



**Greensboro NC T.Z. Osborne WRF  
AASI Proposal # 133535 dated December 22, 2014  
Exceptions, Clarifications, and Adders**

1. Section 01200, page 2, paragraph 1.03.C: Aqua-Aerobic Systems' preference is for a Pre-Construction meeting held via tele- or video- conference which allows attendance of AASI personnel from various disciplines (i.e. process/mechanical/electrical engineering, project manager, etc.). However, if onsite attendance is required, one AASI representative will attend.
2. Section 01300, page 6, paragraph 1.04.G: Aqua-Aerobic will provide the digital submittals and O&M documentation in Adobe PDF format in lieu of Microsoft Word format (latest version).
3. Section 01665, page 4, paragraph 3.03.C.4 specifies "The Owner will furnish all necessary operating personnel (other than vendor's or Subcontractor's service personnel) needed to operate equipment after the 30-day test period. Until performance tests are completed and units and systems are accepted by the Owner as substantially complete, the Contractor shall be fully responsible for the operation and maintenance of all new facilities." We are assuming that between the Owner and Contractor this specification will be met by others. AASI does not currently have priced in any technician's time to operate or assist in the operation of the plant. Please advise if an Aqua technician is required.
4. Section 01730, page 6, paragraph 3.03.A: The audio/video recording of the training/instructions are not included in Aqua-Aerobic Systems' scope of responsibilities and shall be provided by the Contractors.
5. Section 13300, page 15, paragraph 2.02.B, C, D: Specification requires Surge protection of the analog signals and Ethernet communications, however, our original scope of supply did not require this. AASI can supply surge protection per Section 13300, page 15, paragraph 2.02.B, C, D or equal for a **price adder of: \$45,437.**
6. Section 13311, page 2, paragraph 1.05.C: Aqua-Aerobic Systems is not an ISO 9001 registered facility so AASI's standard Quality Assurance procedures will be utilized.
7. Section 13330, page 7, paragraph 2.04.F: The panel schedule has not been provided for Aqua-Aerobic Systems' review, however, the control panels provided by AASI include a folding shelf on the inside of the door.
8. Section 13330, page 8, paragraph 2.06.G.1: Specification requires a sun shield if the panels are to be outdoors. Aqua did not have this in our original scope of supply, but AASI can supply the sun shield for a **price adder of: \$ 4,360**

9. Section 13330, page 17, paragraph 2.16.A: Aqua-Aerobic Systems' scope of supply does not include the digital panel meter.
10. Section 13330, page 18, paragraph 2.17: These control panel spare parts, as applicable to the filter control panels, as listed on AASI's proposal, are included in AASI's base bid proposal price.
11. Section 13340, page 2, paragraph 1.05.A: Specification calls for instrument tags. Aqua did not have this in our original scope of supply, but AASI can supply the instrument tags for a **price adder of: \$ 934.**
12. Section 13525, page 7, paragraph 1.06.C: Please confirm what average TSS levels are being sent to the filters at your convenience.
13. Section 13525, page 8, paragraph 1.09.A: Should the diamonds be shipped and installed separately or in stages, Aqua-Aerobic Systems' scope of supply is based upon the following, in lieu of last sentence of this paragraph: "The OWNER shall receive a written guarantee from the Manufacturer that the installed cloth media filter unit(s) shall comply with all of the performance requirements of this Section for 1 year from the date of substantial completion for that installed filter."
14. Section 13525, page 10, paragraph 2.01.G: The 4-wheel drive design specified has been updated and improved with a new design superior to that specified.
15. Section 15100, page 5, paragraph 1.05.A.4 & page 6 paragraph 1.06.C: Aqua-Aerobic Systems' scope of supply includes single phase electric valves in lieu of the 3 phase actuators specified. The 480 volt, 3 phase valve motor actuators are not included and would be accompanied by a price adder.
16. Section 15100, page 11, paragraph 2.03 B.1.: Specification calls for Local control of the Diamond valves. Aqua did not have them in our original scope of supply, but AASI can supply them for a **price adder of :\$ 17,375.**
17. Section 15100, page 17, paragraph 2.05.A.: Specification calls for 80 percent port opening in section 13525. Section 15100 calls for 100 Percent port opening for the plug valves. Please confirm that section 13525 supersedes section 15100. If 13525 does not supersede, AASI can provide 100% port opening plug valves for a **price adder of: \$22,596.**
18. Section 16191, page 7, paragraph 2.02.B.32: Specification calls for Surge protection for signal wiring entering and exiting the panels. Aqua did not have this in our original scope of supply but can provide the surge protection for a **price adder of: \$3,273.**
19. Section 16191, page 9, paragraph 2.02.C.10: Specification calls for Input and Output line reactors. Aqua did not have this in our original scope of supply but can provide for a **price adder of: \$20,280.**
20. Section 16191, page 10, paragraph 2.02.D: These control panel spare parts, as applicable to the filter control panels, as listed on AASI's proposal, are included in AASI's base bid proposal price.

