

TERMS AND CONDITIONS OF SALE Redlands Manufacturing Company LLC (dba Baghouse.com)

The following terms and conditions shall apply with respect to all sales by Redlands Manufacturing Company LLC dba Baghouse.com ("Seller") for the sale of equipment, machinery, materials, consumables or services (collectively the "Contract Goods") to a Client/Customer, hereafter called "Buyer", and any contract made by and between the parties includes as part thereof these terms and conditions. Any provisions or conditions of Buyer's order which are in any way inconsistent with, or in addition to Seller's terms and conditions shall not be binding on Seller, and shall not be applicable, except with Seller's written acceptance. No changes in, modifications of, or additions to the terms and conditions of this form shall be binding on Seller unless in writing and signed by a representative of Seller duly authorized for that purpose.

Quotations and Pricing: All quotations are subject to the terms and conditions stated herein as well as any additional terms and conditions that may appear on the face hereof. In the case of a conflict between the terms and conditions stated herein and those appearing on an estimate, quotation, or other document, the terms and conditions herein prevail. Seller's prices and quotation are subject to the following (a) All Published prices are subject to change without notice (b) UNLESS OTHERWISE SPECIFIED IN WRITING, ALL QUOTATIONS ARE FIRM FOR AND EXPIRE THIRTY (30) DAYS AFTER DATE THEREOF AND CONSTITUTE OFFERS (c)Unless otherwise stated in writing by Seller all prices quoted shall be exclusive of transportation, insurance. taxes, license fees, customs fees duties premiums and other charges related thereto, and shall hold Seller harmless therefrom provided that, if Seller in its sole discretion, chooses to make any such payment, Customer shall reimburse Seller in full upon demand.

Payment: Payment is due upon notice of readiness to ship goods or upon mobilization of personnel for service work unless specific arrangements have been made to extend credit. If credit by Seller is approved, payment is due in full within thirty (30) days of the date of the invoice issued by the Seller. In the event payment is not made within that time, the Buyer agrees to pay the Seller a late fee of two percent (2%) per month compounded daily in addition to the balance owed. If Seller does not receive payment in full for the Contract Goods and any monies otherwise due by the due date then Seller may, at its option at any time while the whole or any part of the monies due remain outstanding, take possession of the Contract Goods, or any part, delay or stop future deliveries, and terminate this agreement, in which case Seller is entitled to recover any loss, including loss of profit, which loss will carry interest of 2% per month compounded daily.

Pro rata retainage fees or backcharges will not be accepted by Seller.

Delivery: Seller will use its best efforts to provide accurate and up-to-date delivery estimates, but is not obligated to make delivery by any specific date. Deliveries shall be made F.O.B. (Buyer pays for transportation of goods) from Seller's facility unless otherwise specifically agreed to in writing. Buyer has five (5) days from receipt of order to report shortages or errors and request adjustments be made. No merchandise returns will be accepted without prior written approval from Seller. A restocking fee of 35% may be applied with respect to returned merchandise. Seller may cancel or delay delivery of Products in the event Customer fails to make prompt payment

Default: In the event that the Buyer defaults in payment, and this account is turned over for collection, the Buyer agrees to pay all costs of collection and associated attorney fees.

Disputes: All disputes under this or any other contract concerning Products, not otherwise resolved between Seller and Customer, shall be resolved in a court of competent jurisdiction of the State of Nevada and in no other place provided that, in Seller's sole discretion, such action may be heard in some other place designated by Seller (if necessary to acquire jurisdiction over third persons), so that the dispute can be resolved in one action. Customer hereby consents to the jurisdiction of such court or courts and agrees to appear in any such action upon written notice thereof. No action, regardless of form. arising out of, or in any way connected with the Products or services furnished by Seller. may be brought by Customer more than one (1) year after the cause of action has accrued. In any dispute arising out of Customer's failure to pay for Seller's goods and services as provided herein, the prevailing arty shall be entitled to recover reasonable attorney fees and costs, including those incurred for the purpose of enforcing a judgment.

Severability: If any part of the terms and conditions stated herein is held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions notwithstanding the part or parts found void or unenforceable:

Taxes: Buyer is responsible to pay all taxes, including any applicable state sales tax. Failure to provide proof of tax-exempt status with order will result in Seller charging back sales taxes where required by state law. In event of

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delayed sales tax collection by Seller the Buyer agrees to pay all applicable tax within 30 days.

Delays: Seller shall not be liable for delay or failure of product when caused by governmental regulation, weather & natural disasters, or any other cause beyond the reasonable control of the Seller.

