

PENTAIR THERMAL MANAGEMENT TERMS AND CONDITIONS OF SALE

Except as otherwise agreed, in writing, by Pentair Thermal Management and/or its affiliates (collectively, "Pentair"), the following standard terms and conditions of sale will apply to all orders received and all sales made by Pentair:

1. REPRESENTATIONS OF BUYER. Buyer represents and warrants that the goods and/or services that it purchases from Pentair under this Order Acknowledgment ("Order") will not be used directly or indirectly for illegal purposes.

2. PRICES. Unless otherwise indicated on the front of this Order, all prices are quoted (INCOTERMS 2010) EXWORKS Pentair's manufacturing facility. Prices may be subject to minimum purchase requirements, as indicated. Unless otherwise specified, the prices do not include any insurance, transportation, shipping, taxes or duties relating to the goods and/or services provided, all of which shall be Buyer's responsibility. Buyer shall pay those sales or other taxes, however designated or levied (including any value added or similar tax), on the sale or use of goods and/or services other than taxes based upon Pentair's capital or net income. When Pentair is required by law or regulation to collect such taxes, Pentair will add such taxes to the sales price of the goods or services, which will be invoiced to, and paid by, Buyer. The prices set forth are subject to change by Pentair at any time upon not less than 10 days prior notice to Buyer. Buyer's sole right upon receipt of such notice shall be to cancel the undelivered portion of any Order affected by the change in price by giving written notice to Pentair within 60 days after the date of Pentair's notice. If Buyer fails to give timely notice to Pentair of such cancellation, all Orders shall remain in full force and effect and the price shall be that set forth in Pentair's notice.

3. PAYMENT TERMS. Pentair may elect to extend credit to Buyer, in Pentair's sole discretion, under Pentair's standard credit terms and conditions as may be applicable from time to time. If Pentair does not extend credit to Buyer, payment for goods and services shall be in advance of, or as a condition to delivery of such goods and/or services, as Pentair may direct. If for any reason Buyer's account exceeds the total approved credit line, the amount of overage will become immediately due and payable. In addition, if Buyer places an order for goods and/or services which will cause Buyer's outstanding credit to exceed the amount of approved credit, the amount over Buyer's approved credit must be paid in advance of, or as a condition to delivery of goods and/or services under such order. After the due date for any invoice, the lesser of 1.5% of the unpaid balance (annual rate of 18%) or the maximum rate permitted by the law will be added for each month or part thereof that payment is delayed. Buyer shall also be responsible to reimburse Pentair for all costs associated with Pentair's attempt to collect amounts due under this Order, including all costs associated with employing a collection agency or initiating legal action to collect amounts due. Pentair has the right at any time to change the amount of credit or terms of payment or to withdraw credit and to require partial or full payment in advance as a condition of making further shipments or providing additional services. If Buyer breaches any obligation owed to Pentair under this or any other agreement, Pentair may impose a "Credit Hold" on Buyer, by which Pentair may, at its discretion, refuse to extend credit to Buyer, and/or immediately accelerate all open accounts, and/or require pre-payment or payment "on demand," and/or remove all of Buyer's unshipped orders from the shipping queue and release such materials to fill orders to other firms, and/or refuse any further orders. Upon removal of the Credit Hold, Buyer's orders will be rescheduled as new orders. If Pentair performs services or delivers goods in installments, each installment shall be deemed to be a separate delivery for purposes of this section. Payment shall be made without regard to whether Buyer has made or may make any inspection or tests. If either the performance of services or the shipment of goods is delayed at Buyer's request, payment shall be due on the date Pentair is prepared to render such services or make such shipments of goods. Any goods held thereafter by Pentair or carrier for Buyer shall be at Buyer's sole risk and expense. If Buyer fails to pay such sums as are due to Pentair, Pentair shall have the right to take possession of any goods delivered hereunder as may be in Buyer's possession or control, and to resell, retain or otherwise dispose of the same, offsetting against such unpaid sums any moneys received (net of costs and expenses) as a result of any resale of such goods. Buyer hereby consents to the entry of a judgment or order in any competent jurisdiction, without bond or other security, permitting Pentair to enter upon any premises on which such goods may be situated and take possession of or remove such goods, without liability to Buyer, its employees or agents, for any damages caused by such exercise of Pentair's rights. As further security for any and all indebtedness to Pentair, Buyer hereby grants to Pentair, until such time as full payment has been received, a purchase money security interest, with priority over all other security interests, in all (i) goods to which Buyer has or will acquire title hereunder, (ii) present and future accounts receivable and contract rights arising

from Buyer's sale, lease or transfer of such goods, and (iii) proceeds and accessions of and to any and all of the foregoing. Buyer authorizes Pentair to execute and file, at any time, one or more financing statements with respect to such goods, signed only by the Pentair and to otherwise perfect such security interest on Buyer's behalf, and Buyer will cooperate fully in accomplishing the same.