**Total adders - \$114,255**

## Luke Cobb

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**From:** Tim Bishop <TBishop@heyward.net>  
**Sent:** Monday, January 19, 2015 3:59 PM  
**To:** Luke Cobb  
**Cc:** Don Trujillo  
**Subject:** RE: TZO-3 Filters

Luke,

Thanks again for the call today. Just wanted to get back with you real quick with responses back from Aqua-Aerobic regarding clarification on a couple items you will need for your meeting tomorrow.

1) **Field Service.** *Our onsite services are structured for the complete project. If staged start up will be required, additional field service days and trips will also be required. Currently our proposal includes 3 trips and 8 days for preconstruction, final checkout and Startup/O&M Instruction. By changing the scope to potentially 6 separate startups, we will need an additional 6 trips and 16 days. This equates to \$24,026.00 additional field service.*

2) **Warranty.** *With each filter having an individual start date, each filter will have an individual warranty expiration date. Below is a proposal note addressing warranty which would apply to each filter individually.*

- WARRANTY: In accordance with Aqua-Aerobic Systems' "WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER", Aqua-Aerobic warrants the goods provided by Aqua-Aerobic Systems, Inc. to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date of Substantial Completion (start-up), or eighteen months from date of shipment (whichever first occurs).

3) **Shipments.** *We would propose to ship filters in increments of 2 filters at a time. Assuming we can keep this schedule we can hold our freight costs included in our proposal. Lastly the price quoted assumes the contractor will accept all Aqua-Aerobic Systems equipment in the calendar year 2015. Shipments pushing into 2016 will be subject to escalation charges.*

Thanks Luke and let me know if the above looks OK or we need to modify or re-word anything for better presentation

Best Regards - Tim

Tim

**Tim Bishop**

**Heyward Incorporated / 2101 - A Cambridge Beltway / Charlotte, NC, 28273 / 704-583-2305**



TO: Greensboro (City of)  
2350 Huffman Mill Road  
McLeansville  
North Carolina 27301  
USA

PROJECT: GREENSBORO WWTP NC

ATN: Elijah Williams, TZ Osborne WRF

PROPOSAL DATE: December 22, 2014

CC: Heyward Incorporated / ph#: 704/583-2305 / fx#: 704/583-2900  
Tim Bishop

Aqua-Aerobic Systems - Regional Manager / ph#: 815/639-4554 / fx#: 815/654-2508  
Paul Nelson

**The following Notes apply to Aqua-Aerobic Systems' proposal:**

- We are pleased to quote, for acceptance by July 1, 2015, prices and terms on equipment listed below.
- Equipment will be furnished by Aqua-Aerobic Systems, Inc. with unloading of goods, civil work, and installation by the Buyer/Buyer's Installation Contractor.
- Reference: Specification Section 13525 - DIAMOND CLOTH FILTER SYSTEM; "City of Greensboro, North Carolina Department of Water Resources Water Reclamation Facility Expansion and BNR Upgrades Project T.J. Osborne WRF Contract No. 2011-038 Package 3" preliminary specifications dated August 2014 prepared by CDM Smith.

**Cloth Media Filters**

**AquaDiamond Basins**

**6 Model ADIFC1680 AquaDiamond Filter(s)**

- For installation in concrete basin(s) (provided by others) and shall include:

**6 Effluent Frame Installation(s) each consisting of:**

- 304 stainless steel effluent wall plate weldment(s).
- Effluent gaskets.
- 304 stainless steel effluent wall weldment(s).
- 304 stainless steel wall angles.
- 304 stainless steel base angles.
- 304 stainless steel scum discharge pipe weldment(s).
- 304 stainless steel anchors.

