

**HANS<sup>TM</sup> PREMIUM WATER MODEL 2 QUAD BY HANS POWER & WATER, LLC  
COMMERCIAL TERMS OF SALE**

The following provisions set forth the terms and conditions on which HANS Power & Water, LLC (“Company”) sells the HANS<sup>TM</sup> Premium Water<sup>TM</sup> Mod 2 Quad (“Product”) to the original end user, distributor or reseller purchasing the Product from the Company (each a “Buyer”).

**(1) Terms of Sale:** Purchase of any products sold by the Company shall be subject to and expressly limited by the terms and conditions contained herein. No changes to, waiver of, or addition to any of these terms and conditions shall be effective unless agreed to in writing and signed by the Company. The product purchaser (“Buyer”) acknowledges and agrees that these terms and conditions supersede the terms and conditions of any purchase order or other documentation used by Buyer and, except for delivery and billing addresses, and quantities prices and items ordered, any conflicting or additional terms are void and have no effect, but that Buyer may place orders by use of purchase orders and other documentation for its convenience purposes only. Notwithstanding the foregoing, the Company reserves the right at any time to amend these terms and conditions, and Buyer shall be deemed to accept such amended terms and conditions by ordering products herein offered after the date of such amendment. Additional special terms and conditions of the Company may be applicable with respect to certain products.

**(2) Prices:** All pricing quotes must be documented in writing and signed by the Company to be valid. Prices quoted, unless otherwise stated, refer to single item. All prices are firm for 5 days from the date quoted. the Company reserves the right to change the prices and specifications of its products at any time without notice. Products purchased from distributors will be at the prices set by those distributors and subject to the terms and conditions of sale of the distributor.

**(3) Tax Information:** Any tax, assessment, duty, custom or other fee of any nature imposed upon the products, their sale, transportation, delivery, use or consumption shall be paid by Buyer in addition to the price quoted or invoiced. If the Company is required to prepay any such tax or fee, Buyer will reimburse the Company. Buyer must provide the Company with a resale/exemption certificate in order to avoid the withholding of applicable taxes. No refund or adjustment to previously withheld taxes will be made by the Company sixty (60) days after the invoice date. Proof of certification should be mailed to: HANS Power & Water LLC, Attn: Tax Manager 38955 Hills Tech Drive, Farmington Hills, MI 48331

**(4) Payment:** Payment in full is made at time of installation. Any disputed amounts should be reported immediately and remitted with the undisputed amount by the payment due date. If the Company agrees with the billing dispute, the Company will credit Buyer the amount of the agreed-upon billing dispute. All billing disputes must be made within 3 months of the applicable invoice date, or will be deemed to be waived. The Company reserves the right in its sole discretion to require prepayment from any Buyer at any time and may refuse to sell and/or withhold further shipment until all overdue balances are made current. Buyer shall be liable for, and shall reimburse the Company for all costs and expenses it may incur in connection with collection of any amounts owed to the Company or enforcement of its rights, including without limitation, reasonable attorneys' fees and expenses, court costs, and costs of collection agencies. Interest shall be payable on all outstanding late payments at a rate equal to one and a half percent (1.5%) per month or eighteen percent (18%) per annum, in each case compounded annually.

**(5) Entry:** You authorize the Company and each authorized agent to: (a) enter the premises to install and service the equipment and products purchased hereunder, (b) do work on, or make changes to, your premises, if installation or service of equipment is part of this order. Your authorization permits the

Distributor and each Authorized Agent to enter whenever the Distributor considers it necessary or convenient to accomplish the purpose of this Order. Repairs or maintenance to your plumbing system may require additional costs and whatever we considered a repair to your plumbing system will be billed as an extra expense at regular and customary rates and have no warranty. However, we reserve the right to refer you to a third party to complete repairs to your plumbing system.