4. RISK OF LOSS, TITLE, DELIVERY and ALLOCATION. Title to and liability for loss or damage to any goods provided shall pass to Buyer upon delivery by Pentair to first carrier, notwithstanding any "ship to" address provided by Buyer. Shipping, performance and/or delivery dates for goods and/or services provided are approximate only, and are subject to availability. Pentair may allocate resources, production and deliveries among any or all of Pentair's customers as Pentair may determine, including without limitation, regular customers not then under contract, as well as for Pentair's (including Pentair's subsidiaries and affiliates) own requirements for further manufacture or other use. Pentair has the right to deliver goods and services in installments. Pentair shall not be liable for any loss or expense incurred by Buyer if Pentair fails to meet such dates for any reason, including, but not limited to, the contingencies stated in Section 8 or any other unavoidable production delays, delays in prompt approval of samples by Buyer, modification of specifications previously agreed upon, delays in submission of specifications acceptable to Pentair, or delays due to the fact that Pentair has placed Buyer on Credit Hold. Delays in performance, delivery, nonconformity or nondelivery of an installment shall not relieve Buyer of its obligations with respect to any other installments, each installment being deemed to be a separate contract. Unless otherwise specified, Pentair shall select the mode of transportation and the carrier for goods delivered. In addition, Pentair shall select the method of performance of the services, including without limitation the right, in its sole discretion, to use agents or subcontractors to perform the services to be rendered. All persons performing services for Pentair shall be considered to be under Pentair's sole and exclusive direction. Buyer shall not solicit for employment, for itself or for any other person or entity, any personnel of Pentair involved in the performance of services under this Order.

5. INSPECTION and ACCEPTANCE. All goods or services delivered or rendered shall be conclusively deemed accepted by Buyer unless a written notice of rejection has been sent by Buyer to Pentair within thirty (30) days of receipt by Buyer. Rejected goods shall be placed by Buyer in safe storage for inspection by Pentair or returned by Buyer in accordance with the requirements of Section 17. Buyer shall only have the right to reject goods that do not conform to Pentair's warranties. Rejected goods remain at Buyer's risk until returned to Pentair. Buyer acknowledges that its right of inspection shall not affect the passage of title or risk of loss, both of which shall pass to Buyer in accordance with the INCOTERM set forth in Section 2.

6. SOURCE INSPECTION. Except as otherwise agreed in writing with Pentair, Buyer shall have no right to enter Pentair's premises to conduct source or other inspections. If Pentair permits such inspection, all agents of Buyer entering Pentair's premises shall be subject to Pentair's usual security requirements, including without limitation the execution and delivery of appropriate nondisclosure agreements.

7. SIZE OF ORDER. Unless otherwise expressly agreed to in advance between the parties, Orders (if applicable) must be entered in multiples of the standard pack quantities as may be indicated by Pentair from time to time.

8. CONTINGENCIES. Pentair shall not be liable for any delay in performance or for nonperformance in whole or in part caused by the occurrence of any contingency beyond the control either of Pentair or any of Pentair's suppliers, agents or subcontractors, including, but not limited to, war (whether actual declaration thereof is made or not), sabotage, insurrection, riot or other act of civil disobedience, act of a public enemy, judicial action, any act of government or any agency or subdivision thereof, accident, fire, explosion, flood, storm or other act of God, labor dispute, failure or delay in transportation, shortage of labor, fuel, electricity, raw materials, tools, dies or equipment, or any technical, power or field failure. Any such delays shall excuse Pentair from performance and Pentair's time for performance shall be extended for the period of the delays and for a reasonable period thereafter.

9. SUBSTITUTION and MODIFICATION OF GOODS OR SERVICES. Pentair has the right to modify the specifications of goods or services to be furnished and to substitute substantially equivalent goods or services.