**6 Basin Installation(s) of Mounting Brackets and Hardware will be provided as follows:**

- 304 stainless steel media mounting base plates.
- 304 stainless steel cam stop mounting beams with adhesive anchors.
- Cam lock out assemblies.
- Limit switch trip brackets with adhesive anchors.

**6 Guide Angle Runner Plate Installation(s) will include the following:**

- 304 stainless steel guide angles.
- 304 stainless steel effluent runner plates.
- 304 stainless steel influent runner plates.
- Heat trace tubes under wall plates for cold weather package.
- 304 stainless steel anchor(s).

**6 Electrical Festoon System Installation(s) consisting of:**

- Festoon ceiling mounting bracket(s).
- Festoon cross member(s).
- Stainless steel festooning track C-channels.
- Festooning track hangers.
- End stops.
- End caps.
- Festooning trolleys.
- Tow trolley(s).
- Festooning loop organizers.
- Flat electrical cable(s).
- Belden cable(s).
- 304 stainless steel anchors.

### **AquaDiamond Frame Assemblies**

#### **48 Diamond Filter Frame and Media Installation(s) each consisting of:**

- Filter frame quarter panels.
- 304 stainless steel end weldments.
- 304 stainless steel effluent filter segment end weldment(s).
- Noryl inner panel supports.
- 80' OptiFiber® pile filter cloth media socks.
- Cloth will be chlorine resistant.
- 304 stainless steel filter media band clamps.
- Noryl cloth retainer bars.
- 304 stainless steel slide support weldments.
- 304 stainless steel filter frame supports.
- Filter frame support bars.
- 304 Stainless steel filter blanking plate.

### **AquaDiamond Drive Platform Assemblies**

#### **6 Diamond Filter Drive Platform Assembly(ies) consisting of the following:**

- 304 stainless steel chassis weldment.
- Aluminum floor plates.
- Vacuum pipe weldment.
- 6" Valve adaptor weldment.
- 4" Valve adaptor weldment.
- Recirculation discharge pipe weldment.
- Recirculation discharge pipe outlet weldment.
- 4" Pipe support weldment.
- Pipe straps.
- Guide wheel box weldments.
- Suspension beam weldment.
- End shafts.
- Floating shaft.
- Floating shaft weldment.
- Shaft spacers.
- Discharge pipe installation.
- Aluminum handrail assemblies.
- Pillow block bearings.
- AGMA Class I gearbox and motor assembly(ies) with 2HP (1.5kw) premium efficiency inverter duty rated TEFC motor with heater.
- Single phase motor winding thermostat(s).
- Platform wheel(s).
- Painted steel drive shaft coupling(s).

- Sprocket(s).
- Idler sprocket(s).
- Polyethylene skid plate(s).
- Roller chain.
- Guide wheel(s).
- Gorman Rupp model T4A60S externally mounted centrifugal backwash pump(s) with 20 HP premium efficiency inverter duty rated TEFC 3 phase motor, motor space heater, and pump casing heater.
- Single phase motor winding thermostat(s).
- Pump heater kit(s).
- 6 inch diameter Milliken 601-N0 electrically operated eccentric plug valve(s) with 125# flanged end connection, ASTM A-126 Class B cast iron body with welded in nickel seat, EPDM coated ductile iron plug, assembled and tested with a Auma SG07, 115 VAC, 60 hertz, single phase open/close service electric actuator. Valve actuator includes local controls and compartment heater.
- 4 inch diameter Milliken 601-N0 electrically operated eccentric plug valve(s) with 125# flanged end connection, ASTM A-126 Class B cast iron body with welded in nickel seat, EPDM coated ductile iron plug, assembled and tested with a Auma SG07, 115 VAC, 60 hz, single phase open/close service electric actuator. Valve actuator includes local controls and compartment heater.
- 4 inch diameter Milliken 601-N0-AG manual eccentric plug valve(s) with cast iron body, welded nickel seat, flanged end style, EPDM coated ductile iron plug, stainless steel bearings, and lever operator.
- 4" Krohne Enviromag series 2000 F magnetic inductive flow-meter with series IFC signal converter mounted integral to the meter.
- 0 to 30 inches mercury vacuum gauge(s).
- 1/4" stainless steel ball valve(s).
- Vacuum transmitter(s).
- Conduit will be rigid aluminum.
- Trip switch assemblies.
- Festoon mast assembly.

