



PAYMENT TERMS AND CONDITIONS

1. SALE OF PRODUCT(S)

Seller shall sell, transfer and deliver to buyer on or before a mutually agreed date, the products indicated on the estimate.

2. IDENTIFICATION OF PRODUCT(S)

Identification of the product(s) to this agreement shall not be deemed to have been made until both buyer and seller have specified that the product(s) in question are to be appropriated to the performance of this agreement.

3. CONSIDERATION

Buyer shall accept the product(s) and pay the sum indicated on the estimate. A deposit of 50% is required and the remaining 50% shall be paid before product(s) are shipped.

4. PAYMENT

HydraSafe Brake LLC requires payment in full before any/all product(s) are shipped out from our manufacturing facility. Remittance checks to be sent to the address of:

HydraSafe Brake, LLC
124 S. Lombard Ave.
Oak Park, IL 60302

5. COLLECTION PROCEDURES

HydraSafe Brake LLC will implement the following procedures for payment collections based on terms:

- **Billing and Invoicing:** Invoices and billing statements will be sent to customers on agreed-upon terms. Payment due dates and methods will be clearly communicated in the documents.
- **Reminder Notices:** HydraSafe Brake LLC may issue reminder notices or follow-up communications to prompt customers to make timely payments.
- **Late Payment Notices:** If payments are not received by the due date, customers may receive late payment notices, outlining the overdue amount, penalties, and the urgency of payment.
- **Collection Calls:** In the event of continued non-payment, HydraSafe Brake LLC may make collection calls to customers to discuss outstanding balances and arrange payment.
- **Collection Letters:** Formal collection letters may be sent to customers with severely delinquent accounts, outlining the consequences of non-payment and offering options for resolution.
- **Legal Action:** As a last resort, HydraSafe Brake LLC may take legal action, such as hiring a collection agency or pursuing legal remedies, to recover outstanding debts. Any legal action will be conducted in Cook County, Illinois and any legal or other costs incurred will be paid by the purchaser.

6. RECEIPT CONSTRUED AS DELIVERY

Product(s) shall be deemed received by buyer when delivery is accepted, and signatures are collected on the Bill of Lading.

7. RISK OF LOSS

The risk of loss from any casualty to the product(s), regardless of the cause, shall be on seller until the product(s) have been accepted by the buyer.

8. WARRANTY OF NO ENCUMBRANCES

Seller warrants that the product(s) are now free of, and that at the time of delivery shall be free from, any security interest or other lien or encumbrance.

9. WARRANTY OF TITLE

Seller warrants that at the time of signing this agreement, seller neither knows, nor has reason to know, of the existence of any outstanding title or claim of title hostile to the rights of seller in the goods.

10. RIGHT OF INSPECTION

Buyer shall inspect the product(s) on arrival and, within ONE (1) business day after delivery, buyer must give written notice to seller of any claim for damages on account of condition, quality or grade of the product(s), and buyer must specify in writing to seller the basis of the claim of buyer in detail. The failure of buyer to comply with these conditions shall constitute irrevocable acceptance of the goods by buyer.

11. POLICY COMPLIANCE

Compliance with the Collection Procedures specified in Par. 5, above, is mandatory. Non-compliance may result in corrective actions in accordance with HydraSafe Brake LLC's policies and procedures.

12. POLICY REVIEW

The Collection Procedures will be reviewed periodically to ensure their continued effectiveness and alignment with legal and regulatory changes. Updates or changes to the Procedures will be communicated to all relevant personnel to ensure continued adherence to them.

13. INTELLECTUAL PROPERTY

Buyer acknowledges that HYDRASAFE is a trademark of Seller. Buyer further acknowledges that the products sold to Buyer may be covered by one or more U.S. and international patents, and Buyer agrees not to take any actions inconsistent with such patent rights, including providing the product technology to third-party competitors of Seller, or attempting to license the product technology without Seller's consent.

14. LIMITATION OF LIABILITY

Notwithstanding any damages that Buyer might incur, Buyer's entire liability for purchase or use of Seller products, or under this Agreement, and Buyer's exclusive remedy thereunder, is limited to the amount actually paid by Buyer for the products. To the maximum extent permitted by

applicable law, in no event shall Seller be liable for any special, incidental, indirect or consequential damages whatsoever (including, but not limited to, damages for loss of profits, loss of data or other information, for business interruption, or for personal injury, arising out of or in any way related to the use of or inability to use Seller's products, or otherwise in connection with this Agreement), even if Seller or any supplier has been advised of the possibility of such damages and even if the remedy fails of its essential purpose. Some states do not allow the exclusion of implied warranties or limitation of liability for incidental or consequential damages, which means that some of the above limitations may not apply; in these states, each party's liability will be limited to the greatest extent permitted by law.