10. LIMITED WARRANTY:

(a) Limited Product Warranty. Subject to the provisions of Section 10(b) below, Pentair warrants goods against

faulty workmanship and use of defective materials when such goods are properly installed, operated, and maintained according to product documentation. All documentation regarding proper use and installation can be found at www.thermal.pentair.com. Goods subjected to misuse, neglect, alteration or improper installation, operation, maintenance, repair or testing (or such other act or omissions not attributable to Pentair) are not covered by this Limited Warranty. Pentair makes NO WARRANTY as to products which are experimental, developmental, or not manufactured by Pentair. As to products not manufactured by Pentair, at Buyer's request (but only as permitted under Pentair's agreements with its suppliers), Pentair shall assign to Buyer any rights Pentair may have under any warranty of the supplier. Pentair shall in no event be liable for the cost of removal or installation, for loss or damage to or loss of use of facilities or other property, loss of revenue, loss of use of revenue, loss of anticipated profits, or other damages or costs of any kind whatsoever, whether direct, indirect, incidental, or consequential, and in no event shall Pentair's liability exceed an amount equal to the sales price. This warranty remains in force for a period of 12 months from installation or 18 months from the date of shipment, whichever occurs first. Goods repaired under warranty are warranted for the greater of 90 days or the then unexpired portion of the original goods warranty. Pentair will examine and confirm that any alleged product issue covered by this Limited Warranty actually exists and occurred in the course of proper and normal use and was not caused by accident, misuse, neglect, alteration or improper installation, operation, maintenance, repair or testing or such other cause outside of the responsibility of Pentair under this Limited Warranty. Pentair's sole liability, and Buyer's sole remedy, for breach of this warranty is limited, at Buyer's sole option to repair such goods, or supply replacement goods, or credit Buyer's account for goods covered by this Limited Warranty. Buyer must notify Pentair, in writing, within thirty (30) days after discovery of an alleged warranty issue. Detailed warranty claim information will be requested at this time and must be supplied by Buyer. Buyer may then be asked to return the goods, freight pre-paid, to the location given by Pentair. Pentair's warranties extend to Buyer and to no other person or entity. Pentair's warranties shall not be enlarged, diminished or affected by, and no obligation or liability shall arise or grow out of, Pentair's rendering of technical advice or services in connection with furnishing the goods, Software, and/or services described in this Order. The periods of time described above in this Section 10, together with the period of any extended warranty, shall be collectively referred to as the "Warranty Period." Pentair must receive the goods subject to any claims hereunder, or notice in the case of services or Software, no later than 10 days after the expiration of the Warranty Period. During the term of the applicable Warranty Period, Pentair's sole and exclusive liability for a breach of warranty described in this section shall be as provided in Section 17.

(b) Down Hole Heater Units. Notwithstanding anything herein to the contrary, Buyer acknowledges that the product design is based on Buyer supplied data and engineering assumptions, the completeness and/or accuracy of which cannot be independently verified by Pentair. Further, Buyer and Pentair agree that variables of installation, casing configuration, completion design, bottom hole chemical and operating parameters and environment, are inherently unique and unverifiable, and past successful performance of heater unit design and installation may not be indicative of future success. As such, Buyer understands and agrees that it has final approval and responsibility for the appropriateness of the heating unit design for Buyer's desired down hole performance. Based on Buyer's approval of design, Pentair warrants the goods will, upon transfer of title and risk of loss, perform in accordance with the electrical specifications set forth in Pentair's detailed engineering deliverable, but not that the design is suitable for any particular purpose of Buyer's use. Any assistance in heater installation or technical or engineering information concerning heaters provided by Pentair will be advisory only, at Buyer's sole cost and on an "as is" basis. No warranty is given with respect to such services or information and Pentair will not be liable for any claims arising from its furnishing, or Buyer's use of such assistance or information.

(c) Services. To the extent the Order with Buyer includes Buyer's purchase of on-site services, consulting services, design and/or engineering services, training services, or other miscellaneous services, Pentair warrants such services will be performed in a good and workmanlike manner by personnel of such experience, skill, and competence that would be expected of a similar, reputable firm specializing in the provision of services comparable to those made the subject of this Order. Pentair's sole liability, and Buyer's sole remedy, for breach of this warranty is limited, at Buyer's sole option to reperform such services or credit Buyer's account for services covered by this Limited Warranty.

PENTAIR'S OBLIGATION TO REPAIR, REPLACE, OR REFUND THE PURCHASE PRICE CONSTITUTES AGREED AND LIQUIDATED DAMAGES FOR ANY BREACH OF PENTAIR'S WARRANTY. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER REPRESENTATIONS, WARRANTIES, OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT, AND OF ANY OTHER OBLIGATION OR LIABILITY

ON THE PART OF PENTAIR, WHETHER BY STATUTE, CONTRACT, STRICT LIABILITY, TORT OR OTHERWISE.