#### **AquaDiamond Backwash/Solids Piping Assemblies**

##### **6 Set(s) of Backwash and Solids Piping Assembly(ies) will be provided as follows:**

- Flexible hose.
- Stainless steel hose clamps.
- 304 stainless steel sludge dropleg weldments.
- 304 stainless steel backwash suction pipe weldments.

##### **6 Backwash Shoe Assembly(ies) (8 sets per basin) will be provided as follows:**

- 304 stainless steel backwash shoe weldments.
- 302 stainless steel extension springs.
- 304 stainless steel pivot pins.
- Polyethylene backwash nozzle plate(s).
- 304 stainless steel backwash shoe mounting assemblies.

#### **AquaDiamond Instrumentation**

##### **6 Pressure Transducer Installation(s) (2 Transducers Per Basin) consisting of:**

- Probe mounting bracket(s).
- Pressure transducer(s).
- Aneroid bellows.

##### **6 High Level Float Switch Installation(s) consisting of:**

- Float switch(es).
- 316 stainless steel float switch mounting bracket(s).

#### **AquaDiamond Pumps, Valves, and Plumbing Assemblies**

##### **6 Skimmer Valve(s) consisting of the following:**

- 8 inch diameter Milliken 601-N0 electrically operated eccentric plug valve(s) with 125# flanged end connection,

ASTM A-126 Class B cast iron body with welded in nickel seat, EPDM coated ductile iron plug, assembled and tested with a Auma SG12, 115 VAC, 60 hertz, single phase open/close service electric actuator. Valve actuator includes compartment heater.

- Local pushbutton controls integral to the valve actuator.
- Valve extension(s) painted steel.

### **Misc/Spare Parts**

#### **1 List of AquaDiamond Spare Parts consisting of:**

- (2) 80' cloth media socks.
- (1) Gorman Rupp model T4A60S backwash pump(s) with 20 HP motor.
- (5) Each type of fuse.
- (3) LED lamps.
- (2) Platform wheels.
- (1) Safety switch.
- (1) Safety switch lever.
- (2) Each type of control relay(s).
- (2) Each type of circuit breaker(s).
- (2) Each type of selector switch(es).
- (1) 2 HP VFD(s).
- (1) 20 HP VFD(s).
- (1) Pressure transducer.
- (1) Aneroid bellows.
- (1) G.E. processor.
- (1) G.E. power supply(ies).
- (1) G.E. input card(s).
- (1) G.E. output card(s).
- (1) G.E. analog input card(s).
- (1) G.E. analog output card(s).
- (1) Modbus communication module(s).

### **AquaDiamond Controls**

#### **1 Shore Mounted Control System(s) Installation consisting of:**

- NEMA 4X 316 stainless steel enclosure(s).
- Inlet power surge suppressor(s).
- Flange mount disconnect.
- Fuse(s) and fuse block(s).
- Phase failure relay(s).
- 3 KVA transformer(s) with fuses.
- Uninterrupted power supply.
- Circuit breaker(s).
- 115 V power line filter(s).
- GFI receptacle(s).
- G.E. Fanuc and Quickpanel OIT components per specification.
- Operator interface sun shield(s).
- Ethernet switch(es).
- Temperature sensor(s).
- Temperature transmitter(s).
- Panel heater.
- Air conditioner(s).
- Folding Shelf.
- Control panel fluorescent light kit(s).

#### **6 Festooning System Junction Box(es) consisting of:**

- NEMA 4X 316 stainless steel enclosure(s).
- Terminal blocks.
- Wires will have heat shrink markers.

**6 Platform Mounted Control System(s) Installation consisting of:**

- NEMA 4X 316 stainless steel enclosure(s).
- Flange mounted disconnect.
- Fuse(s) and fuse block(s).
- Surge protector and transient eliminator
- Phase failure relay(s).
- 3 KVA transformer(s) with fuses.
- Uninterrupted power supply.
- Circuit breaker(s).
- 115 V power line filter(s).
- GFI receptacle(s).
- G.E. FanucPLC components per specification.
- Operator interface sun shield(s).
- Ethernet switch(es).
- 2 HP VFD(s).
- 20 HP VFD(s).
- Control relay(s).
- Selector switch(es).
- Push-To-Test indicator(s).
- Panel heater.
- Air conditioner(s).
- Panel fluorescent light.

