced as if such invalid, illegal, or enforceable term had not been inserted herein.
21. Should the product(s) be subject to acceptance or approval of another (such as an architect, engineer, owner, etc.) TRS is not liable in any way should that party's acceptance or approval not be granted. TRS cannot guarantee to meet or equal specifications based upon another make of equipment.
22. No penalty or liquidated damages clause of any kind will be effective or incorporated unless separately approved in writing by an authorized officer of TRS.
23. If TRS delivers from its warehouse or F.O.B. destination is specified in quotation, the Buyer agrees to provide suitable roads or approaches to a point of delivery beyond the curb line and on other than paved streets. TRS reserves the right to stop deliveries if the roadways or approaches are unsatisfactory. If Buyer requests delivery beyond the curb line or other than on paved streets, Buyer releases TRS from liability for and Buyer will hold TRS harmless and indemnify it against any liability for damage.
24. TRS reserves the right to require payments for the goods in advance or satisfactory security to seller. If Buyer fails to make payment in accordance with the terms of this agreement, or any collateral agreement, or fails to comply, with any provisions hereof, TRS may at its option (and in addition to other remedies), cancel any unshipped portion of this order. Buyer is to remain liable for any unpaid accounts.
25. Mediation. If a dispute arises out of or relates to this sale, or an alleged breach thereof, and if the dispute cannot be settled through negotiations, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation or other alternative dispute resolution procedures.
26. This constitutes the entire agreement between TRS and Buyer with respect to the sale and purchase of the product(s). No modification of this contract shall be effective unless in writing and signed by TRS.