

TERMS AND CONDITIONS OF SALE

January 1, 2015

1. Definitions.

- (a) "**Vendor**" shall mean ATMOX, INC, at 10612-D Providence Road #229, Charlotte, NC 28227.
- (b) "**Products**" shall mean any or all of the Products, materials or services Vendor contracts to sell to Purchaser.
- (c) "**Purchaser**" means the person or company who places an order with Vendor or otherwise agrees to purchase Products from Vendor.
- (d) "**Terms and Conditions**" means the terms and conditions contained in this document.

2. Application.

- (a) These Terms and Conditions shall apply to all sales by Vendor.
- (b) Any additional or alternative terms or conditions provided or proposed by Purchaser will not be effective unless made in writing and signed by both parties.
- (c) No contract shall be formed by Purchaser's order until Vendor has provided acknowledgement of Purchaser's order, which acknowledgement expressly hereby incorporates these Terms and Conditions. Notwithstanding the foregoing, in the event Vendor does not provide such acknowledgement, a binding contract will nevertheless be created, subject to these Terms and Conditions, when Vendor incurs any expenses in responding to an order from Purchaser.

3. Quotations – Any quotation is given subject to these Terms and Conditions and does not constitute an offer to sell. The validity of any quotation issued by Vendor shall expire thirty (30) days after the date of its issue unless otherwise stated in writing. No contract shall be created except as stated in Section 2(c) above.

4. Prices.

- (a) Except as established otherwise in a quotation provided by Vendor, prices for Products are as published in Vendor's current price list do not include taxes or shipping. The Vendor reserves the right to change its prices without notice and actual prices will be those in use by Vendor on the date of acceptance of Purchaser's order.
- (b) Unless expressly provided otherwise by Vendor, prices do not include charges for shipping. Purchaser will be charged applicable shipping charges from carrier selected by Vendor.
- (c) Vendor will collect applicable sales tax for sales within North Carolina. Purchaser is responsible for all applicable sales taxes for sales outside of North Carolina.

5. Payment and Default by Purchaser.

- (a) Unless Purchaser has been approved by Vendor for trade credit terms, Purchaser shall pay Vendor in full for the Products at time of order. Invoices must be paid prior to shipment of Products. Payment can be made via check or credit card.
- (b) If Purchaser has been approved for trade credit terms, Purchaser shall pay Vendor in full within thirty (30) days of the date of invoice unless otherwise agreed in writing.
- (c) In the event that Purchaser fails to make payment by the due date or otherwise commits a breach of these Terms and Conditions, then Vendor may, in its sole and absolute discretion, in addition to and without prejudice to any other rights it may have:
 - (1) Suspend all future deliveries or supplies to Purchaser under the contract in question or under any other contracts and terminate all or any part of such contract(s) without liability upon its part, and

(2) Require advance payment for any future deliveries.

6. Delivery and Supply.

(a) Although given in good faith, delivery times or installation times are estimates only and time is *not* of the essence in these Terms and Conditions. Vendor will not be liable to Purchaser for any loss or damage (direct or indirect) caused by its failure (whether as a result of its negligence or otherwise) to deliver the Products by a time stated, and in no case shall delay of delivery or installation be a basis for rejecting the Products.

(b) In the event of a shortage in quantity delivered or damage to Products:

(1) Purchaser will notify Vendor within 15 days of delivery of Products with written verification of its claims of shortage or damage; and

(2) Vendor will be permitted an opportunity to inspect the Products before any use, installation or alteration of the Products.

7. Risk of Loss – Risk of damage to or loss of the Products shall pass to Purchaser at the time Purchaser takes delivery of the Products.

8. Cancellation/Returns –Purchaser may return Products within 30 days of invoice date. Purchaser must notify Vendor of its intent to return Products prior to shipment to Vendor. Returned products shall be in like new, saleable condition, as determined in the sole discretion of Vendor. Upon receipt of the Products, Vendor will issue credit to or make refund to Purchaser in the amount paid, less any cost of shipping. Shipping costs and risk of loss for Products being returned shall be borne by Purchaser.

9. Title.

(a) Title to the Products shall be retained by Vendor and shall not pass to Purchaser until Vendor has received full payment for the Products.

(b) Until such time as title passes to Purchaser, Purchaser shall hold the Products as Vendor's fiduciary agent and bailee, and shall keep the Products properly stored, protected and insured as Vendor's property, but shall be entitled to resell or use the Products in the ordinary course of its business.