11. PROPRIETARY RIGHTS and CONFIDENTIALITY. All confidential information, know-how, ideas, programming, Software, copyrighted materials, trademarks, trade secrets, documentation, plan drawings, specifications, processes, techniques, test results, designs and patterns furnished or created by Pentair or by Pentair's agents or subcontractors (other than Buyer) and all intellectual property rights embodied therein or in any of the goods, Software and/or services, are and shall remain the sole property of Pentair and neither Buyer nor any other party shall have or acquire any right, title, license or interest therein, except as specifically provided in Section 14. Buyer recognizes and acknowledges that it may gain access to certain confidential, secret or proprietary information possessed by Pentair which is a valuable business asset of Pentair and that disclosure or unauthorized use of that information would cause grave and irreparable injury to Pentair. Buyer shall at all times, whether during the term of this Order or subsequent thereto, honor, maintain and protect the confidentiality of such information. Buyer will take appropriate action to restrict access to such information to those of its employees and agents who have actual need for such access in the course of their duties. Buyer shall not make any copies of any such information nor use such information in any manner contrary to the purposes of this Order without prior written consent of Pentair (except that one copy of Software provided may be made by Buyer for storage or archival purposes). Buyer shall not reverse engineer, decompile or disassemble any Software, equipment or any other goods provided. Buyers shall not disclose to any third party the existence or contents of this Order, including prices, without the prior written consent of Pentair. The provisions of this Section 10 shall survive the performance, termination or cancellation of this Order.

12. TRADEMARKS and COPYRIGHTED MATERIAL. Buyer shall not use or permit to be used by any person any trademarks, service marks or trade names of Pentair without Pentair's prior written consent. Buyer shall not make any copies of Pentair's copyrighted material including, but not limited to, any printed matter concerning any goods or services, without Pentair's prior written consent. Buyer shall display, without alteration, on the goods, Pentair's trademark and/or such other trademarks and trade names affixed thereto or designated by Pentair. Buyer shall not use any additional trademarks or trade names, other than Buyer's name, trademark, or logo, in connection with Pentair's goods or services, without written permission by Pentair.

13. NO LICENSE. Neither this Order nor any purchase of any goods and/or services hereunder shall be construed to confer upon Buyer or its customers any license under any patent, trademark, service mark, copyright, or any other proprietary rights of Pentair, except the right to use such goods for the purposes for which they were sold.

14. SOFTWARE LICENSES and WARRANTIES. Pentair may supply certain firmware, software and/or related documentation (the "Software") with the goods provided. If any firmware and/or related documentation is furnished with the goods, Pentair grants to Buyer and Buyer accepts a nontransferable, nonexclusive license to use, in object code form, such Software solely in connection with Buyer's use and/or operation of the goods in which such Software is originally installed. If no Standard Terms and Conditions for Licensing of Software or no separate license agreement is provided by Pentair in connection with the furnishing of the Software, then (i) Pentair warrants that the Software, as delivered, will perform substantially in accordance with Pentair's then-current user manual in all material respects; however, Pentair does not warrant that the Software will meet Buyer's needs, be error free, or operate without interruption, (ii) all warranty claims with respect to the Software must be made by the Buyer in writing not later than 90 days after shipment of the Software by Pentair to Buyer, (iii) PENTAIR MAKES NO WARRANTIES WHATSOEVER REGARDING ANY SOFTWARE AND/OR COMPONENTS OF THE SOFTWARE CREATED OR OWNED BY ANY THIRD PARTY, (iv) THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESSED, IMPLIED OR STATUTORY RELATING TO THE SOFTWARE, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES OF MERCHANTABILITY, and (v) any unauthorized use or modification of the Software by Buyer shall void any and all warranties. Pentair shall use reasonable efforts to remedy any programming error in the Software attributable to Pentair which prevents the Software from substantially conforming to specifications. Such remedy shall, at Pentair's discretion, consist of providing corrected portion(s) of Software, communication to Buyer of a workaround, and/or another remedy which enables Buyer to achieve substantially the same functionality as could be obtained without the error. Pentair's obligations under this Section shall arise upon its receipt of written notice of a programming error, containing sufficient information, on computer-readable media if practicable, for Pentair to reproduce the error. If

Pentair determines that a particular problem is not caused by Pentair Software errors, or that the problem arises from Buyer modification of the Software, Pentair may, at its sole discretion, refer Buyer to Pentair's professional services support group, whose services are available for an additional fee. No other right or license relating to the Software, express or implied, is granted except as provided above. Buyer shall not sell, assign, sublicense, transfer, or otherwise make available the Software to any other person or entity, without the prior written consent of Pentair. Subject to Section 10, all copies of Software shall be clearly marked by Buyer with the same proprietary and copyright restrictions which appear on the Software as originally supplied to Buyer.

