

**DRIESSEN WATER INC**  
**DbA ULTRAPURE & INDUSTRIAL SERVICES, LLC and CULLIGAN ULTRAPURE**  
**PRODUCT SALES: GENERAL TERMS AND CONDITIONS**

1. **ACCEPTANCE.** Driessen Water, Inc ("UIS" or "Seller") agrees to provide you (also "Buyer") the products ordered by you (the "Products") in accordance with these Terms and Conditions, which shall be deemed a part of any Purchase Order and shall be incorporated therein by this reference. If you have not otherwise agreed to these Terms and Conditions, accepting delivery, making payment, or making use of the Products will constitute your acknowledgment of agreement to these Terms and Conditions. To the extent of any conflict or inconsistency between these Terms and Conditions and the terms and conditions set forth in any Purchase Order, order confirmation or other document, these Terms and Conditions shall take precedence. If you deem any of these Terms and Conditions not to be acceptable, your recourse shall be to cancel your order within five (5) days of receipt of these Terms and Conditions. Any Purchase Order, these Terms and Conditions, and any attachments hereto shall be collectively referred to herein as the "Agreement." This Agreement is the entire contract between you and UIS. No promise, statement or representation by any employee of UIS will be binding upon UIS unless it appears in this Agreement. Also, no promise, statement or representation of any employee of UIS will relieve you of any obligations you undertake with this Agreement.
2. **PAYMENT SERVICE CHARGE.** In consideration of the delivery of the Products, you agree to pay UIS the purchase price as set forth in on the first page of this Agreement or otherwise specified by UIS. Unless otherwise agreed to in writing by UIS, payment of such purchase price shall be due on the date specified on the first page of this Agreement. The purchase price shall be payable in U.S. Currency. Payment may be made by credit card (at the time of order), COD, or on open account (subject to credit approval). If you believe that any invoice is incorrect, you must notify UIS in writing within twenty (20) days after receipt of the applicable invoice. If you do not so notify UIS, you shall be deemed to have waived the right to further dispute the accuracy of the invoice. If at any time UIS determines that your financial condition or credit rating does not justify a sale on credit, UIS reserves the right to require advance payment, a personal guarantee and/or may ship C.O.D. If you fail to pay any amounts due under this Agreement, you agree to pay all costs of collection proceedings including the cost for reasonable attorney's fees. **A SERVICE CHARGE at the ANNUAL PERCENTAGE RATE OF 18% (1.5% per month)** or the highest rate permitted by law, whichever rate is lower, will be imposed on all amounts that are past due when they are outstanding for 30 days or more. Finance charges are imposed on a past due amount on the first of the month. If your account is past due for more than 30 days on the first of the month, a finance charge will be imposed on that amount. UIS will apply your payment first to pay any finance charges, and second to pay the principal amount. Your finance charge is based on your last principal balance not including finance charges.
3. **TAXES.** UIS's prices do not include any personal property, value-added, sales, excise, use or other taxes. You shall be liable for all such taxes whether or not invoiced by UIS. Any sales tax to be collected by UIS shall be reflected on the Purchase Order and/or invoice.
4. **SHIPMENT.** Unless otherwise agreed in writing, (i) delivery will be FCA Free Carrier (Incoterms 2010) and delivery will be Exworks (Incoterms 2010) for international shipments; (ii) UIS shall have the right to determine the method of shipment and routing of the Products, and (iii) you shall pay all Product shipping and delivery charges, which will be included on your invoice. UIS shall not be liable for damages caused by delays in shipping or delivery for any reason whatsoever. Delay in the delivery of any Products hereunder shall not relieve you from the obligation to accept and pay for such Products.
5. **SECURITY FOR PAYMENT OF PURCHASE PRICE.** To secure payment of amounts payable by you to UIS with respect to the Products, you hereby grant to UIS a continuing purchase money security interest and lien on the Products, whenever sold, consigned, or delivered and wherever located, and all replacements or proceeds of the Products, until the invoice for the applicable Products (including installation thereof) is paid in full, including payment of any late charges and costs of collection. You grant UIS a limited power of attorney, coupled with an interest, to execute financing statements and other documents or to take any other action in the name of Buyer necessary to perfect the security interest granted herein. Upon UIS's request, you will execute such other or additional documents as may be necessary for the enforcement or protection of UIS's security interest granted herein.
