

**TERMS OF SALE AND SUPPLY**  
**ISCO USA Inc.**

Current as of 02/01/2008

1. Purchase of Products.

(a) Except to the extent otherwise agreed upon in writing, the terms set forth herein shall govern the sale and delivery of the products described on the reverse side hereof ("Products") by ISCO USA, Inc. ("Seller") and purchased by the purchaser named on the reverse side hereof ("Purchaser").

(b) All dealings between the parties shall be in writing and no order of Purchaser shall be binding on Seller until approved in writing by Seller.

(c) Prices of Products are subject to change without notice, and all references in sales brochures, technical data sheets and offers as details of the Products are approximate only. No such term shall be binding on Seller unless expressly incorporated in a purchase order which is approved and accepted by Seller in accordance with the terms hereof.

(d) Except as provided in subsection (e) of this Section 1, a purchase contract hereunder shall become effective upon the mailing of a written acceptance of Purchaser's order by Seller.

(e) If the terms stated in Purchaser's order are not acceptable to Seller, Seller may amend, delete or alter such terms and submit a counter-offer incorporating such amendments, deletions or alterations to Purchaser, it being understood and agreed that such counter-offer shall be deemed accepted by Purchaser and shall become binding on the parties if and in case Seller does not receive notice to the contrary from Purchaser within ten (10) days after Seller has sent such counter-offer to Purchaser.

(f) Purchaser acknowledges that Seller's acceptance of any purchase order is dependent on Seller's prior approval of Purchaser's credit. Purchaser agrees that Seller may demand assurances of Purchaser's ability to pay by requesting such trade or banking references or such other information as deemed adequate by Seller.

(g) Specifications in offers and order confirmations are approximate only. Purchaser does not have the rights with respect to deviations between the order specifications and the Products with respect to quality, color and design.

(h) Drawings and technical documentation furnished to Purchaser in connection with the order shall remain property of Seller. Purchaser may not copy or make available such drawings and technical documents to third parties.

2. Delivery.

(a) Unless expressly agreed upon in writing to the contrary, the terms of delivery are FOB Seller's loading dock or via shipping agency as designated by Purchaser or by Seller on Purchaser's behalf. All delivery times stated in the order and its acceptance are approximate only. Seller will use commercially reasonable efforts to make the Products available for pick-up and delivery by Purchaser within a reasonable time after acceptance of an order from Purchaser. Delivery dates are approximate only and Seller shall not be liable for damages caused by delays in delivery.

(b) Purchaser bears the risk of loss or destruction of the Products upon and after the first to occur of (i) pick-up or acceptance of the Products by Purchaser or its common carrier at Seller's place of business, or (ii) the date of after written notification from Seller that the Products are ready for pick-up at Seller's place of business. In case Purchaser requests a delay in delivery, Purchaser assumes all risk of loss, damage and/or destruction of the Products from the date the Products are ready to be delivered.

(c) Purchaser agrees that it will pick up or cause a common carrier to pick up the Products at Seller's place of business within five (5) business days after written notification from Seller that such Products are ready for pick-up. If Purchaser or its common carrier does not pick up or accept the Products within five (5) business days after written notification from Seller that the Products are ready for pick-up or if Seller is required to store the Products due to any delay caused by Purchaser, Purchaser shall reimburse Seller for reasonable storage charges.

(d) Seller reserves the right to make the Products available for pick-up and delivery in installments. Delay in delivery of any installment shall not relieve Purchaser of its obligation to accept remaining deliveries.

(e) Seller shall, in its sole discretion, have the right to extend the delivery time period as reasonably needed to complete Purchaser's change order.

3. Force Majeure. Notwithstanding anything to the contrary, Seller shall not be liable for any delay or failure to perform or damage caused thereby hereunder when such failure or delay is, directly or indirectly, caused by, or in any manner arises from fire, floods, accidents, civil unrest, acts of God, war, terrorism, governmental interference or embargoes, strikes, labor difficulties, shortage of labor, fuel, power,

materials, or supplies, breakage of machinery or apparatus, transportation delays, or any other cause or causes (whether or not similar in nature to any of those hereinbefore specified) beyond its control.