15. INDEMNIFICATION.

(a) General. Each party shall defend, indemnify and hold harmless the other party, its respective officers, directors, agents, subsidiaries, affiliates, subcontractors, assignees and employees (collectively "Indemnified Parties"), against all losses, damages, liabilities, expenses, costs (including court costs and attorneys' fees), claims, suits, demands, actions, causes of actions, proceedings, judgments, assessments, deficiencies and charges ("Damages") caused by, relating to or arising from: (i) a default in the performance by such party of its obligations ; (ii) a breach of its warranties or representations; (iii) its negligent acts or omissions; and (iv) its intentional misconduct. Buyer shall also indemnify Pentair and the Indemnified Parties against any such Damages caused by, relating to or arising from: (i) the services offered by Buyer or Buyer's customers, including any assertion that any such services involve tortious conduct or the infringement of any third-party rights; (ii) any disputes between Buyer and any of its distributors or affiliates; and (iii) any disputes or claims involving the end-users for the services of Buyer; provided, however, that such Damages are not caused by any act or omission of Pentair which would give rise to an obligation by Pentair to indemnify Buyer under this Section 15. This subsection 15(a) shall survive termination or expiration of this Order.

(b) Intellectual Property Indemnity. Subject to Section 15(c), Pentair will defend any suit or proceeding brought against Buyer to the extent that such suit or proceeding is based on a claim that goods manufactured and sold by Pentair to Buyer constitute direct infringement of any valid patent and Pentair shall pay all Damages awarded by final judgment (from which no appeal may be taken) against Buyer holding that such goods do so infringe, on condition that Pentair (i) is promptly informed and furnished a copy of each communication, notice or other action relating to the alleged infringement, (ii) is given authority, information and assistance necessary to defend or settle such suit or proceeding in such a manner as Pentair shall determine and (iii) is given sole control of the defense (including the right to select counsel), and the sole right to compromise and settle such suit or proceeding. If any goods manufactured by Pentair and supplied to Buyer are held to directly infringe any valid patent as set forth above, and Buyer is enjoined from using the same, or if Pentair believes such infringement is likely, Pentair will exert reasonable efforts, at its option and its expense, (a) to procure for Buyer the right to use such goods free of any such liability for patent infringement, or (b) to replace or modify such goods with a non-infringing substitute otherwise complying substantially with the specifications for such goods, or (c) upon return of the goods, refund the transportation costs and the purchase price, less any applicable depreciation or credit for use, of such goods. If the infringement is alleged prior to completion of delivery of the goods, Pentair has the right to decline to make further shipments without being in breach of contract. If Pentair has not been enjoined from selling such goods to Buyer, Pentair may (at Pentair's sole election), at Buyer's request, supply such goods to Buyer in which event Buyer shall be deemed to extend to Pentair an indemnity of comparable scope to that above. A comparable indemnity as that set forth above shall also be deemed to be extended to Pentair by Buyer if any suit or proceeding is brought against Pentair based on a claim that the goods manufactured by Pentair in compliance with Buyer's specifications infringe any valid patent.

(c) Limitation of Proprietary Rights Indemnification. In no event shall Pentair be liable for any: (i) infringement by goods or associated Software manufactured and/or supplied by third parties; (ii) infringement arising from a combination with, addition to, or modification of the goods or associated Software after delivery by Pentair; (iii) infringement arising out of compliance with Buyer's specifications, (iv) any royalties payable , other than a reasonable royalty based upon revenue derived by Pentair from Buyer from sales or license of the infringing goods or associated Software; or (v) royalties payable, or intellectual property claims related to compliance with or implementation of standards issued by other public or private standards bodies.

THE TERMS AND CONDITIONS OF THIS ORDER CONTAIN THE SOLE AND EXCLUSIVE LIABILITY OF PENTAIR FOR INFRINGEMENT OR THE LIKE OF PATENTS, TRADEMARKS, COPYRIGHTS, TRADE SECRETS AND OTHER INTELLECTUAL PROPERTY RIGHTS IN CONNECTION WITH THIS ORDER, WHETHER DIRECT OR CONTRIBUTORY, AND IS IN LIEU OF ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, THE WARRANTY AGAINST INFRINGEMENT SPECIFIED IN THE UNIFORM COMMERCIAL CODE.

