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TERMS AND CONDITIONS OF SALE

1. Terms of Sale

The sale of factory and on-site spray applied coating (collectively "Coating") by Bluchem Coil Treatment (the "Seller") to Buyer is made solely on the terms and conditions contained in these Terms and Conditions of Sale (the "Terms") notwithstanding any additional or conflicting terms or conditions that may be contained in any purchase order or other purchase or order form, all of which additional or conflicting terms and conditions are hereby expressly objected to and rejected by Seller. No representations or warranties other than those contained in these Terms shall be binding upon Seller unless made in writing and signed by an officer of Seller. Delivery of coils, and/or a purchase order supplied for the spray applied coating constitutes an unconditional acceptance of these Terms.

2. Price

All quotations, unless otherwise specified, are subject to acceptance by the Buyer within ninety (90) days from the date of the quotation. Prices quoted by the Seller are subject to change without notice. The minimum order amount for coating is R500.

3. Terms of Payment

Terms of payment are cash in full on completion of the coating. If the Buyer has completed the Bluchem Application for Credit form and has been duly authorised by the Seller, then payment in full is within thirty (30) days of the statement date unless otherwise authorised in writing by the Seller. All overdue amounts will be subject to a service charge of up to the maximum rate permitted by law. The Seller shall be entitled to recover from the Buyer any reasonable costs incurred in enforcing these Terms, including without limitation, any collection costs or attorney's fees and expenses incurred by the Seller in the event of a default by the Buyer in making any payment due to the Seller.

4. Delivery of Coils

All coils sent for factory applied coating are shipped at the Buyers risk. Any delivery dates which may be specified are estimates only and are not guaranteed. The standard lead time is five (5) working days from the date the coils are received. The Seller shall not be responsible for any delay or failure to meet a delivery date caused by circumstances beyond the reasonable control of the Seller or others, including but not limited to, acts of God, riots, strikes, accidents, lack of transportation, or shortages of fuel, power, labour or equipment. Coils will be returned in the same crates/boxes/wrapping that they are in when delivered to the Seller.

5. Cancellations

The Buyer may not cancel or modify any order that the Seller has accepted unless the Seller consents and the Seller is immediately reimbursed for any and all costs, including administration costs, incurred by the Seller in connection with such orders.

6. Changes to Coating

The Seller reserves the right to change specifications, methods, and other protocols with respect to the Coating without incurring any obligation to the Buyer.

7. Governing Law

This agreement and the sale and application of the Coating by the Seller shall be governed in all respects by the laws of the Republic of South Africa. These Terms constitute the entire agreement between the Seller and Buyer.



8. Limited Warranty

(a) The Seller warrants that the Coating sold to the Buyer shall be free from defects in material and workmanship for a period of five (5) years from the date of completion of the application of the spray applied Coating. Any service performed under this warranty will not extend the warranty beyond such five year period. If the buyer notifies the Seller within the warranty period of a defective Coating, and provided the Buyer has complied with the notice, maintenance, record keeping, and other requirements set forth in sections 8 (b) and (c) below, and the Seller agrees that such coating is defective, the Seller at its sole option may repair the defect, replace the defective Coating, or give the buyer a refund as follows: (i) for the first two years of the warranty period refunds will equal the original purchase price of the Coating,

(ii) after the two year period, refunds will be granted at a prorated amount equal to the following calculation; (number of months remaining in warranty / 60) multiplied by the original purchase price for the spray applied Coating.

The Seller will not pay for the replacement of any coil. The Seller reserves the right to inspect and field repair any coil by application of a corrosion resistant coating. No person (including any agent or salesperson) has authority to expand the Seller's obligation beyond the warranty terms set forth in this section, (the "Warranty"), or to state that the performance of the Coating is other than that published by the Seller.

(b) The Warranty extends only to the original purchaser of the Coating and is non-transferable. Written notice of defective or damaged Coating, or of improper application of the Coating, must be reported to the Seller within thirty (30) days of discovery. In the event of a dispute regarding the cause of any coil irregularity or failure due to the Coating, an electron microscopic analysis will be conducted by an independent laboratory of the Sellers choice, and the results will be binding on the Buyer and the Seller.

(c) The Warranty is valid only if coils are properly and routinely cleaned in accordance with the coil cleaning procedures provided by the Seller to the Buyer, using only Seller approved cleaning materials, and only if the Buyer keeps complete and accurate documentation of its cleaning procedures, using the sample worksheet provided by the Seller to the Buyer (procedures & record worksheet available at www.bluchem.co.za). The Warranty will be automatically void if:

(i) Coating failure is from improper installation of the coil.

(ii) Coating failure is from physical or mechanical abuse, corrosive liquids or gases inside the system, wind driven sand, the rupture of tubing, or changes in exposure that are outside the design limits of the Coating as published by the Seller.

(iii) any damage to the Coating arising from improper handling, storage, abuse, misuse, or alteration of the Coating in any manner.

(iv) if the Buyer fails to follow the recommended maintenance instructions provided by the Seller to the Buyer

(v) if the Buyer fails to maintain records which will include the name of the customer, the location of the coil, the coil's serial number, and the coil's date of installation.

(vi) if the Buyer removes, destroys, or makes illegible the Bluchem identification number that is attached or engraved on the coil.

(d) The definition of the coil shall be the heat transfer area up to and including the header, but not including the first solder or braze joint.

(e) The following costs are expressly excluded from the Seller's obligations under this Warranty: labour or service costs, including the cost for removing or installing parts, any shipping or handling charges, costs for ancillary damage to coils or equipment, costs for replacement of coils, costs for refrigerant recovery, and costs for rental or temporary equipment.

(f) This limited warranty constitutes the Buyer's sole remedy. It is given in lieu of all other warranties. All implied warranties, including any implied warranty of merchantability or fitness for a particular purpose, are expressly excluded. It is expressly understood and agreed that in no event and under no circumstances shall the Seller be liable for incidental or consequential damages, whether the theory be breach of this or any other warranty, negligence, strict liability or otherwise.

PLEASE RETAIN FOR YOUR RECORDS