(c) Until such time as title passes to Purchaser or the Products have been sold to a bona fide purchaser for value in Purchaser's ordinary course of business, Vendor shall be entitled at any time to require Purchaser to deliver up the Products to Vendor and Purchaser shall ensure that, if Purchaser fails to do so, Vendor shall have the right to enter upon any premises of Purchaser or any third party where the Products are stored or used to enable Vendor to repossess the Products.

(d) The Purchaser may not pledge, lien, encumber or give a security interest in Products in which title remains with Vendor.

10. Limited Three-Year Warranty.

(a) When installed, operated, used and maintained as intended in residential applications and according to the instructions supplied with ATMOX products, ATMOX warrants its products for a period of 3-years from the date of purchase against any defects in material and workmanship. The products covered by this warranty include the control boxes, fans, sensors and wiring manufactured by ATMOX. ATMOX will repair or replace, at ATMOX's option, any ATMOX product or component found to be defective within the 3-year warranty period.

(b) ATMOX products are designed to improve conditions in the crawlspace, basement or attic, yet are limited by atmospheric and natural conditions over which ATMOX has no control and which are not covered by this warranty. ATMOX products are not warranted against damage caused by electrical surges, fire or other casualty, vandalism, or acts of God (including lightning strikes and floods). This warranty does not make representations regarding mold, insects, termites, water, rot, electrical, HVAC, roof, framing, foundation,

floors, drywall, gutters, ice dams or other problems that may occur in a house structure. The warranty does not include any costs of removal or reinstallation.

(c) Third-party products by other manufacturers sold by ATMOX (such as dehumidifiers) are not covered by this warranty but may be covered under separate warranties by the product's manufacturer. Purchaser should contact third party manufacturers for warranty claims and coverage of third-party products not manufactured by ATMOX.

(d) ATMOX INC'S LIABILITY UNDER THIS LIMITED WARRANTY IS STRICTLY LIMITED TO REPAIR OR REPLACEMENT OF DEFECTIVE ATMOX PRODUCTS. OTHER THAN THE WARRANTIES EXPRESSLY DESCRIBED HEREIN, ATMOX DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PORPOSE. ATMOX WILL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

(e) Some states do not allow certain limitations and exclusions of warranty, so these exclusions may not apply to you. This warranty gives you specific legal rights, and you may also have other rights, which vary from state to state.

11. Catalogues, Website, Advertisements and Drawings, etc.

(a) Although Vendor believes that all specifications, illustrations, performance data and other information contained in any drawings, catalogues, advertisements, website and samples are as accurate as reasonably possible, they do not constitute a description of the Products and shall not be taken to be representations made by Vendor and are not warranted to be accurate.

(b) All intellectual property rights in the Products including any patent rights, copyrights, design rights (registered or unregistered), trademarks and know-how in the Products shall at all times remain vested in Vendor or its suppliers, and Purchaser shall not reproduce or use any of Vendor's intellectual property rights without Vendor's prior written consent.

12. Alterations and Modifications – The Vendor may carry out from time to time alterations or improvements in construction or design, specification, materials or manner of manufacture of the Products without notice or liability to Purchaser.

13. Force Majeure – Notwithstanding any other terms of this Agreement, Vendor shall not be liable for failure to perform hereunder if such failure is caused by an occurrence beyond Vendor's reasonable control, including but not limited to, fire, flood, strike, failure of transport, , accident, war, riot, insurrection, acts of God or acts of civil or military authority. In such event, time for performance shall be as soon as Vendor is reasonably able after cessation of such cause. Should any such event occur, Vendor may cancel or suspend its performance hereunder without incurring any liability.

14. Notices.

(a) Any notice required to be served pursuant to these Terms and Conditions shall be served as follows:

(1) Notices to Vendor: to its address at 10612-D Providence Road #229, Charlotte, NC 28277; or such other address as it may from time to time notify to Purchaser;

(2) Notices to Purchaser: to such address as Purchaser may provide to Vendor, or in absence of notification, to such address as on Purchaser's order documents, or if Purchaser is a company, at Vendor's option, to Purchaser's registered office.

15. Governing Law, Jurisdiction and Venue – These terms and conditions will be governed by and construed under the laws of the State of North Carolina without regard to conflicts of law principles and any disputes arising hereunder will be decided in the Courts of the 26th Judicial District of North Carolina, including the federal courts therein, and the Parties consent to the jurisdiction of such courts, agree to accept service of process by mail, and hereby waive any jurisdictional or venue defenses otherwise available..