**AquaDiamond Engineering**

**6 Set(s) Documentation for the AquaDiamond will be provided as described:**

- Engineer's Approval Data (English language).

**6 Set(s) Documentation will be provided as described:**

- Operation & Maintenance Manuals (English language).

**1 Set(s) Documentation will be provided as described:**

- Operation & Maintenance Manuals (English language) in electronic format.

**AquaDiamond Supervision/Freight**

**1 Supervision Services and Freight Package(s) for the AquaDiamond will be provided as follows:**

- 1 Day On Site for Preconstruction Conference and Installation
- 1 Trips for Preconstruction Conference and Installation
- 3 Days On Site for Final Installation and Operational Demonstration
- 1 Trip for Final Installation and Operational Demonstration
- 4 Days On Site for Start-up, Commission, and Operation and Maintenance Instruction
- 1 Trip for Start-up, Commission, and Operation and Maintenance Instruction
- 4 Days On Site for Supervision of Field Acceptance Testing
- 1 Trip for Supervision of Field Acceptance Testing
- FREIGHT TO JOBSITE

**The Following Notes apply to Aqua-Aerobic Systems' Proposal:**

- SCHEDULE: We expect PRELIMINARY CONCEPT drawings will be completed and in transit to you within 3-4\* weeks after receipt of order with acceptable terms and conditions and credit approval/guarantee of payment. Following finalization of the preliminary concept and our receipt of Purchaser vendor's basin detail drawings, site layout, hydraulic profile and building drawings (if applicable) we expect engineer's submittal data will be completed and in transit to you within approximately 3-4\* weeks. At time of order placement, if it is determined preliminary concept drawings are not needed in order to proceed with preparation of engineer's submittal data, we expect

submittals to be completed and in transit to you within 4-8\* weeks after receipt of order with acceptable terms and conditions and guarantee of payment. We expect receipt of approved engineer's submittal with release for manufacture within 4-8 weeks of our transmittal of submittal data. We expect shipment of equipment (transit time excluded) to be approximately 16-18\* weeks from our receipt of approved engineer's submittal data and release for manufacture. Schedules may be adjusted at time of order placement, depending upon existing order backlog. Weeks quoted are actual working weeks. Aqua-Aerobic closes for the Holidays beginning approximately December 24, through approximately January 2nd annually.

- Electrical wiring, interconnecting wiring, conduit, supply power, and appurtenances are to be supplied by the installing contractor/purchaser.
- Freeze protection may be required for outdoor installation in cold weather climates. All such protection, including but not limited to, heat tracing and insulation of pumps and piping shall be provided and installed by the installing contractor.
- Materials and Services not specifically described/itemized in this proposal are not included in the quoted total price, and are to be supplied by the installing contractor/purchaser.
- Field assembly of the Diamond filter frame and media components shall be provided by the installing contractor.
- Effluent weir plate must be provided and installed for each filter by the installing contractor. After final adjustment and inspection by Aqua-Aerobic Systems Field Service Representative, the Installing Contractor is to seal the effluent weir plate to prevent leakage.
- Supervision services included in Aqua-Aerobic Systems' proposal are based upon supply of the quantity of trips and days stated. Additional supervision services can be provided for an additional charge of \$1100/day plus travel and living expenses.
- CONTROLS NON-DISCLOSURE / CONFIDENTIALITY AGREEMENT: If applicable, Aqua-Aerobic Systems will provide information relating to software documentation to control the treatment system supplied using Aqua-Aerobic Systems' proprietary and/or trade secret information subject to execution of an Aqua-Aerobic "Controls Non-Disclosure / Confidentiality Agreement".
- Three phase motors will be 460 volt.
- Single phase motors will be 115 volt.