**(6) Returned Goods Policy:** Items may be returned for a credit, refund or exchange pursuant to the terms of this Agreement and the Warranty set forth in Section 7. All credits, refunds and exchanges are subject to the prior authorization of the Company, in its discretion. At no time will Company's liability for a credit, refund or exchange exceed the purchase price paid to the Company. Buyer must notify the Company's customer support and complete a Return Request Form. The Return Request Form requires Product serial numbers, quantities, and part numbers along with a specific reason for return. Customer Support will either authorize or deny the request for return. Only items appearing on an approved Return Request Form are acceptable for return. Product returns will only be accepted from the original purchaser. Product returns will not be accepted from third party return companies. Unauthorized returns will be destroyed, and no exchange, credit or refund issued. All authorized returned goods must be shipped freight prepaid by the Company and to their location indicated on the Return Request Form.

**(7) Limited Product Warranty:** This Limited Warranty is as follows: a 12-month limited warranty for the Product used by a business, industrial or commercial customer ("Customer") for business, industrial or commercial applications, originating from the date of installation. The Limited Warranty is conditioned upon the Product being maintained by the Customer according to the Company's instructions, including replacement of filters, adding third-party products as needed for proper function of system, and other components, and regular sanitary maintenance of system. The Limited Warranty covers all parts needed to repair any item that proves to be defective in material, workmanship, or factory preparation. If any failure to conform to this warranty becomes apparent during the warranty period, purchaser shall promptly (and in any case within 90 days of discovery of the issue) file a claim and return such defective product to the Company within 30 days of the submitted the claim (F.O.B. at Farmington Hills, Michigan) together with proof of purchase to establish such claim. the Company's liability under this warranty shall be limited to repairing or replacing defective item at the Company's option with all parts F.O.B. the Company's factory. the Company will not be liable for any costs of removal, installation, transportation, or any other charges that may arise in connection with a warranty claim unless approved in writing by the Company.

The following exclusions to the Limited Warranty apply:

- RO membranes
- accidental or intentional damage to Products due to alteration, abuse, misuse or neglect; unauthorized or improper maintenance of system (e.g. not replacing filters or media on time, or use of non-approved accessories, filters, membranes or spare parts) will be considered "neglect";
- damage as a result of: pressure outside of Product Specifications; water temperature outside of Product Specifications; influent water conditions outside of Product Specifications; and/or power surges;
- damage as a result of external influences (e.g. transit damage, extreme weather conditions including flooding, fire, freezing);
- third-party after-market equipment and parts (pre and post treatment solutions);
- products distributed, but not manufactured by, the Company;
- visual blemishes e.g. marks, scratches and dents; and

- all labor related to the replacement of any parts under this limited warranty or otherwise.
- Labor

Damage as a result of failure to properly maintain or service the Product shall void the Limited Warranty in its entirety. Further, the Company assumes no liability and extend no warranties, express or implied, for the use of this product on a non-potable water source. This Limited Warranty is non-transferrable. The Limited Warranty is voided if the Product is moved after installation, and not re-installed by a Company authorized agent or installer. Influent water conditions at new location must fall within system parameters. The Company's obligation to the Customer under this Limited Warranty shall be limited to replacement (new or refurbished parts) or repair of items covered by hereby at the discretion of the Company. Prior to return or repair of covered items, a Return Materials Authorization number must be obtained from the Company. For warranty claims, Customers should contact their sales representative or local Product distributor or contact the Company directly at <https://hanspremiumwater.com/support/>.

Further, the Product must be registered with the Company by the Buyer within 30 days of installation in order to active the limited warranty. The Company makes no representations as to the suitability of this Product for a particular application. THIS LIMITED WARRANTY SETS FORTH THE SOLE WARRANTY FOR THE PRODUCT AND SOLE REMEDY FOR THE CUSTOMER AGAINST THE COMPANY. ANY IMPLIED WARRANTY GRANTED UNDER STATE LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE WAIVED IN FAVOR TO THE EXPRESS LIMITED WARRANTY GRANTED HEREUNDER. THE COMPANY SHALL, IN NO EVENT, BE LIABLE FOR DIRECT, INDIRECT, EXEMPLARY, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES. IT IS UNDERSTOOD AND AGREED THAT UNDER NO CIRCUMSTANCES BE IT IN CONTRACT, TORT, ANY WARRANTY CLAIM, NEGLIGENCE OR OTHERWISE, SHALL THE COMPANY'S LIABILITY EXCEED THE PURCHASE PRICE PAID BY FOR A PRODUCT TO THE COMPANY FOR THE PRODUCTS BEING CLAIMED UNDER THIS LIMITED WARRANTY. Except as expressly provided herein, the Company makes no representation or warranty of any kind, expressed or implied with respect to any Products, parts or services provided by the Company. The sole and exclusive remedy for breach of any warranty is limited to the remedies provided in the paragraph above.