16. TERMINATION. Except as permitted in Section 2, this Order shall not be terminated by Buyer without Pentair's prior written consent. If Pentair consents to termination, Buyer shall be liable for termination charges including without limitation, a price adjustment based on the quantity of goods and/or services actually delivered, all costs incurred and committed for this Order, together with reasonable allowance for prorated expenses and anticipated profits. Pentair has the right to terminate this Order if (i) Buyer does not take delivery of all quantities of goods or services within 12 months after the date Pentair receives Buyer's order, or (ii) in Pentair's sole judgment, Buyer's financial condition does not justify the terms of payment applicable, and Buyer shall not immediately comply with any modification of payment terms required by Pentair in accordance with Section 3, or (iii) Buyer fails to pay for the goods and services when payment is due or make arrangements to so do which are acceptable to Pentair; or (iv) Buyer defaults in any agreement with Pentair or with any third party providing financing to Buyer, or (v) Buyer engages in a course of conduct which, in the sole judgment of Pentair, substantially and adversely affects Pentair's reputation or its interests in the promotion, marketing, or distribution of its products, or (vi) for other just cause. Upon termination of this Order, all sums, including interest, owing by Buyer to Pentair shall immediately become due and payable without notice, and Pentair shall have all of the rights and remedies of a seller under applicable law, and as may be provided in this Order. If Pentair exercises such right to terminate, Buyer shall be liable for the charges and adjustments referred to herein, in addition to any other remedies Pentair may have at law.

17. REMEDIES and LIABILITY.

(a) Nonconforming Goods/Warranty Returns. Where Buyer timely and rightfully rejects or revokes acceptance of nonconforming goods and/or notifies Pentair of a breach of warranty relating to goods supplied by Pentair, Pentair's sole and exclusive liability will be (at Pentair's option) to repair or replace the goods, or credit Buyer's account (which credit may be applied by Pentair against outstanding amounts owed by Buyer to Pentair) with respect to any such goods returned to Pentair during the applicable acceptance or warranty period, upon the following conditions: (a) Goods may not be returned without a return authorization ("RA") and will be refused and returned freight collect to the sender; (b) Goods returned shall be packed securely and shall be shipped freight prepaid (with all insurance, duties, taxes, brokerage fees and all other charges associated with the transportation of such goods (collectively with freight, "Transportation Charges") being the responsibility of Buyer), together with a statement setting forth the claimed defect; (c) All returns under this section shall be shipped in accordance with all other instructions (if any) contained in the RA; and (d) All return shipments will clearly indicate the RA number on the mailing label. All goods returned under this section shall be subject to examination by Pentair. The failure of Buyer to comply with the provisions of this Section 17(a) shall, at Pentair's election, void Buyer's rights and remedies with respect to any such goods, and such goods may be returned by Pentair to Buyer for full payment in accordance with the provisions of this Order. In such an event, all Transportation Charges back to Buyer, including risk of loss, shall be the responsibility of Buyer. If Pentair elects to keep any goods returned to Pentair by Buyer which are determined by Pentair to be free of defect or otherwise conforming to the warranties hereunder, such goods shall be subject to a restocking fee. Pentair reserves the right to withhold Buyer's remedy with respect to nonconforming goods until Buyer has fully paid any past due amounts owed to Pentair.

(b) Services. Where Buyer timely and rightfully notifies Pentair that services provided breach Pentair's warranty for such services as described in Section 10, Pentair's sole and exclusive liability for such breach will be (at Pentair's option) to re-perform such services or to refund Buyer's fees paid for such services.

(c) Limitation of Liability. NOTWITHSTANDING ANYTHING CONTAINED IN THIS ORDER, WHERE PENTAIR FAILS TO MAKE DELIVERY OR REPUDIATES OR BREACHES ANY PROVISION OF THIS ORDER, INCLUDING, WITHOUT LIMITATION, PENTAIR'S OBLIGATIONS WITH RESPECT TO NONCONFORMING GOODS, SOFTWARE OR SERVICES, PENTAIR'S LIABILITY SHALL NOT EXCEED THE TOTAL OF ALL AMOUNTS ACTUALLY RECEIVED BY PENTAIR FROM BUYER UNDER THIS ORDER. IN NO EVENT WILL PENTAIR BE LIABLE TO ANYONE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF ANY OF THE PROVISIONS OF THIS ORDER, INCLUDING, BUT NOT LIMITED TO, PROVISIONS REGARDING WARRANTIES, INDEMNITIES AND PATENT INFRINGEMENT, SUCH EXCLUDED DAMAGES TO INCLUDE WITHOUT LIMITATION, COSTS OF REMOVAL AND REINSTALLATION, LOSS OF GOODWILL, LOSS OF PROFITS, OR LOSS OF USE.

