Standard Terms and Conditions of Sale

Last Updated: November 11, 2026

1. Scope, Definitions and Order of Precedence

1.1 **Applicability.** These Standard Terms and Conditions of Sale (these "Terms") apply to each quotation, order acknowledgment, sale and delivery of Products (as defined below) by Vent-Rite Valve Corp. (the "Company"), including its Skidmore Pump and Vent-Rite product lines, to any purchaser, including the Company's sales representatives and distributors (each, a "Buyer"). A revision to these Terms applies to orders accepted by the Company after the revision is published, except that, as to a Representative, a revision takes effect on written notice to that Representative and does not affect orders placed before that notice. The Company may require special terms, including deposits, progress or milestone billing, special warranty, delivery or cancellation provisions, for particular orders or projects, including engineered, made-to-order, large or drop-shipped orders ("Special Orders"); such terms shall apply when stated in the Company's quotation or order acknowledgment or in a signed agreement.

1.2 **Definitions.** In these Terms: (a) "Company-Manufactured Products" means Products manufactured by or for the Company under the Skidmore Pump or Vent-Rite names; (b) "Price Book" means the Company's price book, price guide and published fee schedule (including, for Representatives, the price guide attached as an exhibit to the Rep Agreement, as updated) in effect on the date of the Company's acceptance of an order; (c) "Products" means the goods, equipment, parts and services identified in the Company's quotation or order acknowledgment; (d) "Rep Agreement" means a Sales Representative and Distribution Agreement between the Company and a Representative; (e) "Representative" means a Buyer that is party to a Rep Agreement; and (f) "Third-Party Products" means all Products other than Company-Manufactured Products, including components and products manufactured by others and resold or drop-shipped by the Company.

1.3 **Order of precedence.** If documents conflict, the following control in this order: (a) a written agreement for the specific order or project signed by an officer of the Company; (b) special terms stated in the Company's quotation or order acknowledgment for that order; (c) these Terms; and (d) the Price Book. Nothing in these Terms amends a Rep Agreement. Where a Rep Agreement expressly addresses a matter and directly conflicts with these Terms, the Rep Agreement controls as between the Company and that Representative only to the extent of the conflict; otherwise these Terms apply to all purchases by Representatives.

1.4 **Buyer's terms rejected.** The Company objects to and rejects any additional or different terms in Buyer's purchase order, request for quotation or other document, or in any contract, plans or specifications between Buyer and a third party (such as an owner, contractor or engineer), and such terms do not apply unless accepted in a writing signed by an officer of the Company. No Company sales personnel, Representative or distributor has authority to waive or modify these Terms. Buyer's issuance of a purchase order, acceptance of an order acknowledgment, acceptance of delivery or payment for Products constitutes acceptance of these Terms.

2. Quotations, Orders and Prices

2.1 **Quotations.** Unless otherwise stated, quotations are valid for 30 days and may be withdrawn or changed before acceptance. Quotations are based on the information Buyer provides; changes in quantities, specifications or schedule may change price and delivery. Typographical and clerical errors in quotations, order acknowledgments and invoices are subject to correction.

2.2 **Acceptance of orders.** All orders are subject to acceptance by the Company. An order is accepted only when the Company issues a written or electronic order acknowledgment or ships the Products.

2.3 **Prices.** Prices are as stated in the Company's quotation or order acknowledgment or, if none is stated, the Price Book. Prices for Representatives are as set under their Rep Agreement. Prices exclude freight, insurance, taxes, duties and the fees in Section 2.5.

2.4 **Tariffs and surcharges.** If any tariff, duty, trade remedy or material or energy surcharge is imposed or increased after the date of the Company's quotation and affects the cost of the Products, the Company may adjust the price by the amount of the increase on written notice to Buyer. Buyer may cancel the affected Products without a cancellation charge by written notice within 5 business days after receiving the Company's notice, but only if the affected Products have not been shipped or released to production. If Buyer does not timely cancel, the adjusted price applies.