6. **SERVICES.** Unless otherwise agreed in writing by the parties, UIS shall have no obligation for installation of the Products or the performance of any work at your facility or other services in connection with Products. In the event Buyer engages UIS to provide installation services, Buyer is responsible for all reasonable expenses incurred related to such installation.
7. **LIMITED WARRANTY.** The Products will carry the original manufacturer's warranty, copies of which are available on request. If authorized by UIS in writing, UIS will permit Buyer to submit warranty claims regarding such Products to UIS, which will then proceed against the original manufacturer on behalf of Buyer in accordance with such manufacturer's warranty policy. However, UIS takes no responsibility for enforcing such warranty. UIS MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCT NOT MANUFACTURED BY UIS. **TO THE EXTENT PERMITTED BY LAW UIS MAKES NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, AND DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ANY ACTIONS OR CLAIMS BY BUYER REGARDING THE SALE OF PRODUCTS MUST BE BROUGHT WITHIN TWELVE (12) MONTHS AFTER THE DATE OF DELIVERY OF THE PRODUCTS.**
8. **LIMITATION OF LIABILITY. YOUR SOLE REMEDY AGAINST UIS AND ITS RELATED COMPANIES FOR PRODUCTS FURNISHED UNDER THIS AGREEMENT IS UNDER THE LIMITED WARRANTY STATED ABOVE. THIS LIMITATION APPLIES TO REMEDIES ARISING OUT OF THIS AGREEMENT OR OTHERWISE IN CONNECTION WITH THE PRODUCTS. IN NO EVENT SHALL UIS OR ITS RELATED COMPANIES BE LIABLE TO YOU FOR DAMAGES OF ANY NATURE, INCLUDING BUT NOT LIMITED TO DIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, GENERAL OR OTHERWISE, EXCEPT AS SPECIFICALLY STATED IN THIS AGREEMENT. YOU ASSUME ALL LIABILITY FOR INJURY OR DAMAGE TO OR ARISING OUT OF POSSESSION, USE OR CONTROL OF THE PRODUCTS, INCLUDING BUT NOT LIMITED TO PROPERTY DAMAGE OR MOLD RELATED EXPENSES; YOU AGREE TO OBTAIN INSURANCE TO COVER ANY SUCH LIABILITIES. UIS IS NOT RESPONSIBLE FOR LEAKS FROM PIPING OR TUBING DUE TO FREEZING OR OTHERWISE OR FOR WATER DAMAGE FROM ANY EQUIPMENT MAINTAINED, REPAIRED OR INSTALLED. You must inspect all Products for defects or damages which are discoverable on a visual inspection in writing within ten (10) days of delivery or such claims will be deemed waived. However, shipping damage claims must be made by Buyer directly with the shipping company in accordance with such company's policies.**
9. **RETURNS.** ALL returns are subject to prior approval of UIS, in its sole discretion, and require documentation of the return material authorization ("RMA") number requested by Buyer and provided by UIS. Products returned without an RMA number will be returned to Buyer at Buyer's expense and Buyer will bear all risk of loss or damage to the returned Products while in transit. All RMA requests must include one of the following: the original Buyer purchase order number, the or the UIS invoice number. Issuance of an RMA number by UIS does not guarantee that a return will be accepted. In the case of an alleged damaged or defective Product, UIS will only accept returns if (i) the alleged damage or defect is established to the satisfaction of UIS; (ii) such Product is still covered by the warranty; and (iii) Buyer has notified UIS in writing within (a) ten (10) days of delivery in the case of a defect or damage that is discoverable on a visual inspection. Returns may be subject to such restocking charges as may be established by UIS from time to time. All authorized returned goods must be shipped by Buyer freight and insurance prepaid to the location indicated in writing by UIS. All returned Products must be current inventory items in new condition (other than defective Products), in the boxes or other original packaging in which they were shipped and are subject to quality control inspection prior to acceptance. Any damage occurring in transit is between the carrier and Buyer. UIS will deduct the amount of all approved returns from the invoice or account of Buyer, less any freight, shipping, insurance or handling charges (except as otherwise provided herein). UIS reserves the right to refuse any Products returned to UIS without prior approval. Unauthorized returns will remain Buyer's responsibility and may be destroyed or returned to Buyer at Buyer's expense.
10. **STORAGE.** If Buyer requests that UIS delay or defer the shipment of Products (or otherwise causes a delay of shipment) for more than fifteen (15) days beyond the scheduled ship date, then UIS may store such equipment at UIS's premises or in a contracted warehouse or yard. If a request to delay shipment is made after the equipment has left UIS's premises, then UIS may arrange for such equipment to be stored with the shipper or in a contracted warehouse. In either case, such storage will be at Buyer's risk and expense. When equipment is placed in storage, it will be deemed to have been shipped for invoicing and warranty purposes and Buyer is considered to have accepted the equipment. Buyer will be subject to additional handling, transportation and storage charges, payable upon invoice by UIS. Buyer may not obtain any delay or deferment of delivery unless UIS agrees thereto in writing. In no event will UIS agree to any such delay or deferment unless Buyer establishes good and sufficient cause thereof to UIS's satisfaction, and Buyer agrees in writing to terms acceptable to UIS.