4. Warranties and Claims. Seller warrants that the Products will, when delivered, substantially conform to the respective written Product description furnished to Purchaser, and all Products to be free from defects in material and workmanship within twenty-four (24) months period from the date of manufacture and will perform in accordance with ISCO USA's operating instructions if properly installed, used and serviced. Should a Product(s) become defective within such period, Purchaser at its cost shall submit its claim and the defective Product to ISCO USA and the sales receipt stating the defects and the circumstances under which the defect occurred in which case ISCO USA will examine, and upon establishing Purchaser's validity of claim, at its sole discretion repair the Product(s), exchange the Product(s), or refund the purchase price, which shall fully satisfy and discharge any and all warranty claims. Warranty related inquiries should be addressed to the following address: ISCO USA, Inc., 191 Peachtree Street, Suite 3300, Atlanta, GA 30303. This warranty extends only to Product(s) installed as specified for the respective Product(s) and does not extend to any product(s) (i) which has been used inconsistent with its intended use, (ii) has not been properly installed by a qualified licensed technician experienced in the installation of the Product(s), (iii) which was modified or repaired by anyone other than ISCO USA personnel or authorized service representative, (iv) damaged because of misuse, neglect or improper installation or service. No warranty of fitness for a particular purpose is made. In addition, the foregoing warranty shall not apply to any components not manufactured by ISCO USA.

**THE WARRANTIES SET FORTH HEREINABOVE ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED. THE SALE IS MADE ON THE EXPRESS UNDERSTANDING THAT THERE IS NO IMPLIED WARRANTY THAT THE PRODUCTS SHALL BE FIT FOR ANY PARTICULAR PURPOSE. THE PURCHASER ACKNOWLEDGES THAT PURCHASER IS NOT RELYING ON SELLER'S SKILLS OR JUDGMENT TO SELECT OR FURNISH PRODUCTS SUITABLE FOR ANY PARTICULAR PURPOSE OR JOB OR TO DETERMINE FEASIBILITY OF THE PRODUCTS FOR ANY PARTICULAR PURPOSE. THE PURCHASER ACKNOWLEDGES THAT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION HEREIN. IN NO EVENT SHALL ISCO USA BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, OR SPECIAL DAMAGES, AND DAMAGES ARISING OUT OF THE PURCHASE, UNLOADING, HANDLING, AND USE OF ANY PRODUCTS, ALL OF WHICH ARE WAIVED BY PURCHASER AND IN ANY EVENT, DAMAGES HEREUNDER SHALL BE LIMITED TO A MAXIMUM OF THE PURCHASE PRICE. THIS WARRANTY GIVES THE CONSUMER SPECIFIC LEGAL RIGHTS AND THE CONSUMER MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.**

The Purchaser shall inspect and accept or reject acceptance of the Products immediately upon the arrival and shall, within thirty (30) days after the arrival, give written notice to ISCO USA of any claim that the Product(s) do not conform with the terms of the order. If the Purchaser shall fail to give such notice, the Product(s) shall be deemed to have been accepted and the Purchaser shall pay for the products in accordance with the terms of the order. The purchaser expressly waives any rights the Purchaser may have to revoke acceptance after such thirty (30) day period.

5. Prices. (a) All prices quoted by Seller are based on material and labor costs, are in U.S. funds and shall be on a net basis F.O.B. Seller's loading dock.

(b) All prices quoted by Seller are subject to adjustment due to Purchaser's change of orders, if any or change of Seller's quotation basis.

(c) Unless otherwise expressly agreed upon in writing, the price quoted excludes the cost of packaging and the cost of special containers, packaging, crating, palletizing, applicable taxes and duties, shipping, insurance or other incidental expenditures of Seller.