Warranty: Products sold by Seller are warranted to meet the design criteria, and to be free from defects in workmanship at the time of shipment by Seller. Seller makes no other warranties, express or implied. Seller makes no warranty regarding performance of products in any particular environment. The exclusive remedy of Buyer against Seller shall be repair or replacement of the item at the option of the Seller. This Warranty does not extend to any of the Seller's Products which have been subject to misuse, neglect or accident nor shall it extend to material which has been altered or repaired outside of Seller's factory. All auxiliary equipment not manufactured by Seller carries such warranty as given by the manufacturer thereof and which is hereby assigned to Buyer without recourse to Seller. Warranty to be void if equipment not commissioned / start-up by Seller or consumables are not provided by Seller. Upon discovery of defects in materials or workmanship, Seller shall either repair or replace the equipment, on the condition that the conditions set forth immediately below are met. Even if Seller repairs or replaces the equipment, its original warranty term is not extended. Seller's obligation under this warranty is, at Seller's sole option, to a one-time repair or replacement of any part which is shown to Seller's reasonable satisfaction to have been defective as to material, workmanship or design, provided that:

- 1. written notice of such defect is given to Seller within ten (10) calendar days of discovery thereof;
- 2. the equipment has been installed and operated in accordance with the purpose for which it was purchased and the installation, operating, and maintenance instructions provided by Seller;
- 3. no alterations or substitutions have been made in the equipment;
- 4. Seller may require the return of the defective material to establish any claim or make repairs but in no event shall the material be returned without Seller's consent. All returned equipment or parts must be free from any hazardous materials;
- no payment or allowances will be made for repairs or alterations in the equipment unless Seller's prior written approval has been obtained.

All removal, shipping, and reinstallation costs shall be to Buyer's account; and

6. Seller shall not be required to honor any warranty obligation until such time as it shall have been paid in full by Buyer.

This warranty is in lieu of all other warranties, expressed or implied, including without limitation the warranty of merchantability and the warranty of fitness for a particular purpose.

Implied Warranties and Disclaimer

The warranties furnished by seller as expressly included herein constitute Seller's sole obligation hereunder and are in lieu of any other warranties, expressed or implied, including without limitation warranties of merchantability or fitness for a particular purpose, even in the event of a fundamental breach by Seller. There are no warranties, which extend beyond the description on the face hereof.

Disclaimer Of Warranties

Seller shall not be liable to Buyer or Buyer's customer for incidental, consequential or liquidated damages including, but not limited to, loss of profits or revenue, loss of use of contract goods, costs of replacement power or contract goods, additional expenses incurred in the use of contract goods or facilities, or the claims of third parties, even if Seller has been advised of possibility of such damages. This disclaimer shall apply to incidental, consequential or liquidated damages based upon any cause of action whatsoever asserted against Seller, including one arising out of principles of contract, any breach of warranty, expressed or implied, guarantee, equipment or other contract goods liability, negligence, tort, or any other cause pertaining to performance or nonperformance to the proposal or contract by Seller. Buyer shall hold Seller harmless from any such claims by Buyer's customer.

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INSPECTION

If upon receipt of the Contract Goods by Buyer, the same shall not conform to Buyer's order, Buyer shall notify Seller inwriting within ten (10) days from receipt of the Contract Goods and before any part of the Contract Goods has been changed from its original condition. Such notification shall provide detailed information as to the nonconformity or shortage and Buyer shall hold the Contract Goods for Seller's disposition and afford Seller a reasonable opportunity to inspect the Contract Goods. Seller may, at its option, replace without charge, refund the purchase price, or make a fair allowance for defects or shortages demonstrated to Seller's satisfaction to have existed at the time of delivery. Seller may require the return of the Contract Goods to establish any claim but in no event shall Contract Goods be returned without Seller's Consent.

Cancelation: No order may be cancelled by Buyer, except upon written notice to Seller and upon payment to Seller of all costs incurred by Seller and rising out of or in connection with the order. Seller's calculation of such costs shall be conclusive.

If materials nave been processed for the order and can be restocked, a 35% restocking charge shall apply If materials were custom made or processed, as termed by Seller, they become the property of Buyer, and Buyer shall be obligated to pay Seller for all materials and labor costs incurred to the point of termination.

Delays/Rescheduling: Seller shall be liable for all costs incurred by Buyer due to Buyer-caused delays, reschedules, or termination of work to be performed by Seller which cause the Seller to re-mobilize contractors or employees, re-schedule travel, or re-schedule delivery of any service or product.

Changes: No change to an existing order shall be valid unless provided in a written notice to Seller. Buyer shall be liable for all costs associated with changes including delays, rescheduling, cancellation and restocking, freight and shipping, packaging and other costs and expenses incurred by the Seller due to the change.

Damages and Liability: Seller's liability for damages shall not exceed the payment if any, received by Seller for the unit of product or service furnished or to be furnished, as the case may be, which is the subject of claim or dispute. In no event shall Seller be liable for incidental, consequential or special damages liability to third parties, for bodily injury including death, resulting from Seller's performance.

The Buyer agrees to release Seller from all liability related to its operations at its facilities and any resulting litigation that may arise. The Buyer assumes full and complete responsibility for all uses and applications of Seller's recommendations, or work under this agreement, or failure to use recommendations or work, and agrees to indemnify and hold harmless Seller (Redlands Manufacturing Company LLC dba Baghouse.com) and its affiliates, officers, directors, employees, agents, and stockholders against any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including attorney's fees and expenses resulting from the death or injury to any person or damage to any property or any other alleged or actual damages resulting from the aforementioned use, application, or nonuse of its recommendations or work under this agreement.

Seller assumes no liability regarding incidents that may result from the Buyer's implementation of its recommendations or due to issues present from other parts of its facility that were not inspected by Seller, nor does Seller accept any liability as part of our hazard analysis and review as it is not the designer, installer, or operator of the facility or process being reviewed.