**The Following Notes apply to Aqua-Aerobic Systems' Proposal:**

- WARRANTY: In accordance with Aqua-Aerobic Systems' "WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER", Aqua-Aerobic warrants the goods provided by Aqua-Aerobic Systems, Inc. to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date of Substantial Completion (start-up), or eighteen months from date of shipment (whichever first occurs).
- PROCESS GUARANTEE: A company backed process performance guarantee in accordance with the terms stated on Aqua-Aerobic Systems' process guarantee will be provided.
- F.O.B. JOBSITE; TITLE AND RISK OF LOSS: All prices and all shipments of goods are F.O.B. Jobsite City Location. It is the responsibility of the Buyer to unload shipments and utilizing the packing list and bill of lading provided with the shipment notate shortages/damages upon receipt of the shipments and notify Aqua-Aerobic in writing within 7 days of the shortages/damages to facilitate filing of a freight claim. Delivery of the goods sold hereunder by the carrier shall be deemed delivery to Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.
- TAXES: State and/or local taxes are not included in the price but will be charged unless we receive a valid resale/exemption certificate.
- SCOPE OF SUPPLY NOTE: Aqua-Aerobic Systems' scope of supply and pricing is as described in this proposal including the listed Integral Documents, terms and conditions of sale, and is based upon the "City of Greensboro, North Carolina Department of Water Resources Water Reclamation Facility Expansion and BNR Upgrades Project T.J. Osborne WRF Contract No. 2011-038 Package 3" preliminary specifications dated August 2014 prepared by CDM Smith unless otherwise stated on Aqua's Exceptions/Clarifications document. Please refer to the Exceptions/Clarifications document, Proposal #133535 Adders List, and Proposal #133535 closing notes for equipment terminations and items not included in Aqua-Aerobic Systems' scope of supply or price, as well as items which are to be provided by the Buyer. Engineer's submittal data will be prepared using these proposed goods and services, and the submittal approved by the Consulting Engineer will become an integral part of the scope of supply

under the contract resulting from this offer. Any additions or deletions to the scope of supply will be presented as change orders.

- INTEGRAL DOCUMENTS: The following documents are an integral part of Aqua-Aerobic Systems' proposal:
  1. Aqua-Aerobic Systems' cover letter Correspondence ID# AAL-31678 dated 12/22/14.
  2. Aqua-Aerobic Systems' Exceptions and Clarifications and Adders List document December 22, 2014

- TRADEMARKS: Aqua-Aerobic, AquaSBR, Aqua-Jet, Aqua-Jet II, AquaDDM, Endura Series, Aqua EnduraDisc, Aqua EnduraTube, Aqua CB-24, AquaCAM-D, AquaEnsure, IntelliPro, AquaExcel, Aqua MixAir, AquaPASS, Aqua MSBR, AquaMB Process, Aqua-Aerobic MBR, Aqua UltraFiltration, Aqua MultiBore, OxyMix, Aqua BioMax, AquaDisk, AquaDrum, AquaDiamond, Aqua MegaDisk, AquaDrum, Aqua MiniDisk, OptiFiber, OptiFiber PES-13, OptiFiber PA2-13, OptiFiber ACR-13, OptiFiber PES-14, AquaABF, Turbilite, and the Aqua-Aerobic logo are registered trademarks or pending trademarks of Aqua-Aerobic Systems, Inc. All other products and services mentioned are trademarks of their respective owners.

**GOODS QUOTED ABOVE WILL BE SOLD SUBJECT ONLY TO THE TERMS AND CONDITIONS OF SALE SET FORTH HEREIN. ANY DIFFERENT OR ADDITIONAL TERMS ARE HEREBY OBJECTED TO.**

**Total Price: \$5,655,403**

**Adders: \$ 114,255 + \$4,026**

**Add for start-up services - \$24,026  
Include start-up of individual filters**

**Total: \$5,793,684**

TIME TABLE

Preliminary Submittals	3-4 weeks
Review & comment to Aqua (Garney / CDM)	2 weeks
Complete Submittals	3-4 weeks
Submittal Review & Return	6 weeks
Fabrication & Delivery	16-18 weeks
<b>Total Duration</b>	<b>30-34 weeks</b>

Delivery Dates upon PO Execution

**PO Received by Vendor**

**Estimated Delivery Windows**

(based on Vendor Supplied Durations)

1/30/2015	August 28 - September 25
2/06/2015	September 04 - October 02
2/20/2015	September 18 - October 16
3/06/2015	October 02 - October 30

**TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.****Page 1 of 2**

**This offer and all of the goods and sales of Aqua-Aerobic Systems, Inc. are subject only to the following terms and conditions. The acceptance of any order resulting from this proposal is based on the express condition that the Buyer agrees to all the terms and conditions herein contained. Any terms and conditions in any order, which are in addition to or inconsistent with the following, shall not be binding upon Aqua-Aerobic Systems, Inc. This proposal and any contract resulting therefrom, shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to conflicts of laws principles.**

**PAYMENT**

Unless specifically stated otherwise, quoted terms are Net 30 Days from shipping date. Past-due charges are 1.5% per month and will apply only on any past-due balance. Aqua-Aerobic Systems, Inc. does not allow retainage of any invoice amount, unless authorized in writing by an authorized representative of our Loves Park, Illinois office.