15. "AS IS" and "AS AVAILABLE" DISCLAIMER

Seller's products are provided to you "as is" and "as available" and with all faults and defects, without warranty of any kind. If the product does not function as you wish, your sole remedy is to address any perceived or alleged defect directly with the supplier. To the maximum extent permitted under applicable law, Seller, on its behalf and on behalf of any of its suppliers, expressly disclaims all warranties, which express, implied, statutory or otherwise, with respect to Seller's products, including all implied warranties of merchantability, fitness for a particular purpose, title and non-infringement, and warranties that may arise out of course of dealing, course of performance, usage or trade practice. Without limitation to the foregoing, Seller provides no warranty or undertaking, and makes no representation of any kind that Seller's products will meet Buyer's requirements, achieve any intended results, be compatible or work with any other products, software, applications, systems or services, operate without interruption, meet any performance or reliability standards, or be error-free or that any errors or defects can or will be corrected. To the extent that any state or jurisdictions do not allow the exclusion of certain types of warranties or limitations, in such case the exclusions and limitations set forth here shall be applied to the greatest extent enforceable under applicable law.

16. DISPUTE RESOLUTION

Any billing disputes arising from this Agreement will be submitted to binding, private mediation in the State of Illinois. The mediator will award reasonable costs and attorney fees against the non-prevailing party. You also acknowledge that You understand that binding, private mediation is permissible in the State of Illinois, that you will not argue otherwise, that You understand that You are waiving Your right to a jury trial, and that there is no ambiguity regarding the term binding, private mediation. (The "mediator" will attempt to reach agreement in the limited time and format available but if unsuccessful at reaching agreement, he/she will render a final, binding decision.) The format of the mediation will be abbreviated, with a 1-day or less hearing preceded by limited discovery. These limitations shall be imposed on any such binding mediation: (i) no more than: three (3) depositions, twenty (20) interrogatories, twenty (20) document requests and fifty (50) requests for admissions per side; and (ii) pre-hearing briefs totaling no more than fifteen (15) pages per side. The Federal Rules of Civil Procedure and the Federal Rules of Evidence shall otherwise govern. The parties shall choose a neutral mediator, or have one chosen by 2 mediators, each picked by a party, within thirty (30) days of a party's decision to mediate a dispute. The mediator shall have at least fifteen (15) years of litigation experience or, if the subject of the dispute is IP-related, then the mediator shall have at least fifteen (15) years of IP litigation

experience. The mediator will render a short, written decision within 21 days of the hearing, which decision shall be final, and enforceable within a federal (Chicago) or state court (DuPage or Cook County) of this law firm's choosing. The mediator's decision may be appealed a single time, with no further appeals, with the notice of appeal being filed and served on the other party within 30 days of the final decision, to a separate panel of three mediators (or a single mediator if the parties so agree). The standard of appellate review will be the same standard that the First District Appellate Court of Illinois would apply from a trial court decision in the matter. The appellate decision will be rendered via a short, written decision within 21 days of oral argument or service of final briefs, which shall not exceed 25 double spaced pages. You understand that private, binding mediation is a different procedure than litigation or arbitration, and You have had the opportunity to consult with an independent attorney, regarding the terms of this Agreement, and waived Your rights to litigation or arbitration in any fee dispute with us. You also acknowledge that You understand the below-listed aspects of mediation, which would otherwise be available to You in a judicial forum if You had not agreed to waive that right, and that You have had an opportunity to discuss these differences with an independent attorney.

17. SEVERABILITY AND WAIVER

If any provision of this Agreement is held to be unenforceable or invalid, such provision will be changed and interpreted to accomplish the objectives of such provision to the greatest extent possible under applicable law and the remaining provisions will continue in full force and effect. Except as provided herein, the failure to exercise a right or to require performance of an obligation under this Agreement shall not affect a party's ability to exercise such right or require such performance at any time thereafter nor shall be the waiver of a breach constitute a waiver of any subsequent breach.

18. CHANGES TO THESE TERMS AND CONDITIONS

Seller reserves the right, at its sole discretion, to modify or replace the terms in this Agreement at any time. If a revision is material, Seller will make reasonable efforts to provide at least thirty (30) days' notice prior to any new terms taking effect. What constitutes a material change will be determined at Seller's sole discretion. By continuing to access or use Seller's products after those revisions become effective, Buyer agrees to be bound by the revised terms. If Buyer does not agree to the new terms, in whole or in part, it should cease use of Seller's product(s).

PROPOSAL ACCEPTANCE

By signing below, you agree to the products, pricing, and payment terms listed above. You acknowledge and agree to our terms set forth in this proposal.

Authorized Signature

Date

Print Name and Title