18. INSURANCE. In the event Pentair is required to perform services onsite, Pentair, at its expense, shall carry and maintain in force at all times relevant hereto insurance of the type and minimum coverage limits as follows:

- (a) Workers' Compensation -Statutory; and Employer's Liability - \$500,000 per accident.
- (b) Commercial General Liability (Occurrence Form), including Contractual Liability, in a combined single limit for Bodily Injury and Property Damage - \$1,000,000 per occurrence.
- (c) Comprehensive Automobile Liability, in a combined single limit for Bodily Injury and Property Damage \$1,000,000 per occurrence.
- (d) Pentair shall ensure, to the extent of Pentair's insured indemnity obligations, that Buyer and/or owner is added as an additional insured on Pentair's commercial general liability and automobile liability policies, and that such policies contain a waiver of subrogation.
- (e) Upon Buyer's written request, Pentair can provide certificates of insurance evidencing the coverages required above.

19. OUT-OF-WARRANTY REPAIRS. All requests for out-of-warranty repairs shall be permitted at Pentair's sole discretion. Goods returned for out-of-warranty repair shall be subject to the following conditions: (a) Goods may not be returned without an RA and will be refused and returned freight collect to the sender; (b) Goods returned for out-of-warranty repairs shall be packed securely and shall be shipped freight prepaid (with all Transportation Charges and risk of loss being the responsibility of Buyer), together with a statement setting forth the claimed defect; (c) All returns under this section shall be shipped in accordance with all other instructions (if any) contained in the RA; (d) All return shipments will clearly indicate the RA number on the mailing label; and (e) Buyer shall be responsible for all Transportation Charges and risk of loss associated with the return of any repaired goods back to Buyer.

20. CREDIT RETURNS. All requests for credit returns shall be permitted at Pentair's sole discretion. Goods returned for credit shall be subject to the following conditions: (a) Goods may not be returned without a return authorization ("RA") and will be refused and returned freight collect to the sender; (b) Goods returned for credit shall be packed securely and shall be shipped freight prepaid (with all Transportation Charges and risk of loss being the responsibility of Buyer), together with a statement setting forth the reason for the return for credit; (c) All returns under this section shall be shipped in accordance with all other instructions (if any) contained in the RA; (d) All return shipments will clearly indicate the RA number on the mailing label; (e) Pentair may require Buyer to reimburse Pentair for all Transportation Charges in connection with initially shipping such goods to Buyer; (f) Pentair may elect to charge Buyer a restocking fee; and (g) Made to Order or non factory inventoried goods may not be returned, except as provided in Section 17(a).

21. WAIVER. In the event of any default or breach by Buyer, Pentair has the right to refuse to make further shipments of goods or to perform additional services. Pentair's failure to enforce at any time or for any period of time any of the provisions of this Order shall not constitute a waiver of such provisions or of the right of Pentair to enforce each and every provision.

22. GOVERNING LAW. The validity, construction, and performance of this Order and the transactions to which it relates shall be governed by the laws of the State of Texas, without regard to conflict of laws principles and excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods. All actions, claims, or legal proceedings in any way pertaining to this Order or such transactions shall be commenced and maintained in the state or federal courts sitting in the State of Texas and in no other court or tribunal, and Buyer agrees to submit itself to the exclusive jurisdiction of such courts. Nothing herein shall be construed as limiting Pentair's right to maintain an action or to enforce any judgment in any jurisdiction in which Buyer or any assets of Buyer may be located.

23. ASSIGNMENT. Except as otherwise permitted, this Order is binding upon and inures to the benefit of the parties and the successors and assigns of the entire business and goodwill of either Pentair or Buyer, or to the successors and assigns of that part of the business of either used in the performance of this Order, but will not otherwise be assignable except that the Pentair has the right to assign this Order to an affiliate. Nothing in this Order shall inure to the benefit of or be deemed to give rise to any rights in any third party, whether by operation of law or otherwise.

24. SEVERABILITY. Should any of the terms and conditions of this Order be declared invalid by a court, agency, commission or other tribunal or entity having jurisdiction, such declaration shall have no effect on the remaining terms, which shall continue in full force and effect.

