FLEXEON™ Reverse Osmosis System Warranty

One-Year Manufacturer's Limited Warranty

Warranty Terms

Subject to the terms and conditions set forth hereinafter, Seller warrants to the original purchaser (hereafter the "Buyer") that the products manufactured by Seller are free from defects in material and in workmanship for twelve (12) months from the Warranty Commencement Date (as defined below) only when used strictly in accordance with the applicable operating instructions and within the range of the operating conditions specified by Seller for each such product.

This Warranty does not extend to equipment or components manufactured by others into which a Seller's product has been incorporated or to equipment or components which have been incorporated into a Seller product but, if allowable, Seller hereby assigns, without warranty, to the Buyer its interest, if any, under any warranty made by the manufacturer of such equipment or component. This Warranty does not cover disposable items such as fuses, lamps, filters, cartridges, or other such disposable items, which must be replaced periodically under the normal and foreseeable operating conditions of the goods warranted hereby.

Warranty Commencement Date

The Warranty Commencement Date for each Seller product shall be the later of the date of: (1) receipt by the Buyer, or (2) the date of installation at the Buyer's premises provided that such installation must occur within three (3) months of shipment from the Seller's manufacturing facility in Fallbrook, California. In no event shall the Warranty Commencement Date exceed three (3) months from the shipment from the Seller's manufacturing facility. The Buyer shall provide proof of purchase in order to exercise rights granted under this Warranty. If requested by the manufacturer, the Buyer must also provide proof of the installation date. Proof of installation shall be returned by Buyer to Seller within thirty (30) days after installation by virtue of supplying a Warranty Validation Card supplied with each Seller product fully completed and signed in ink by Buyer and the authorized installer of the product.

Warranty Service

SELLER'S OBLIGATION UNDER THIS WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT (AT SELLER'S SOLE DISCRETION) OF ANY PRODUCT, OR COMPONENT THEREOF, PROVED TO BE DEFECTIVE IN MATERIAL OR WORKMANSHIP WITHIN THE COVERED WARRANTY PERIOD.

The buyer, at the Buyer's risk and expense, shall be responsible for returning such product or component, only after obtaining a Return Goods Authorization (RGA) number from the Seller, arranging for freight prepaid, and in conformance with any special packaging and shipping instructions set forth on the operation documentation or RGA instructions, or as otherwise reasonably required, to the Seller's address set forth below, together with (1) RGA number issued by Seller at Buyer's request; (2) proof of purchase and, if necessary, proof of installation date; (3) a Return Good Authorization Form; (4) a description of the suspected defects; (5) the serial number of the Seller product alleged to be defective; and (6) a description of the type of water and pretreatment equipment which has been utilized in connection with the product, if any. Seller shall, in Seller's reasonable discretion, be the sole judge of whether a returned product or component is defective in material or workmanship. Required or replacement products or components shall be returned surface freight. In genuine emergency situations. the Seller will (at Seller's sole discretion) forward replacement parts to Buyer without waiting for authorized return of the questionable part(s). In such cases, Buyer will issue a purchase order or other payment guarantee prior to shipment. If the returned part is found to have been misused or abused, the defective part is not received by Seller within thirty (30) days; the Buyer will be invoiced for the replacement part(s) provided. This Warranty does not cover or include labor and/or travel to the Buyer's premise or location or any other location. Charges of \$1000 per day plus associated travel expenses will be incurred by the Buyer in providing the Warranty Service at any location other than Seller's main headquarters; that is if the Seller deems that the product is not covered by said Warranty. The Seller reserves the right to precondition such travel to Buyer's premises upon prepayment of Seller's anticipated costs of attending such premises.

- 1 - Effective Date: 12/14/10

Voidability of Warranty

This Warranty shall be void and unenforceable as to any Seller product which has been damaged by accident, mishandling, abuse or has been repaired, modified, altered, disassembled or otherwise tampered with by anyone other than Seller or an authorized Seller service representative; or, if any replacement parts are not authorized by Seller have been used, or, the product has not been installed, operated and maintained in strict accordance and adherence with the operating documentation and manuals for such product. Any expressed warranty, or similar representation of performance set forth in the operation documentation for a reverse osmosis, nanofiltration, or ultrafiltration membrane incorporated into a Seller product shall be void and unenforceable unless the feed water requirements set forth in the operating documentation for such product are unequivocally and strictly adhered to.

Limitations and Exclusions

THIS WARRANTY AND REMEDIES DESCRIBED HEREIN AND HEREINABOVE ARE EXCLUSIVE AND IN LIEU OF ANY AND ALL OTHER WARRANTY OR REMEDIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL THE SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL OR OTHER SIMILAR TYPES OF DAMAGES, FOR DAMAGES FOR THE LOSS OF PRODUCTION OR PROFITS, OR INJURY TO PERSON OR PROPERTY. NO PERSON HAS ANY AUTHORITY TO BIND SELLER TO OTHER THAN WHAT IS SET FORTH ABOVE.

THIS WARRANTY GIVES THE BUYER SPECIFIC LEGAL RIGHTS AND THE BUYER MAY ALSO HAVE OTHER RIGHTS WHICH VARY FROM JURISDICTION TO JURISDICTION. THE PARTIES RECOGNIZE AND AGREE, THAT IN ALL RESPECTS THE LAWS OF THE STATE OF CALIFORNIA SHALL APPLY TO AND SHALL GOVERN ANY INTERPRETATION OR LEGAL SIGNIFICANCE OF THIS DOCUMENT.

NO WARRANTY OR OTHER LIABILITY OF SELLER TO BUYER UNDER THIS AGREEMENT OR OTHERWISE WILL IN ANY EVENT EXCEED THE COST OF REPLACEMENT OF THE APPLICABLE SELLER PRODUCT, PART, OR ACCESSORY THAT IS SUBJECT TO ANY BREACH OF SELLER'S WARRANTY. SELLER WILL NOT BE LIABLE FOR ANY DAMAGE TO ANY PROPERTY OF BUYER OR TO BUYER'S CUSTOMERS FOR ANY CONSEQUENTIAL, INCIDENTAL, OR ECONOMIC LOSS OR COMMERCIAL DAMAGE WHATSOEVER. REMEDIES HEREIN PROVIDED ARE EXPRESSLY MADE THE SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF ANYWARRANTY OR OTHER OBLIGATION HEREUNDER EXPRESS OR IMPLIED OR FROM THE OPERATION OF LAW.

For more information regarding this warranty policy, please the manufacturer at the following:

Phone: (760) 723-5417 **Fax:** (760) 728-5062

Website: www.flexeonsvstems.com

- 2 - Effective Date: 12/14/10