

Supersedes: MK2-STANDT&C2 REV-	Form No: MK2-STAND2T&C REVA
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TERMS AND CONDITIONS OF SALE
(Equipment and Start-Up/Field Service)

The following terms and conditions apply to all contracts arising between PoolPak Technologies Corporation ("PoolPak") and the customer ("Customer") identified on the front side of this sales contract for the equipment and products to be provided by PoolPak:

1. OFFER AND ACCEPTANCE - The products, equipment, and services described on the front side hereof are offered for sale by PoolPak subject to all of the terms and conditions stated herein. This writing constitutes an offer of sale, which is expressly limited to the terms and conditions stated herein. By submitting a purchase order or other written response to this offer of sale, or by accepting delivery of the products and/or equipment offered herein, Customer accepts all of the terms and conditions contained herein. No additional, changed, or conflicting terms and conditions appearing in Customer's purchase order or in any written response to this offer shall be binding upon PoolPak unless expressly agreed to, in writing, by an authorized officer of PoolPak. Unless otherwise stated on the front side hereof, this offer shall expire thirty (30) days from the date shown unless extended by PoolPak.

2. PAYMENT TERMS - Subject to credit approval by PoolPak's Credit Dept., terms of payment are as shown on the front side hereof and shall be effective from the date of PoolPak's invoice. If no payment terms are shown on the front side hereof, then payment shall be due net thirty (30) days from date of invoice or prior to start-up, whichever occurs first. Shipments, deliveries, and performance of work by PoolPak shall be subject to the continuing approval of PoolPak's Credit Dept., which may require full or partial payment in advance if the financial condition of Customer (in the sole opinion of PoolPak's Credit Dept.) does not justify continuing to ship products or perform work (including start up of equipment) by PoolPak on the terms of payment agreed upon. Invoices not paid by the due date are subject to finance charges of 1 ½ % per month for each month (or partial month) that such invoice remains unpaid. Should Customer default in the payment of any amount owing to PoolPak for products or equipment, requiring PoolPak to expend costs and incur expenses in collecting such amount, PoolPak shall be entitled to reimbursement for all such costs of collection (including reasonable attorney fees).

3. SHIPMENT AND DELIVERY

3.1 Shipment - Unless otherwise specified on the face side hereof, all shipments will be made FOB PoolPak's plant. All transportation expenses shall be paid by Customer.

3.2 Title and Risk of Loss - Title to any products shipped by PoolPak shall pass to Customer upon delivery by PoolPak to the carrier. Risk of loss or damage to products in transit is assumed by Customer, and Customer shall bear responsibility for filing and pursuing any claims for loss or damage with the carrier. Title and risk of loss or damage shall pass to Customer as stated herein, regardless of whether PoolPak selects the carrier or mode of shipment and regardless of whether payment to the carrier is made by Poolpak or by Customer.

3.3 Delivery - Shipping dates are approximate only based upon prompt receipt from Customer of all information required by PoolPak to meet Customer expectations. PoolPak shall not be liable for delays in delivery or failure to perform hereunder where such delay or failure results from: (i) causes beyond the reasonable control of PoolPak, (ii) acts of God, acts of Customer, or acts of civil or military authorities, (iii) inability of PoolPak to obtain necessary labor, materials, components, or facilities, or (iv) any other cause rendering PoolPak's timely performance commercially impracticable. In the event of any such delay, the date of delivery shall be deferred for a period of time equal to the time lost by reason of the delay.

4. START-UP AND FIELD SERVICE - If the scope of work described on the front side hereof includes start-up or field service, PoolPak will provide a factory trained technician to assist Customer in the initial start-up of the equipment and to instruct Customer's employees in the proper operation of the equipment. Unless otherwise agreed by PoolPak, start-up or field services will be scheduled during normal business hours (8:00 AM - 5:00 PM) Monday through Friday, legal holidays excepted. If arrangements are made for start-up or field service for times other than normal business hours, Customer shall be responsible for overtime and premium charges. Start-up must be scheduled at least two (2) weeks in advance. On the scheduled start-up date, Customer is responsible to have equipment completely installed and ready for operation, including all necessary fuel, power, water, exhaust, venting, and necessary connections. Should PoolPak not be able to perform start-up after arriving at Customer's site due to failure of Customer to provide fully operational equipment, PoolPak may surcharge Customer for all resulting expense actually incurred by PoolPak on the scheduled start-up date, as well as any additional expenses incurred by PoolPak to re-schedule start-up.