**(8) General Provisions:**

(a) Any required notices shall be given in writing, in the case of the Company, at the address set forth below, and in the case of Buyer, at the address designated on Buyer's purchase order or to such other address as either party may substitute by written notice to the other and shall be deemed given upon personal delivery, overnight delivery or three days following deposit in the mail.

(b) Except as expressly provided herein, no changes or modifications to, or waiver of, any of these terms and conditions shall be valid or binding on either party unless in writing and signed by an authorized representative of each party. the Company's failure or delay to exercise or enforce any of its rights hereunder shall not constitute or be deemed to be a waiver of such rights or forfeiture of such rights, and the Company may, at its option, from time to time, exercise any of its rights or remedies.

(c) These Terms bind Buyer and its successors and permitted assigns.

(d) The Company will use its reasonable efforts to fill orders, but the Company shall not be liable for nonperformance or delays caused by a shortage of raw materials, manufacturing problems, delivery or labor problems, priorities, acts of regulatory agencies or judicial bodies, discontinuation of a product line, acts of God or third parties, infringement claims, or other causes beyond its reasonable control. Buyer agrees that in such events the Company may allocate products among all purchasers as it deems reasonable, without liability. The Company reserves the right from time to time to substitute a product with a product that has the same function as such product, or to delete a product.

(e) The products are sold subject to Michigan law. These terms and any dispute or claim arising out of or relating to these terms or the sale of products ("Claim") shall be governed by and construed under Michigan law, notwithstanding its law of conflicts of law. If any Claim cannot be settled amicably between the parties, such Claim shall be tried by a court and not a jury, sitting in Oakland County, Michigan or the federal Eastern District of Michigan. Buyer expressly and unconditionally waives its rights to a jury trial in any such Claim.

(f) The Company shall promptly deliver written notice or verbal, followed by written, notice of any recall of any product. Should the recall require products be removed from the market, the Company shall, to the extent reasonably possible and at the Company's option, replace any such recalled products as soon as practicable with comparable products not subject to such recall or repair any such recalled products and return them to Buyer.

(g) Buyer may not change, adulterate, obscure, remove or deface trademarks, tradenames or labels appearing on any product of the Company.

(k) Buyer will comply with all federal, state and local laws, regulations and ordinances applicable to its business and activities and will indemnify the Company for any and all claims, damages, penalties, assessments and liabilities imposed on the Company relating to or resulting from Buyer's failure to comply with such applicable laws, regulations and ordinances.

**(9) Shipping:** Freight charges on initial purchases will be prepaid when orders are shipped via a transportation mode and carrier selected by the Company. When expedited delivery, specialized service, or alternate transportation modes are requested, or if requests are inconsistent with efficient distribution practices, an additional charge to cover the premium expense will be added to the invoice.

**(10) Damage or Loss in Transit:** Identity of items and extent of damage or loss must be noted on Buyer's copy of the delivery document by the agent of the transportation company. If damage is discovered after receipt of shipment, notify the transportation company immediately and request that inspection be made and an inspection report rendered. Buyer must report concealed shortages or damages within palletized shipments to the Company Customer Support within 3 business days of delivery or credit will not be allowed. In addition, Buyer must provide the Company with a copy of Buyer's claim request accompanied by a delivery receipt or an inspection report upon which the transportation company has properly noted such damage or loss, and the Company will issue a credit for the loss or damage and file a claim with the carrier. If such information is not received within ten (10) days of delivery, no credit will be issued. Send copy of carrier freight bill to Customer Support indicating item and quantity damaged or not received. Damaged merchandise should not be accepted.