6. Payment. (a) Unless otherwise expressly agreed upon in writing, payment shall be made in cash or by wire transfer within thirty (30) days of date of invoice or delivery of Products from Seller's facility, whichever is earlier.

(b) Purchaser shall not withhold or reduce payments on account of complaints, claims, or counterclaims not acknowledged and accepted by Seller.

7. Default. (a) Purchaser shall be in default (hereinafter "Default") under this Agreement and Seller may terminate this Agreement and exercise all other remedies in law or in equity if Purchaser: (i) fails to make payment hereunder to Seller when due; or (ii) breaches any other term, provision or condition contained in this Agreement; or (iii) is declared to be in default under any other agreement between

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Purchaser and Seller, and if in any of the foregoing cases set out in (i), (ii) or (iii), Purchaser fails to cure any said breach or default within thirty (30) days following written notice thereof from Seller or (iv) if a bankruptcy proceeding is commenced with respect to the assets of Purchaser.

(b) Upon the occurrence of a Default, Seller may elect to exercise any one or more of the following options:

(i) Seller may hold the Products until such time as Purchaser has paid the respective purchase price and any expenses (including finance charges, returned check fees and interest determined at a rate equal to the lower of eighteen percent (18%) per annum or the maximum rate permitted by applicable law incurred by Seller as a consequence of such default.

(ii) Seller may sell the Products to a third party and require Purchaser to reimburse Seller for any losses, or expenses associated therewith.

(iii) Seller may require payment in cash prior to delivery any Products hereunder.

(iv) Seller may withhold any Products not delivered to Purchaser at the time of the default.

(v) Seller may terminate this Agreement.

(vi) Seller may exercise all other rights hereunder and may seek all other remedies available to it in law or in equity.

(vii) Seller may assign all claims against Purchaser to any third party.

(viii) Upon the non-payment when due of any amount due hereunder, any and all of the debts and liabilities of Purchaser to the Seller arising may, at the option of the Seller and without demand or notice of any kind, be declared and immediately shall become due and payable in full. Seller may exercise any rights available under any agreement relating to any liability of Purchaser to Seller.

Purchaser agrees that, in the event any legal action should be deemed necessary by Seller to recover any sums due hereunder or under any promissory note, trade acceptance, or invoice, or, if applicable, to recover possession of the Products, as defined herein above, or any proceeds from the sales thereof, there shall be added to the sums due from Purchaser to Seller the costs of collection, including reasonable attorney's fees and default interest in the amount of (eighteen) 18 percent.

(c) When reasonable grounds for insecurity arise with respect to Purchaser's performance, Seller may in writing demand assurance of due performance and until it receives such assurance may suspend any performance for which it has not already received payment.

8. **Security Agreement.** Except as expressly agreed upon to the contrary, Purchaser shall execute a Security Agreement upon Seller's request in connection with this Agreement, as attached hereto in Exhibit "A" which will then be incorporated herein as an integral part hereof.

9. **Protection of Trade Secrets and Confidential Information.**  
The parties hereto agree that:

(a) Except as provided for in subsection (b) of this Section, Purchaser shall not disclose any Trade Secrets or Confidential Information of the other party to any individual or entity not a party to this Agreement.

(b) Purchaser may make available Trade Secrets or Confidential Information to its qualified employees, as defined hereinafter, to the extent that such information must be disclosed to such qualified employees to apply the Trade Secrets or Confidential Information to its intended use. A "qualified employee" shall mean any individual employed by or affiliated with Purchaser who is bound by a valid and fully enforceable confidentiality agreement which contains confidentiality obligations substantially similar to the confidentiality obligations stated herein, prior to disclosure of the Trade Secrets and Confidential Information to such employee.