5. LIMITED PRODUCT WARRANTY

Poolpak provides a manufacturer's limited warranty for its equipment, products and services. The terms of Poolpak's current limited warranty may be viewed on PoolPak's web site, <http://www.poolpak.com>.

All of the terms and conditions of the limited warranty in effect at the time of product shipment are incorporated herein and shall apply to the equipment, products and services delivered by PoolPak to Customer pursuant to this contract.

6. TAXES - Any taxes which PoolPak may be required to pay or collect, under any existing or future law, with respect to the sale, purchase, delivery, storage, or use of any product covered hereunder or any start-up or other field services performed by PoolPak shall be the responsibility of Customer. If not collected by PoolPak as part of its normal billing, Customer agrees to reimburse to PoolPak, upon demand, the amount of any such tax determined by any applicable governmental taxing authority to be payable by PoolPak as a result of the products, equipment, or services furnished by PoolPak to Customer.

7. PERMISSIBLE VARIATIONS, STANDARDS AND TOLERANCES - All products, equipment, or services furnished to Customer by PoolPak shall be subject to tolerances and variations consistent with usages of the trade concerning dimensions, composition and mechanical properties, and normal variations in performance characteristics and quality.

8. DISPUTES - In lieu of court action, all claims, disputes, and controversies arising out of the performance of PoolPak shall be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and any judgment upon the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction thereof. The site of the arbitration shall be York, Pennsylvania, unless otherwise mutually agreed between the parties. The parties agree that any party to the arbitration shall be entitled to discovery of any other party as provided by the Federal Rules of Civil Procedure; provided, however, that any such discovery shall be completed within four (4) months from the date the Demand for Arbitration is filed with the American Arbitration Association. In any such proceedings, the prevailing party shall be entitled to recover all its costs and expenses (including reasonable attorney's fees).

9. ORDER CANCELLATION OR MODIFICATION

9.1 Cancellation by Customer - An order for products or equipment may be cancelled by Customer or PoolPak upon written notice. The effective date of order cancellation shall be five (5) working days following receipt of written cancellation notice. Orders cancelled by Customer shall be subject to cancellation and restocking charges assessed by PoolPak, including PoolPak's calculated costs for engineering, testing, labor, materials and supplies, overhead, and pro-rated profit. Cancellation charges for orders for custom products or equipment specifically manufactured according to Customer's specifications may equal the order price for the products or equipment.

9.2 Order Modifications - Customer-requested order changes must be made in writing and are subject to PoolPak's written approval. Where a proposed change may result in substantial delays or increased production or engineering costs, PoolPak may condition its approval upon adjustments in order pricing, scheduling or other affected terms and conditions. PoolPak reserves the right to reject any change that it deems unsafe, technically inadvisable, inconsistent with established industry or engineering practices, or incompatible with PoolPak's design and/or manufacturing capabilities.

9.3 Customer Delays - Customer-requested delays in shipment for partially completed equipment may result in removal and storage of such equipment at Customer risk and expense. PoolPak shall advise Customer of any such removal, and Customer may be invoiced for partial payment based on pro-rata completion of the equipment, together with costs for removal and storage.

10. MISCELLANEOUS

10.1 Entire Agreement - When accepted by Customer, this writing constitutes the entire agreement between the parties, and all prior negotiations and representations of the parties are merged herein.

10.2 Pennsylvania Law to Apply - Any contract resulting from Customer's acceptance of this offer of sale shall be deemed to have been executed and delivered in York County, Pennsylvania, and shall be construed under, and in accordance with, the laws of the Commonwealth of Pennsylvania.

10.3 Waiver - One or more waivers of any breach of any term or condition herein shall not be construed as a waiver of any subsequent breach of the same term or condition. The consent or approval by one party of any act done or omitted to be done by another party shall not be deemed to waive or render unnecessary the consent or approval of any subsequent similar acts or omissions.