

Terms and Conditions of Sales and Warranty

Prices: Prices of the Company's Products are subject to change without notice. Quotations are conditioned upon acceptance within 30 days unless otherwise stated and are subject to correction for typographic or clerical errors. Sales order confirmation will be considered accepted by Buyer if objection is not submitted in writing to Chronomite Customer Service within (1) one week of receipt. The sales order confirmation is the governing document. All prices exclude sales, use, occupation, license, excise and other taxes in respect to manufacture or delivery. Unless a proper exemption certificate is furnished to the Company, all such taxes shall be paid by the Buyer to Company at the time of payment.

Term and Conditions of Payment: Terms of payment are **Net 30 from date of invoice**. Past due accounts will be subject to a 2% per month service charge from the date of the invoice. If any proceedings be instructed by or against Buyer under any bankruptcy or insolvency law, or if Buyer shall fail to make timely payment on this or any other order, or if, in the Company's judgment, Buyers financial situation justifies such action, the Company may, at its election, require payment in advance or cancel the order as to any unshipped item and require payment of its reasonable cancellation charges. If Buyer delays completion of manufacture, the Company may elect to require payment according to percentage of completion. Equipment held for Buyer shall be at Buyer's risk and expense. In all cases, regardless of partial payment, title to the Products shall remain in the Company until payment for the Products (including any notes given therefore) has been made in full. Should legal action be necessary to enforce payment of an unpaid invoice, the Buyer will assume full responsibility for any court costs and reasonable attorney fees. All orders are subject to credit check and approval prior to shipment. **Minimum invoice amount \$100.00.**

The minimum NET order value is \$100 Chronomite / \$50 Omni. In the event an order is received under that stated minimum order value, a \$25.00 "minimum invoice service charge" will be applied to the order but at no time will the minimum order exceed \$100.00 NET before shipping, handling and taxes. All service charges are non-refundable.

Return Goods Authorization: No materials shall be returned without a Return Goods Authorization (RGA) from Chronomite Customer Service. Returns must reference the RGA number and be shipped freight prepaid or the shipment will not be accepted. Credit issued for the return will apply only to future shipments and will be subject to a 35% handling charge. Any cost associated with restoring product to saleable condition will be deducted from the credit and any outgoing freight charges paid by Chronomite. Non-stock and custom fabrications are non-returnable. If an item has been returned under warranty a Chronomite Customer Service Representative will contact you with the results of your inspection and testing.

Delivery: Shipments are F.O.B. Factory, Industry, California or other designated shipping point determined by Chronomite. **Any shipment or delivery dates quoted by the Company are estimated.** The Company shall be obligated to use reasonable efforts to meet such dates. **The Company will in no event be liable for any delays in delivery or failure to give notice of delay,** or for any other failure to perform hereunder due to causes beyond the reasonable control of the Company. Such causes shall include, but not be limited to acts of God, the elements, acts or omissions of manufacturers or suppliers of the Products or parts thereof, acts or omissions of Buyer or civil and military authorities, fires, labor disputes or any other inability to obtain the Products, parts thereof, or necessary power, labor, materials or supplies. The Company will be entitled to refuse to make, or to delay any shipments of the Products if Buyer shall fail to pay when due any payment owed by it to the Company, whether under this or any other contract between the Company and Buyer. Shipments are normally sent prepaid or charge. A surcharge of \$8.00 handling will be added to each small parcel package shipment.

Claims and Shortages: F.O.B. factory shipments are the full responsibility of the Buyer. Losses or damages must be reported to the carrier immediately. Claims will be filed on orders if the Buyer complies with the following within (5) five days of receipt of shipment; inspect shipment immediately, have delivering carrier inspect shipment, file inspection report with carrier, and send a copy to Chronomite. No claim for failure to receive shipment or shortage will be honored unless

Non-stock and custom fabrications are not subject to cancellation.

Chronomite is notified immediately upon receipt of invoice or within five working days of receipt of shipment, whichever is sooner.

Force Majeure: Morris Group International companies will not be liable for any failure or delay in performing an obligation that is due to any of the following causes: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, transportation issues or generalized lack of availability of raw materials or energy.

Origin & Far Compliance: SUPPLIER reserves the right to furnish either foreign or domestic material unless otherwise specified by the customer at the time of quotation and noted on the subsequent purchase order. Requirements for product compliance and certification with the Buy American Act, Buy America Act, and any other Federal Acquisition Regulation shall be noted on the purchase order. Failure to document domestic and federal procurement requirements on the purchase order shall result in PURCHASER assuming all liability and replacement costs for products determined to be non-compliant.

Limited Warranty

Chronomite warrants that all of its products are guaranteed against defective material or poor workmanship for a period of one year from date of shipment. Chronomite's liability under this warranty shall be discharged by replacing without charge F.O.B. City of Industry, California any goods, or part thereof, which appears to the company upon inspection to be of defective material or not of first class workmanship, provided that the claim is made in writing to the company within a reasonable period after receipt of the product.

Exclusion of coverage from this limited warranty:

1. Manufacturer is not liable for any water damage or other damages arising directly or indirectly from/and defect in the Chronomite tankless water heater component part(s) or from its use.
2. Manufacturer is not liable under this limited warranty or otherwise if the water heater has not been installed or maintained in accordance with manufacturers printed instructions or installed with improper installation materials. The water heater or any its component parts have been subject to misuse, neglect, alteration or accident and the water heater has not been installed in accordance with the applicable local plumbing and or building codes and/or regulations.
3. Manufacturer is not liable under this warranty if the water heater has not been continuously supplied with potable water or the waters inlet temperature is above manufacturer recommended maximum temperature or the water heater experiences any water pressure or flow interruptions, normal inlet water pressure is outside of the published specification for the heater, is exposed to any condition that causes the heater to turn on before the air is purged from the heater also known as "dry fire"
4. Manufacturer is not liable if the water heater has been exposed to conditions resulting from floods, earthquakes, winds, fire, freezing, lightning or circumstances beyond the manufacturers control or the water heater has been removed from its original installation or the water heater has been used for other than the intended purpose.

If violation occurs from the stated exclusions of coverage from this limited warranty; owner, and not manufacturer or its agent/ representative, is liable for and shall pay for all field charges for labor or other expenses incurred in the removal and/or repair of the water heater or any expense incurred by owner in order to repair the water heater.

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Terms, conditions of sales and warranty are subject to change. Always refer to online documentation at www.chronomite.com.

Chronomite is a Member of Morris Group International