(c) For purposes of this Agreement the following terms shall have the meanings set forth below:

(i) The term "Trade Secrets" shall mean and include any and all designs, plans, processes, tools, mechanisms, programs or compounds, drafts or tools known to only Seller, or to those of its clients and employees to whom they must be confided in order to be applied to the uses intended, some

or all of which may arise to the level of being patentable or subject to copyrights, all as further defined under the laws of the State of Georgia.

(ii) The term "Confidential Information" shall mean and include information not rising to the level of Trade Secret and not generally known to or by a business in competition with the Seller or otherwise publicly disseminated by the protected party hereto, the disclosure of which may be beneficial to a competing business or detrimental to Seller.

10. **Intellectual Property Rights.** Unless expressly agreed in writing, signed by a duly authorized officer of ISCO to the contrary, no designs, blueprints, concepts, proposals or other data developed by ISCO for Purchaser shall be deemed work for hire and all rights respective thereto shall solely be with ISCO and any further development thereof shall ensue to ISCO's benefit. Purchaser may not use or register intellectual property rights of Seller, including but not limited to trademarks, designs and patents. Purchaser shall notify Seller of any existing or threatened violations of Seller's intellectual property rights as soon as he becomes aware of any such existing or threatened violation. Purchaser agrees to sell Products in their original packaging and design without modification.

11. **Arbitration.** Any controversy of claim arising out of or relating to this Agreement, or the breach hereof, shall be submitted to and be finally resolved by arbitration, to be conducted by the American Arbitration Association ("AAA"), with such arbitration to be held in Atlanta, Georgia in accordance with the AAA's Commercial Arbitration Rules then in effect. Each party hereby irrevocably agrees that service of process, summons, notices, as other communications related to the arbitration procedures shall be deemed served and accepted by the other party five (5) working days after having been mailed by first class registered mail, return receipt requested, postage prepaid, to the other party, or if actually received by the other party. The arbitration shall be conducted by one arbitrator, as selected by the AAA. Any award or decision rendered in such arbitration shall be final and binding on both parties, and judgment may be entered thereon in any court of competent jurisdiction if necessary. Except as may be provided to the contrary herein, each party hereto shall pay any and all expenses incurred by such party in connection with such arbitration proceeding, unless otherwise determined by the arbitrator.

12. **Miscellaneous.**

(a) Purchaser may not assign this contract without the express prior written consent of Seller.

(b) Purchaser may not set off claims Purchaser may have against Seller against any indebtedness or liability of Purchaser hereunder.

(c) Except as otherwise expressly provided in Section 1(e) hereof or in a written document, signed by Seller and Purchaser, this document and attachments and exhibits thereto constitute the entire agreement between Seller and Purchaser with respect to the subject matter herein contained and all prior agreements and communications between Seller and Purchaser, whether oral or written, are superseded by this Agreement.

(d) No modification, limitation, waiver or discharge of this Agreement or of any of its terms shall bind Seller unless in writing and signed by a duly authorized employee of Seller. The failure of Seller to insist, in one or more instances, on performance by Purchaser in strict compliance with the terms and conditions hereof shall not be deemed a waiver or relinquishment of any right granted hereunder with respect to any succeeding breach of the same or other provision hereof.

(e) All notices required hereunder shall be in writing and sent by first class mail or by telefax or written confirmation to such addresses as stated on the reverse side hereof.

(f) This Agreement shall be governed by, and construed, interpreted and enforced under the laws of the State of Georgia without giving effect to the conflict of laws principles.

(g) In connection with any litigation, including appellate proceedings, arising out of or pertaining to any of the contractual relationships between Seller and Purchaser or the breach thereof, as contemplated herein, all costs and expenses, including reasonable attorneys fees, shall be borne by the losing party or, as the case may be, shall be prorated to properly reflect any partial losing or prevailing of the parties to such litigation.

(h) In case any conditions of this Agreement should be or become unenforceable under applicable law, the remaining provisions, stipulations and conditions of this Agreement shall not be affected thereby.