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11. **MAINTENANCE RESPONSIBILITIES.** Unless otherwise agreed in writing by the parties, you are responsible for all maintenance and repair of Products of any kind and nature. **Under no circumstances are repairs, medical expenses, living expenses or any other expenses due to mold covered by UIS.**
12. **ASSIGNMENT.** This Agreement may not be assigned or delegated by any party without the prior written consent of the other party. This Agreement may only be amended or modified by a writing duly executed by the parties hereto. Buyer agrees that any of its sales representatives or subdistributors of the Products will be subject to the terms and conditions of this Agreement.
13. **CANCELLATION, COUNTERMAND AND RETURN OF GOODS.** Orders accepted by UIS cannot be cancelled or countermanded, or shipments deferred or product returned, except with the prior written consent of UIS and upon such terms that may be reasonably established by UIS.
14. **NO LICENSE.** The sale of its Products by UIS does not constitute a license, implied or otherwise, for the use of any patents or know-how of others, nor does it constitute a license, implied or otherwise, on patents or know-how of UIS, except to the extent that the intended use of such Product by Buyer itself is covered by the claims of a UIS patent.
15. **NON-DISCLOSURE.** You shall not disclose any technical or other proprietary information furnished by UIS or obtained by virtue of your dealings with UIS and shall make all efforts to ensure that such technical or other proprietary information is kept confidential. Title to such technical or other proprietary information disclosed or supplied by UIS to you shall at all times remain the absolute property of UIS.
16. **EXPORT.** Buyer acknowledges that the Products sold under this Agreement, and the transaction contemplated by this Agreement, which may include technology and software, are subject to United States customs and export control laws and regulations and may also be subject to the customs and export laws and regulations of the country in which the Products are received. Buyer acknowledges and agrees that it is Buyer's sole responsibility to comply with and abide by those laws and regulations as applicable. Further, Buyer acknowledges and agrees that under United States law, the Products shipped pursuant to this Agreement may not be sold, leased, or otherwise transferred to restricted countries, any person or entity on the Specially Designated Nationals and Blocked Persons List published by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or utilized by restricted end-users or an end-user engaged in activities related to weapons of mass destruction, including, without limitation, activities related to the design, development, production or use of nuclear weapons, materials, or facilities, missiles or the support of missile projects, or chemical or biological weapons. Buyer further agrees to comply with all applicable laws in connection with the use and disposition of the Products, including all applicable anti-corruption, anti-bribery, and anti-kickback laws, rules, and regulations.
17. **INDEMNITY.** To the fullest extent permitted by law, you will indemnify, defend, and hold harmless UIS from and against any claim, demand, cause of action, debt, liability, loss, fine, damage, or expense (including reasonable attorneys' or legal fees, expenses, and court costs) that relates to: (i) damage to, modification of or addition to any Products due to Buyer's act or omission; (ii) Buyer's breach of this Agreement; or (iii) Buyer's failure to abide by all applicable laws, rules, regulations, and orders that affect the Products.
18. **AMENDMENT, SEVERABILITY, WAIVER, AND SURVIVAL.** No purported amendment or modification of any provision hereof will be binding unless set forth in writing and signed by each party. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions or obligations shall not in any way be affected or impaired thereby. The waiver of any provision or condition or the breach of any term will not be a waiver of any subsequent breach of the same or any other term or condition. This Agreement constitutes the complete and final integrated agreement between the parties in regards to the specific terms contained herein. All prior negotiations, discussions and representations are merged into this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns. The acknowledgements, covenants and obligations of the parties set forth in this Agreement shall survive the expiration or termination of this Agreement, unless inapplicable by their terms.
19. **FORCE MAJEURE.** Except for payment obligations, neither party will be held responsible for its obligations under this Agreement due to extraordinary events or events beyond their control, such as described by the legal term *Act of God*.
20. **GOVERNING LAW.** This Agreement shall be governed by and construed according to Texas law, without regard to its conflict of law provisions. Any dispute under

this Agreement will be decided in the state and federal courts of the State of Texas and the parties consent to the jurisdiction of such courts for all purposes.