2.5 **Order fees.** The minimum order fee, expedite fee, order change fee, storage fee and other administrative fees are as published in the Price Book.

2.6 **Taxes.** Buyer shall pay all sales, use, excise and similar taxes on the sale of Products, unless Buyer provides a valid exemption certificate before shipment.

3. Payment

3.1 **Terms.** Unless otherwise stated in the order acknowledgment or a Rep Agreement, payment is due net 30 days from the invoice date. Each shipment may be invoiced separately. Payments made by credit card are subject to the convenience fee published in the Price Book, to the extent permitted by law. For Representatives, the payment "cutoff date" referred to in the Rep Agreement is the invoice date, unless the Company designates a different cutoff date in writing.

3.2 **Deposits and credit.** The Company may require a deposit, progress payments or payment in advance for Special Orders, or where Buyer's credit or payment history warrants it. Deposits are applied to the final invoice for the order.

3.3 **Late payment.** Past-due amounts bear a finance charge of 1.5% per month (18% per year), or the maximum rate permitted by law if lower. Buyer shall pay the Company's reasonable costs of collection, including attorneys' fees.

3.4 **Suspension.** If any payment is past due, or if Buyer becomes insolvent or the Company reasonably determines that Buyer's financial condition does not justify the agreed payment terms, the Company may suspend shipments or production, change credit terms, require payment in advance for further orders, or, if the failure is not cured within 10 days after written notice, cancel any unshipped portion of an order and recover the applicable cancellation charges under Section 5.3, without liability for resulting delay.

3.5 **No setoff; payment not contingent.** Buyer may not withhold or set off any amount owed to the Company against any claim Buyer has against the Company, unless the Company agrees in writing. Buyer's payment obligations are not contingent on Buyer's receipt of payment or funding from any owner, contractor or other third party, and the Company does not waive or release any lien, bond or other payment rights until paid in full.

3.6 **Security interest.** Until paid in full, the Company retains a purchase-money security interest in the Products and their proceeds to secure all amounts Buyer owes for those Products, and these Terms constitute a security agreement under the Uniform Commercial Code. Until paid in full, Buyer shall keep the Products free of other liens and encumbrances. Buyer authorizes the Company to file financing statements to perfect it and shall sign any documents the Company reasonably requests for that purpose.

4. Shipment, Delivery and Risk of Loss

4.1 **Delivery terms.** Unless otherwise stated in the order acknowledgment: (a) the Company arranges freight and delivers Products to the job site or other delivery point stated in the order acknowledgment

("Company-Arranged Freight"); (b) if the order acknowledgment states that Buyer will arrange its own freight, Products are delivered FOB the Company's facility in Benton Harbor, Michigan, to Buyer's carrier ("Buyer-Arranged Freight"); and (c) drop-shipped Third-Party Products are shipped from the manufacturer's shipping point by a carrier the manufacturer arranges. For Company-Arranged Freight, freight is prepaid by the Company and added to the invoice. For drop-shipped Third-Party Products, freight charged by the manufacturer is passed through to Buyer and added to the invoice. The Company invoices Products on shipment, regardless of when risk of loss passes.

4.2 **Risk and title.** Risk of loss passes to Buyer: (a) for Company-Arranged Freight, on delivery at the delivery point; (b) for Buyer-Arranged Freight, on delivery to Buyer's carrier at the Company's facility; and (c) for drop-shipped Third-Party Products, on delivery to the carrier at the manufacturer's shipping point. Subject to Section 3.6, title passes at the same time. Claims for loss or damage in transit are handled as provided in Section 6.2.

4.3 **Shipping dates.** Shipping and delivery dates are estimates. The Company will make reasonable efforts to meet them but is not liable for delay, and delay does not entitle Buyer to cancel unless the Company agrees in writing. No liquidated damages or penalties for delay or otherwise apply to the Company unless agreed in a writing signed by an officer of the Company. The Company may make partial shipments and invoice them separately.