**DURATION OF QUOTATION**

This proposal of Aqua-Aerobic Systems, Inc. shall in no event be effective more than 30 days from date thereof, unless specifically stated otherwise, and is subject to change at any time prior to acceptance.

**SHIPMENT**

Shipping dates are not a guarantee of a particular day of shipment and are approximate, being based upon present production information, and are subject to change per the production schedules existing at time of receipt of purchase order. Aqua-Aerobic Systems, Inc. shall not be responsible for any delay in shipment for causes beyond its control including, but not limited to, war, riots, strikes, labor trouble causing interruption of work, fires, other casualties, transportation delays, modification of order, any act of governmental authorities or acts of God. Quoted shipment dates in this proposal are approximate dates goods will be shipped and, unless agreed to in writing by Aqua-Aerobic Systems, Inc., Buyer may not postpone or delay the dates of shipment of goods from our plant or from our supplier's plants beyond the dates set forth in this proposal.

**TITLE AND RISK OF LOSS**

All prices and all shipments of goods are F.O.B. Aqua-Aerobic Systems, Inc.'s plant at Loves Park, Illinois unless specifically stated otherwise. Delivery of the goods sold hereunder to the carrier shall be deemed delivery to the Buyer, and upon such delivery, title to such goods and risk of loss or damage shall be upon Buyer.

**TAXES**

Prices quoted do not include any taxes, customs duties, or import fees. Buyer shall pay any and all use, sales, privilege or other tax or customs duties or import fees levied by any governmental authority with respect to the sale or transportation of any goods covered hereby. If Aqua-Aerobic Systems, Inc. is required by any taxing authority to collect or to pay any such tax, duty or fee, the Buyer shall be separately billed at such time for the amounts Aqua-Aerobic Systems, Inc. is required to pay.

**INSURANCE**

Unless the goods are sold on a CIF basis, the Buyer shall provide marine insurance for all risks, including war and general coverage.

**SECURITY**

If at any time the financial responsibility of the Buyer becomes unsatisfactory to Aqua-Aerobic Systems, Inc., or Aqua-Aerobic Systems, Inc. otherwise deems itself insecure as to receipt of full payment of the purchase price from Buyer hereunder, Aqua-Aerobic Systems, Inc. reserves the right to require payment in advance or security or guarantee satisfactory to Aqua-Aerobic Systems, Inc. of payment in full of the purchase price.

**LIMITATION OF ACTION**

No action shall be brought against Aqua-Aerobic Systems, Inc. for any breach of its contract of sale more than two years after the accrual of the cause of action thereof, and, in no event, unless the Buyer shall first have given written notice to Aqua-Aerobic Systems, Inc., of any claim of breach of contract within 30 days after the discovery thereof.

**CANCELLATION CLAUSE**

No acceptance of this proposal, by purchase order or otherwise, may be modified except by written consent of Aqua-Aerobic Systems, Inc. nor may it be cancelled except by prior payment to Aqua-Aerobic Systems, Inc. the following sums as liquidated damages therefore: 1) If cancellation is prior to commencement of production and prior to the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to 15% of the total purchase price; 2) If cancellation is after the commencement of production or after the assumption of any obligations by Aqua-Aerobic Systems, Inc. for any materials or component parts, a sum equal to the total of the direct, out-of-pocket expenses incurred to the date of cancellation for labor, machine time, materials and any charges made to us by suppliers for cancellation, plus 30% of the total purchase price. All charges and expenses shall be as determined by Aqua-Aerobic Systems, Inc. In the event any items are used by Aqua-Aerobic Systems, Inc. to fill a subsequent order, then upon receipt of payment for such order, Aqua-Aerobic Systems, Inc. shall pay the Buyer a sum equal to the direct out-of-pocket expenses previously charged and received from Buyer.