**SUPPLEMENTARY TERMS FOR INSTALLMENT SALES**

21. **INSTALLMENT SALE AND GRANT OF SECURITY INTEREST.** Buyer now purchases from Seller, and grants to Seller a security interest pursuant to Article 9 of the Uniform Commercial Code of the state where the equipment is delivered or located, in the Products, complete with standard equipment and accessories (collectively, "Goods"), for the deferred payment price shown on the front of this Agreement and on the terms in this Agreement.
22. **NO OUTSTANDING LOAN.** Buyer warrants that no portion that no part of the cash down payment under this Agreement has been borrowed.
23. **TITLE TO GOODS.** The title to Goods, including all accessories and other equipment and parts, now or later attached or substituted, shall not pass to Buyer until all unpaid balances are fully paid in accordance with this Agreement. Buyer shall affix to the Goods any sticker or identifying plate indicating that the Goods are Seller's property, that Seller may provide. Buyer shall not remove or tamper with any such sticker or identifying plate that Seller affixes to the Goods before delivery. Buyer shall ensure that the Goods shall not be considered part of the real estate. You will take all reasonable steps to assure the Goods are not considered part of the real estate.
24. **LOCATION OF GOODS.** Buyer shall notify Seller of any change in the location of Goods from Buyer's address as shown on the front of this Agreement and shall not remove Goods from the state where the Goods are delivered to Buyer without Seller's written consent.
25. **NO ENCUMBRANCES.** Buyer may not sell, lease, assign, encumber or dispose of the Goods without prior consent of Seller.
26. **PROTECTION OF GOODS.** Buyer shall not illegally use or secrete Goods. Buyer shall keep Goods free of all taxes, liens and other charges. Buyer shall maintain Goods in good repair and shall be responsible to Seller for any loss or damage to Goods before title passes to Buyer.
27. **INSURANCE.** Buyer shall keep Goods insured by a policy or policies of insurance no less in form satisfactory to Seller, against loss, damage or liability from any cause. Buyer authorizes and requests all insurance carriers involved to pay all insurance claims, including premium refunds, directly to Seller, and appoints Seller attorney-in-fact to collect the same on Buyer's behalf.
28. **MAINTENANCE RESPONSIBILITIES.** Buyer shall be responsible for the following: repair of damage to the Goods due to Buyer's misuse or negligence (including by Buyer's employees or agents), freezing, fire or other catastrophe, loss or damage due to theft. If the Goods require maintenance or repair for which you are responsible, you agree to pay for its replacement or repair by UIS, at UIS's prevailing rates. Any of the following acts will be considered to have caused unreasonable or excessive wear of the Goods and will fall under Buyer's responsibility: repair or alteration by unauthorized persons; relocation from the original site of installation; intentional or negligent damage; or altering property near the Goods.
29. **DEFAULT.** Default under this Agreement shall consist of any one or more of the following:
  - (a) Any omission or delay in the making of any installment payment.
  - (b) Nonperformance or delay in performing any of the other provisions of this Agreement.
  - (c) Any attachment or execution is made or levied on Goods, any petition in bankruptcy or insolvency or for the appointment of a receiver in liquidation or trustee is filed by or against Buyer or for any of Buyer's property, any assignment for the benefit of creditors is made by Buyer, or any petition or other proceeding is filed by or against buyer for reorganization, compromise, adjustment or other relief under the laws of the United States or of any state relating to the relief of debtors.
  - (d) Seller deems itself insecure for any reason.
30. **REMEDIES.** In the event of any default by Buyer, Seller may pursue any legal remedy available to collect all sums owing under this agreement, to enforce its title in and right to possession of Goods, and to enforce any and all other rights or remedies available to it, under the Uniform Commercial Code or otherwise. No such action shall operate as a waiver of any other right or remedy of seller under the terms of this contract or under the law, generally. All rights and remedies of Seller are cumulative and not alternative, and no waiver of any default shall operate as a waiver of any other default. On any default under this Agreement, Seller may declare all remaining installments immediately due and payable. In the event of nonpayment, Buyer shall on demand deliver Goods to Seller, and Seller may, without notice of demand and without legal process, enter on Buyer's premises and retake possession of Goods on such premises or wherever found. Seller may require Buyer to make Goods available to Seller at a place to be designated by Seller that is reasonably convenient to both parties. Seller, on obtaining possession of Goods on default, may sell Goods or any part of them at public or private sale either with or without having Goods at the place of sale. To the extent lawful, Seller may be a purchaser at such sale. The net proceeds of such sale, after deducting all expenses of Seller in retaking, storing, repairing and selling Goods, including reasonable attorney's fees, shall be credited against the total amount owing by Buyer to Seller in accordance with the terms of this Agreement. Any surplus shall be paid to Buyer or to any other person legally

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entitled to the surplus. In the event of a deficiency, Buyer shall pay the amount of same to Seller.

31. **AUTHORITY TO FILE FINANCING STATEMENT.** Seller may file financing statements and all amendments thereto describing as the collateral any or all of the Goods hereunder by any description Seller deems appropriate in any jurisdiction or office Seller deems appropriate to perfect its security interests in the collateral.