4.4 **Delay at Buyer's request.** If Buyer requests a delay or does not accept delivery when Products are ready to ship, the Company may invoice the Products on the date they are ready, store them at Buyer's risk, and charge storage and handling at the rate in the Price Book.

5. Changes, Cancellation and Returns

5.1 **Product categories.** "Stocked Products" are standard catalog Products and parts the Company ships from inventory without configuration. "Configured Products" are Products built, assembled or modified to Buyer's order, including packaged systems, engineered or special-voltage units and build-to-order items. The order acknowledgment controls how a Product is classified.

5.2 **Changes.** Changes to an accepted order require the Company's written acceptance and may change price and delivery. The Company may charge the change fee in the Price Book.

5.3 **Cancellation.** Buyer may cancel an accepted order only by written notice to the Company. Cancellation charges are:

Product	When cancelled	Cancellation charge
Stocked Products	Before shipment	None
Stocked Products	After shipment	Treated as a return under Section 5.4
Configured Products	Before release to production	Documented engineering, submittal and non-cancellable purchase costs incurred
Configured Products	After release to production	Greater of 50% of the price of the cancelled Products or documented costs incurred, not to exceed the price
Configured Products	Completed or shipped	Not cancellable. If the Company agrees to take the Products back, the greater of 50% of the price or the charge that would have applied after release to production
Third-Party Products	Any time	The greater of 50% of the price or charges imposed on the Company by the manufacturer, plus a handling charge of 10% of the price

5.4 **Returns.** Products may be returned only with the Company's prior written return authorization (RMA), freight prepaid by Buyer, within 30 days after Buyer's receipt. Returned Products must be new, unused, current and in original undamaged packaging. Credit is the original invoice price less the restocking fee below, less any cost to restore the Products to saleable condition.

Product	Restocking fee
Stocked Products	30% of the price of the returned Products
Configured Products	Not returnable. If the Company agrees to accept a return, the same charge as a cancellation of completed Configured Products under Section 5.3
Third-Party Products	Not returnable, except as the manufacturer permits

5.5 **Warranty returns.** Returns of Products claimed to be defective are governed by the Limited Warranty under Section 7, not by Section 5.4.

6. Inspection and Claims

6.1 **Inspection.** Buyer shall inspect Products promptly on receipt. Claims for shortage, incorrect Products or visible non-conformity must be made in writing within 10 days after receipt, with the order number and supporting photos. Products not so rejected, and Products installed or used, are deemed accepted, without prejudice to warranty claims under Section 7. The Company's sole obligation for a timely and valid claim is, at its option, to ship missing or correct Products or issue a credit.

6.2 **Freight damage.** (a) *Company-Arranged Freight.* Buyer shall inspect Products at delivery and note any visible damage or shortage on the delivery receipt before signing it, and shall report the damage or shortage to the Company in writing, with the order number and supporting photos, within 2 business days after delivery. For damage or shortage so noted and reported, the Company will, at its option, repair or replace the affected Products or issue a credit, and will handle the claim with the carrier. Buyer shall retain damaged Products and packaging and make them available for inspection by the Company and the carrier. Damage or shortage not noted on the delivery receipt is Buyer's responsibility, and Buyer's signature on the delivery receipt without exception is conclusive evidence that the Products were delivered complete and without visible damage. Damage that occurred before delivery and could not reasonably have been discovered on inspection at delivery is not a freight claim; if Buyer reports it in writing promptly after discovery, and in any event within the warranty period stated in the Limited Warranty, the Company will treat it as a defect covered by the Limited Warranty, notwithstanding any exclusion in the Limited Warranty for accident or for improper handling or storage, and will pay the cost of shipping repaired or replacement Products to the delivery point. (b) *Buyer-Arranged Freight.* Buyer is solely responsible for filing and pursuing claims with its carrier for loss or damage in transit, and the Company has no responsibility for loss or damage after delivery to Buyer's carrier. (c) *Drop-shipped Third-Party Products.* Claims for loss or damage in transit must be made as the manufacturer requires, and the Company will reasonably assist Buyer in making them; the Company has no liability for such loss or damage beyond the amount it actually recovers from the manufacturer or carrier.

