



Quotations:

All drawings, parts lists, system designs, calculations etc. provided by US Duct are based on information provided by the customer and are intended only for use in determining air velocities, air volumes and pipe diameters. US Duct accepts no responsibility for system safety, compliance with industry or governmental standards, structural integrity, installation issues. It is the sole responsibility of the customer to ensure the system is safe, adequately supported, and meets all necessary industry or governmental laws, guidelines and regulations.

US Duct Terms & Conditions

The Terms and Conditions of acceptance of sale as set forth herein, US Duct, Inc.'s Order Acknowledgment and all other documents attached hereto or transmitted herewith and incorporated herein by reference, constitute the entire agreement between US Duct and the Buyer (hereinafter "the Agreement"). US Duct's acceptance of Buyer's order is expressly conditioned upon Buyer's consent to the Terms and Conditions set forth herein. In no event shall any conflicting or different terms in Buyer's order become part of this Agreement unless US Duct explicitly agrees to such in writing. The failure of US Duct to object to any provision in conflict with these Terms and Conditions whether contained in Buyer's purchase order or otherwise, shall not be construed as a waiver of the provisions of the Agreement or the Terms and Conditions contained herein nor as an acceptance thereof. Any prior oral or written statements or proposals provided by US Duct are preliminary only unless otherwise agreed and confirmed in writing. If any of the terms and conditions contained in any prior oral or written statements or proposals by US Duct conflict with these General Terms and Conditions of Sale, these General Terms and Conditions of Sale shall prevail.

This Agreement is deemed to be executed and performed in the State of North Carolina, and shall be governed, construed, and enforced in accordance with the laws of that state, excluding North Carolina's conflict of law principles, as to all matters arising out of or relating to this Agreement. US Duct and the Buyer exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods if otherwise applicable. In the event of any controversy, claim, or dispute between US Duct and Buyer arising out of or relating to this Agreement, such controversy, claim, or dispute shall be tried exclusively in the General Court of Justice, Superior Court Division for the State of North Carolina with venue being in Forsyth County, North Carolina. If any provision of this Agreement is held to be illegal, invalid or otherwise unenforceable in a judicial proceeding, then such provision shall be severed and shall be inoperative provided that the fundamental terms and conditions of this Agreement remain legal and enforceable, the remainder of this Agreement shall remain operative and binding between US Duct and Buyer.

Limited Warranty

US Duct warrants that the products sold hereunder conform to any applicable drawings and specifications attached hereto and will be free from any defects in material and workmanship which become apparent under normal use. This limited warranty applies to the original Buyer only and is non-transferrable. To make a claim under this limited warranty, Buyer must give written notice to US Duct within a period of 12 months from the date of installation or 12 months from the date of shipment, whichever period first expires. If, within that period, US Duct receives from Buyer written notice of any alleged defect in or non-conformance of any product covered by this limited warranty and if, in US Duct's sole judgment, the product does not conform with this limited warranty, then Buyer shall, at US Duct's request, return the part or product F.O.B. to 4898 McCracken Road, Kernersville, NC 27284. US Duct, at its sole option and expense, shall then repair or replace the defective part or product or repay Buyer the full price paid for such part or product. Dismounting of defective or nonconforming parts and remounting of any repaired or replaced parts is at Buyer's sole expense. This Limited Warranty, as it relates to the delivery of spare parts or replacement for non-conforming parts, expires when the limited warranty for the original product or equipment expires. Any repayment of purchase price shall be without interest. US Duct's sole responsibility, and Buyer's exclusive remedy shall be limited to such repair, replacement or repayment of the purchase price as provided above. No other warranties, express, statutory, or implied, are made and any and all implied warranties of merchantability, quality, or fitness for particular purpose are expressly disclaimed. This limited warranty does not cover and US Duct makes no warranty with respect to:

- A) Failures not reported to US Duct within the warranty period specified above;
- B) Failure or damage due to misapplication, abuse, improper installation or abnormal conditions of any kind, including, but not limited to, temperature, dirt or other corrosive matter;
- C) Failures due to operation, either intentional or otherwise, above rated capacities or in an otherwise improper manner;
- D) Products which have been in any way tampered with or altered by anyone other than an authorized representative of US Duct;
- E) Products damaged in shipment or otherwise without fault of US Duct;
- F) Expenses incurred by Buyer in an attempt to repair, rework, or replace any alleged defective product; and
- G) Defects in material and workmanship which are attributable to drawings and specifications provided by Buyer.



Payment Terms

Unless agreed to in writing by US Duct's Management, the terms of this Agreement are net 30 days. If the full purchase price is not paid by Buyer net 30, then interest shall accrue at the rate of 1.5% per month. Buyer agrees that if US Duct is required to bring suit to collect any sums due US Duct under this Agreement, then Buyer shall be responsible for all costs and expenses incurred by US Duct, including but not limited to US Duct's reasonable attorney's fees.

Shortage Claims

Any claims for loss, breakage (obvious or concealed), or shortage are Buyer's sole responsibility and should be made to the carrier immediately. US Duct will render Buyer reasonable assistance in securing satisfactory adjustment of such claims. Any notice of shortages or other errors must be made in writing to US Duct within 15 days after receipt of shipment. Failure to give such notice shall constitute unqualified acceptance of the product and a waiver by Buyer of all claims against US Duct for loss, breakage or shortage. Risk of loss for damage to products sold under this Agreement passes to Buyer when the carrier takes custody of any of the products purchased under this Agreement.

Liability Limitations

US Duct's sole responsibility and Buyer's sole and exclusive remedy with respect to any alleged breach of the limited warranty, as set forth above, or any other claim under this Agreement shall be limited to repair, replacement or repayment of the purchase price at US Duct's sole discretion. US Duct's total responsibility for any and all claims, damages of any nature, losses, liabilities or costs of corrective efforts, including, but not limited to, those relating to any limited warranty or claim arising out of or related to performance of this Agreement or the products covered hereunder or the

performance thereof shall not exceed the total purchase price of the product(s) covered by this Agreement. In no event shall US Duct be liable for any special, indirect, incidental or consequential damages of any character; including, but not limited to, loss of use of production facilities or equipment, lost profits, property damage, expense incurred in reliance on US Duct's performance hereunder, or lost production whether suffered by Buyer or any 3rd Party. US Duct specifically disclaims all liability for any and all costs, claims, demands, charges, expenses or other damages, either direct or indirect, incident to all property damages arising out of any cause of action based on strict liability.

Return of Goods

To return products to US Duct, Buyer must fill out a Return Goods Authorization (RGS) Worksheet. The RGA can be requested from US Duct's Sales Department. Each RGA must be filled out completely. Absolutely no shipments will be accepted by US Duct without an RGA. Shipments without RGAs will be returned to shipper at shipper's expense. No RGA will be issued for any order more than 90 days from the original ship date. If issued, an RGA is valid for 30 days from date of issue. US Duct products must be received at our designated return point factory within that 30 days in order for Buyer to receive credit. Only restockable (i.e. Standard) items may be returned to US Duct. All other items are considered custom or special order and are nonreturnable. US Duct reserves the right to limit return quantities. All returned goods must be shipped freight prepaid. All US Duct ductwork must be shipped vertically and properly packaged to avoid incurring out-of round or other damage during shipping. There is a 20% restocking charge for all returned goods. All components must arrive in "as-new" saleable condition. Damage and "white rust" occur over time at job sites, which may cause the items to be rejected by US Duct. Final determination of salability will be determined by US Duct, at its sole discretion.