SAFE WATER TECHNOLOGIES, INC.



TERMS AND CONDITIONS OF SALE

Billing: Safe Water Technologies, Inc. (SWT) general terms are prepayment with PO for the first (3) three orders, unless other terms are arranged prior to quotation. The minimum order is \$100.00 product cost per shipment. NET 30 DAYS terms will be available to qualified water treatment companies located in the USA that submit orders at least (3) three times per year with an annual minimum procurement of \$10,000.00 from SWT subject to credit approval and limits. A credit application will be processed after 3 sales orders within a 12 month period have been completed. Please refer to the section below entitled "Special Orders/Custom Manufacturing" for exclusions. Delinquent accounts are subject to a 1.5% per month service charge and no shipments will be made until the account is current.

Cancellation or Change Orders: Generally, orders are processed as they are received. Once they are put into production, add-ons may have to be treated as a new order and may hold up shipment of the original order. Cancellations and/or change orders are subject to approval by SWT. A fee may be charged for either, depending on the progress of the order when the changes are received. Special orders or orders per customer's prints cannot be canceled once special material has been ordered and/or production has started.

Collection Charges: In the event it becomes necessary to incur any expense for the collections of any overdue account, reasonable collection charges, including reasonable attorney's fees, will be added to the balance due, and purchaser agrees to pay said fees.

Damaged Merchandise: Refer to back page for information.

Shortages: Refer to back page for information.

Errors and Returned Goods: Refer to back page for information.

Freight: Product will be shipped from our industrial building in Elgin, IL 60120 via UPS Small Package via Prepaid and Add. Shipping via FedEx, DHL, etc., small package is not available. Freight collect is not an option for UPS, FedEx, DHL, etc. for small package service. Trucking LTL or FTL Collect or Prepaid and Add can be selected by the customer.

Delivery: Contact SWT to obtain specific information regarding shipping time for any order. Orders will not be processed on delinquent accounts until all past due monies are paid and the account becomes current.

Open Account: A complete credit check is usually required prior to shipping on an open account basis. This requires correspondence between SWT, your suppliers, and your bank. The time involved depends on the response from the references that you give us. You will be notified when your credit is approved. In the interim, all orders must be shipped COD or check in advance.

Order Acceptance: SWT reserves the right to accept or reject any order (like we really want to reject an order). Possession of price sheet shall not be construed as an offer to sell the products listed. All orders, other than stock items, must be confirmed in writing.

Prices: SWT products are sold at prices in effect at time of order acceptance. These prices generally coincide with dated, printed price sheets found in our catalog. We do reserve the right to change prices without notice when necessary. All price F.O.B. shipping point.

Special Orders/Custom Manufacturing: If any material shall be manufactured and/or sold by SWT to meet buyer's particular specifications or requirements and is not part of SWT's standard line offered by it to the trade generally in the usual course of SWT's business, that material shall be a "Special Order/Custom Manufacturing" and buyer shall defend, protect, and save harmless SWT against all suits at law or in equity and from all damages, claims, and demands for actual infringement of any United States or foreign patent and shall defend any suit or actions which may be brought against SWT for any alleged infringement because of the manufacture and/or sale of the material covered thereby. SPECIAL ORDERS/CUSTOM MANUFACTURING MAY REQUIRE DEPOSITS IN ADVANCE OF PRODUCTION.

Warranties: Refer to back page for information.

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Name of Officer or Owner	Title					
Company	Phone					
Taxpayer Identification Number: O Social Security Number or Employer Identification Number						
Signature	Date					

SAFE WATER TECHNOLOGIES, INC.



TERMS AND CONDITIONS OF SALE

Damaged Merchandise: SWT cannot be held liable for damage or loss to a shipment by a freight carrier. Claims for damaged products, suspected damages, container shortages, or pilferage within the container on delivery MUST BE NOTED ON THE CARRIER'S DELIVERY RECEIPT. The carrier claims representative MUST be notified immediately.

Shortages: All product shortages MUST BE REPORTED TO SWT WITHIN 7 DAYS AFTER DELIVERY. If the shortages are a result of damaged packaging during transit, the damage must be noted on the carrier's delivery receipt at the time of delivery (see Damaged Merchandise for more details).

Errors and Returned Goods: SWT cannot assume the responsibility for the errors of others. Merchandise ordered incorrectly cannot be returned without a written authorization. Material must be new and in marketable condition. We reserve the right to charge a 25% restocking fee on all returned goods. We will assume responsibility for our own errors at no charge to the customer.

Restocking fees are as follows:

- 1) Stock parts and easily resellable items. (Items must be unused and in "like new" condition on arrival, so please pack it well for the return trip.)
 - Your fault
 Your fault and you're really sorry.
 Your fault, you're really sorry, you're placing a new order for the right stuff.
 Manufacturer's fault on items we distribute
 Our fault. We eat the freight, apologize like crazy, and yell at our people
 O%
- 2) Non-stock, custom manufactured, and special ordered materials

Freight: We need to know from you, on each order, what is most important to you; things such as "fastest way," or "lowest cost." (Obviously, if the fastest way is also the lowest cost, we'll send it that way). We believe that communication about freight is very important and can save money and aggravation. If you do not relay information to us, we will use our best judgment trying to weigh the benefits of timeliness vs. cost. We have good freight rates to some parts of the country, and not-so-good rates to other parts of the country. Sometimes it is better to ship collect. Other times, it is better to prepay the freight and add it to the invoice. Our point here is that we can usually ship however you want us to, but if we need to know things like "your cousin owns a truck and can save you some money," you need to tell us (and it does not hurt to verify this on each order).

Shipping and Back Order Policy: SWT's standard policy is to ship your order in a reasonably short period of time (1 to 3 days), and back order whatever is not going to be ready quickly. If you wish for shipments to ship complete, you must let us know on each order. Most items are shipped via UPS or truck common carrier. Orders requested to go via a special carrier or air freight must be specified at time of ordering.

Warranties: SWT expressly disclaims and shall have no liability whatsoever in excess of the purchase price of the item sold for any loss, damage, or injury to person or property, including any such loss, damage, or injury attributable to a manufacturer's negligence or fault and including any incidental or consequential damages. The seller makes no warranties, express or implied, including warranties as to merchantability or as to the fitness of the merchandise for any particular use or purpose, and shall not be liable for any loss or damage, directly or indirectly, arising from the use of such merchandise or for consequential damages. Buyer understands its sole warranties, if any, shall be those provided by the manufacturer.