7. Warranty

7.1 **Company-Manufactured Products.** Company-Manufactured Products are warranted only as stated in the Company's Limited Warranty applicable to the relevant product line (Skidmore Pump or Vent-Rite) and type of purchaser (Representative or end consumer), as published on the Company's website and in effect on the date of shipment (the "Limited Warranty"). Publication on the Company's website constitutes provision of the Limited Warranty in writing to Representatives. The Limited Warranty is incorporated into these Terms. The exclusive remedy stated in the Limited Warranty applies only to defects covered by the Limited Warranty and does not limit the remedies in Sections 5 and 6. If the Limited Warranty conflicts with these Terms, these Terms control.

7.2 **Third-Party Products and components.** The Company makes no warranty for Third-Party Products, or for motors and other components manufactured by others and incorporated into Company-Manufactured Products to the extent the Limited Warranty excludes them ("Third-Party Components"). The Company assigns to Buyer, to the extent assignable, the warranties the manufacturer gives the Company for Third-Party Products and Third-Party Components. Buyer's sole remedy for Third-Party Products and Third-Party Components is against the manufacturer under those warranties, and the Company will reasonably assist Buyer in making a claim.

7.3 **No other warranties.** No Representative, distributor, employee or agent may make or extend any warranty or representation on the Company's behalf beyond the Limited Warranty and the Company's published product specifications, and Buyer is solely responsible for any such warranty or representation it makes (see Section 8.6(d)).

7.4 **DISCLAIMER. EXCEPT FOR THE LIMITED WARRANTY, THE COMPANY MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT, AND ANY WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.**

8. Limitation of Liability, Application and Indemnity

8.1 **Exclusive remedies.** The remedies in the Limited Warranty and these Terms are Buyer's sole and exclusive remedies. The exclusions and limitations in this Section 8 apply even if any remedy fails of its essential purpose, and to the maximum extent permitted by law.

8.2 **CONSEQUENTIAL DAMAGES EXCLUDED. IN NO EVENT WILL THE COMPANY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING LOSS OF REVENUE, PROFIT, PRODUCTION OR USE; DOWNTIME; DELAY OR DISRUPTION; COST OF CAPITAL; COST OF SUBSTITUTE EQUIPMENT OR FACILITIES; COSTS OF REMOVAL, REINSTALLATION OR ACCESS; PROPERTY DAMAGE CAUSED BY WATER OR STEAM LEAKAGE; OR CLAIMS OF BUYER'S CUSTOMERS, WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, AND WHETHER OR NOT FORESEEABLE OR THE COMPANY WAS ADVISED OF THEIR POSSIBILITY.**

8.3 **LIABILITY CAP. THE COMPANY'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO ANY ORDER OR PRODUCT, WHETHER IN CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, WILL NOT EXCEED THE PRICE PAID TO THE COMPANY FOR THE SPECIFIC PRODUCTS GIVING RISE TO THE CLAIM, AND FOR THIRD-PARTY PRODUCTS WILL NOT EXCEED THE AMOUNT THE COMPANY ACTUALLY RECOVERS FROM THE MANUFACTURER.**

8.4 **Application.** Buyer and its engineer are solely responsible for selecting, sizing and applying the Products, and for compliance with applicable codes and system design. Any application, sizing or technical assistance the Company provides is advisory, not engineering services, and is given without charge or liability. The Company is not liable if any architect, engineer, owner or other third party fails to approve the Products, and does not guarantee that the Products will meet specifications written around another manufacturer's equipment.