25. SET-OFF. Buyer may not set-off any amount owing from Pentair to Buyer against any amount payable by Buyer to Pentair under this Order, whether or not related to this Order.

26. NOTICE. Any notice required or permitted to be given under this Order shall be in writing and either delivered personally or sent by facsimile, or mail addressed to the parties at their respective business addresses, and shall be effective upon receipt. For the purpose of receiving notices under this Order, either party may change its address or its facsimile number by giving the other party 15 days' prior written notice of its new address or facsimile number.

27. EXPORT COMPLIANCE. Buyer understands and agrees that any products or technical information sold or otherwise provided hereunder may be subject to export and other foreign trade controls restricting the sale, re-export, and/or transfer of such products or technical data to certain countries, uses or parties, including but not limited to, licensing requirements under applicable laws and regulations of the United States and other jurisdictions. The countries that may require a license include, but are not limited to those countries identified by the U.S. Department of Treasury, Office of Foreign Asset Control ("OFAC"). As of the date of this agreement, OFAC sanctioned and embargoed countries and related regulations are listed at: <http://www.treas.gov/offices/enforcement/ofac/programs/index.shtml>. The parties and uses that may require an export license or other approval include, without limitation (i) any person, entity, organization, or other party identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons List, or the Department of State's Debarred Parties List, as published and revised from time to time, and (ii) an end-use involving nuclear applications, chemical/biological weapons or missile, rocket systems or unmanned air vehicle applications. Notwithstanding any other provision herein to the contrary, Buyer agrees that it will not sell, re-export, or transfer any products or technical information supplied by Pentair except in full compliance with all applicable governmental requirements, including but not limited to applicable economic sanctions and constraints administered by the U.S. Treasury Department and applicable export control measures administered by the U.S. Department of Commerce and U.S. Department of State, or any other government agencies. Pentair reserves the right to refuse to enter into or perform any order, and to cancel any order, if Pentair, in its sole discretion, determines that the entry into such order or the performance of the transaction to which such order relates would violate any applicable law or regulation of the United States, or any other legal entity. Buyer agrees that any such refusal or cancellation of any order by Pentair, as described above, will not constitute a breach of any of Pentair's obligations, and Buyer hereby waives any and all claims against Pentair for any loss, cost, or expense, including without limitation incidental or consequential damages that Buyer may incur by virtue of such refusal or cancellation of any order. Buyer agrees to indemnify, defend and hold Pentair harmless from any and all costs (including attorneys' fees) expenses, judgments, penalties, or other liabilities due to Buyer's failure to comply with this Section 26. Buyer shall also be responsible for ensuring compliance with all government requirements required for imported products, shall act as importer of record, and shall be responsible for all duties, taxes, fees and other charges or assessments. Unless otherwise agreed in writing, Pentair shall not be obligated to provide Buyer with any documentation to substantiate that any of the products sold to Buyer qualify for any preferential duty treatment.

28. LANGUAGE. This Order is in the English language. Any translated version of it is purely for the convenience of the parties and the English version is controlling.

29. COMPLIANCE PROVISIONS. The parties shall comply with all laws and regulations including, but not limited to the United States Foreign Corrupt Practices Act, laws under the OECD Anti-Bribery Convention and local anti-corruption laws. Pentair and Buyer intend that no payments or transfers of value shall be made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion or kickbacks, or other unlawful or improper means of obtaining business. Buyer will not request Pentair to take any action which is prohibited or penalized under any U.S. anti-boycott law or regulation, and any such apparent request will be deemed null and void. No part of the payment of any amounts payable under this Order will be distributed to Pentair, its affiliates or customers, or any of its employees or their family members.

30. MERGER. This Order (including any applicable software license terms and conditions referred to in Section 14) constitutes the final written expression of all terms of the agreement relating to the transactions described and a

complete and exclusive statement of those terms. This Order supersedes all previous and contemporaneous communications, representations, promises or statements, either oral or written, with respect to such transactions (including, without limitations, any terms proposed by Buyer) and such communications, representations, promises or statements, of any kind, made by any representative of Buyer or Pentair, which are not stated, shall not be binding on Pentair. Acceptance by Buyer is limited to these terms. No addition or modification of any printed provision of this Order will be binding upon Pentair (and Pentair hereby objects to and rejects the same) unless made in writing (referring specifically to this Order) and signed by an authorized officer of Pentair. Neither commencement of performance nor delivery shall be construed as an acceptance by Pentair of Buyer's additional or different terms. No course of dealing or usage of trade or course of performance will be deemed relevant to explain or supplement any term expressed in this Order.