

WARRANTY AND GENERAL TERMS AND CONDITIONS.

WARRANTY

Peerless of America ^{II}, Inc., hereafter referred to as "Peerless" warrants the buyer, to the extent of the original purchase price, that products sold to buyer hereunder are free from defects in material and factory workmanship, and, provided such products have been installed and maintained properly, have been operated with care under normal use and have not been altered or repaired by anyone other than Peerless, such WARRANTY shall continue for a period of one (1) year from date of original installation, or eighteen (18) months from date of shipment by Peerless, whichever first occurs.

The obligations of Peerless under this Warranty shall be limited to repair or replacement, at the discretion of Peerless, to the extent of the original purchase price, of products returned to the Peerless factory, transportation charges prepaid, and determined by Peerless to be defective. Peerless' obligations hereunder are expressly conditioned upon (1) written notice by buyer to Peerless within thirty days of the discovery by buyer of such defect, and (2) buyer being in compliance with the payment terms herein. Peerless shall not be liable for expenses of repairs made outside its factory unless prior consent is obtained for such repairs by Peerless.

THE FOREGOING IS EXCLUSIVE AND IN SUBSTITUTION FOR, AND BUYER HEREBY WAIVES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF PEERLESS, EXPRESSED OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY NON-CONFORMANCE OR DEFECT, INCLUDING BUT NOT LIMITED TO (A) ANY IMPLIED WARRANTY OR MERCHANTABILITY OF FITNESS, (B) ANY IMPLIED WARRANTY ARISING BY COURSE OF DEALING OR USAGE OF TRADE, AND (C) ANY OBLIGATION OR REMEDY IN TORT, WHETHER OR NOT OCCASIONED BY NEGLIGENCE. IN NO CASE SHALL PEERLESS BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF USE OR LOSS OF PROFITS.

We have in good faith endeavored to meet shipment or completion date, if we have been unable to meet dates of shipment or completion for any reason, including but not limited to force majeure, we shall not be responsible for any consequential damages.

PRICES, PAYMENTS AND SPECIFICATIONS:

Payment is net cash received by Peerless by the end of the time period specified on our INVOICE. In each case the beginning date for calculation of the term of payment shown is the Bill of Lading date as shown on the front of our INVOICE. Failure to make net cash payments according to the terms shown may result in suspension of work on uncompleted orders and/or imposition of interest charges at the rate of 1 percent (1%) per month of delinquency. **PAYMENT IN U.S. DOLLARS ONLY**

All prices are Freight On Board our factory. Consequently we will accept no liability for damage to goods arising from mishandling during transit.

Our policy is one of continuous improvement, and we reserve the right to change prices, quotations, design or specifications without incurring obligation. The price or prices do not include any federal or state sales tax, or excise tax now or hereafter applicable to sales hereunder, and such sales are subject to any or all taxes which are or may be imposed thereon.