8.5 **Restricted applications.** Products are intended only for the applications in the Company's published specifications. Unless the Company agrees in writing, Products may not be used in fire suppression, nuclear or life-safety systems, or sold for use outside the United States (including any territories thereof) and Canada, and Buyer shall not sell Products to any party if Buyer has reasonable cause to believe the Products will be so used or will be sold, transferred or used outside the United States or Canada. Buyer shall comply with all applicable export control and sanctions laws.

8.6 **Indemnity.** To the fullest extent permitted by law, Buyer shall defend, indemnify and hold harmless the Company and its affiliates, officers, directors, employees and agents against third-party claims, losses and expenses, including reasonable attorneys' fees, to the extent arising from: (a) the installation, application, operation or maintenance of the Products by Buyer or its customers; (b) modification of the Products or their combination with other equipment not supplied by the Company; (c) use outside the Company's specifications or in breach of Section 8.5; (d) any warranty, representation or statement regarding the Products made by Buyer or its personnel beyond the Limited Warranty and the Company's published specifications; (e) designs, drawings or specifications furnished by Buyer, including claims of patent, copyright or other intellectual property infringement; or (f) Buyer's breach of these Terms or the negligence or willful misconduct of Buyer or its customers.

8.7 **Time to bring claims.** Any claim by Buyer against the Company must be brought within one year after the cause of action accrues, and no claim may be brought on a warranty after the end of the Limited Warranty period except for a defect reported in writing within that period.

9. General Provisions

9.1 **Force majeure.** The Company is not liable for delay or failure to perform caused by events beyond its reasonable control, including acts of God, fire, flood, labor disputes, epidemics, war, government action, tariffs, embargoes or trade restrictions, cyberattacks, supplier or carrier failures, and shortages of materials, components or transportation. Delivery dates are extended for the period of the delay. During shortages, the Company may allocate available Products among its customers in a fair and reasonable manner. If the delay exceeds 120 days, either party may cancel the affected unshipped Products, subject to Buyer's payment for work performed and non-cancellable costs incurred before cancellation.

9.2 **Drawings and intellectual property.** Drawings, designs, specifications and technical information the Company provides remain its property and confidential information. They may be used only to install, operate and maintain the Products. The sale of Products grants no license under the Company's patents, trademarks or other intellectual property.

9.3 **Disputes.** Any dispute arising out of or relating to these Terms or any sale of Products shall be settled by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association, before a single arbitrator, seated in Benton Harbor, Michigan. The parties agree that their transactions involve interstate commerce and that this Section 9.3 is governed by the Federal Arbitration Act. Claims may be brought only in an individual capacity and not as a plaintiff or class member in any class, consolidated or representative proceeding. Judgment on the award may be entered in any court of competent jurisdiction. The Company may nonetheless bring an action in court to collect amounts owed, to enforce its security interest, or to obtain injunctive or other equitable relief to protect its intellectual property or confidential information. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY COURT ACTION PERMITTED UNDER THESE TERMS.

9.4 **Governing law.** These Terms and all sales of Products are governed by the laws of the State of Michigan, including its Uniform Commercial Code, without regard to conflict-of-law rules. The UN Convention on Contracts for the International Sale of Goods does not apply.

9.5 **Miscellaneous.** Buyer may not assign an order without the Company's written consent. The Company may assign its rights under any order, including to an affiliate or a successor to its business. Notices to the Company must be in writing and sent to the address on the Company's order acknowledgment, attention: President; notices to Buyer may be sent to the address on Buyer's order or by email to Buyer's ordering contact. The parties are independent contractors. There are no third-party beneficiaries of these Terms. If any provision is held unenforceable, it will be enforced to the maximum extent permitted and the rest remain in effect. The Company's failure to enforce any provision is not a waiver. Provisions that by their nature survive delivery or termination, including Sections 3, 5, 6, 7, 8 and 9, survive. These Terms, together with the documents in Section 1.3, are the entire agreement for each sale and supersede prior communications, course of dealing and usage of trade.