**PROPRIETARY INFORMATION**

This proposal, including all descriptive data, drawings, material, information and know-how disclosed by Aqua-Aerobic Systems, Inc. to Buyer in relation hereto is confidential information intended solely for the confidential use of Buyer, shall remain the property of Aqua-Aerobic Systems, Inc. and shall not be disclosed or otherwise used to the disadvantage or detriment of Aqua-Aerobic Systems, Inc. in any manner.

**TERMS AND CONDITIONS OF AQUA-AEROBIC SYSTEMS, INC.**

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**QUALIFIED ACCEPTANCE AND INDEMNITY**

In the event the acceptance of this proposal by Buyer either is contingent upon or subject to the approval by any third party such as, but not limited to, a consulting engineer, with respect to goods, parts, materials, descriptive data, drawings, calculations, or any other matter, then upon such approval by any third party, Aqua-Aerobic Systems, Inc. shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal. In the event any such third party requires modifications in the proposal prior to the approval thereof, Aqua-Aerobic Systems, Inc. may at its sole option and without liability to any party elect to cancel this proposal or return the purchase order to Buyer. In the event Aqua-Aerobic Systems, Inc. elects to modify this proposal to conform to the requirements for approval by any third party, Aqua-Aerobic Systems, Inc. in such event shall have no liability to Buyer or to any third party so long as the goods sold and delivered by Aqua-Aerobic Systems, Inc. conform to this proposal as modified.

Buyer agrees to indemnify and save harmless Aqua-Aerobic Systems, Inc. from and against all costs and expenses and liability of any kind whatsoever arising out of or in connection with claims by third parties so long as the goods sold hereunder conform to the requirements of this proposal as approved by any third party.

**WARRANTY; LIMITATION OF LIABILITY; AND DISCLAIMER**

In return for purchase and full payment for Aqua-Aerobic Systems, Inc. goods, we warrant new goods provided by us to be free from defects in materials and workmanship under normal conditions and use for a period of one year from the date the goods are put into service, or eighteen months from date of shipment (whichever first occurs). If the goods include an "Endura Series" motor, the complete Endura Series unit shall be warranted by Aqua-Aerobic to be free from defects in materials and workmanship under normal conditions and use for three years from the date the product is put into service or 42 months from the date of shipment (whichever occurs first).

**OUR OBLIGATION UNDER THIS WARRANTY IS EXPRESSLY AND EXCLUSIVELY LIMITED** to replacing or repairing (at our factory at Loves Park, Illinois) any part or parts returned to our factory with transportation charges prepaid, and which our examination shall show to have been defective. Prior to return of any goods or its parts to our factory, Buyer shall notify Aqua-Aerobic Systems, Inc. of claimed defect, and Aqua-Aerobic Systems, Inc. shall have the privilege of examining the goods at Buyer's place of business at or where the goods have otherwise been placed in service. In the event this examination discloses no defect, Buyer shall have no authority to return the goods or parts to our factory for the further examination or repair. All goods or parts shall be returned to Buyer, F.O.B. Loves Park, Illinois. This warranty shall not apply to any goods or part which has been repaired or altered outside our factory, or applied, operated or installed contrary to our instruction, or subjected to misuse, chemical attack/degradation, negligence or accident. This warranty and any warranty and guaranty of process or performance shall no longer be applicable or valid if any product, including any software program, supplied by Aqua-Aerobic Systems, Inc., is modified or altered without the written approval of Aqua-Aerobic Systems, Inc. Our warranty on accessories and component parts not manufactured by us is expressly limited to that of the manufacturer thereof.

**THE FOREGOING WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND OF ALL OTHER LIABILITIES AND OBLIGATIONS ON OUR PART, INCLUDING ANY LIABILITY FOR NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE; AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS EXPRESSLY DISCLAIMED; AND WE EXPRESSLY DENY THE RIGHT OF ANY OTHER PERSON TO INCUR OR ASSUME FOR US ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF ANY GOODS PROVIDED BY US. THERE ARE NO WARRANTIES OR GUARANTEES OF PERFORMANCE UNLESS SPECIFICALLY STATED OTHERWISE.**

**UNDER NO CIRCUMSTANCES, INCLUDING ANY CLAIM OF NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, SHALL AQUA-AEROBIC SYSTEMS, INC. BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, COSTS OF CONNECTING, DISCONNECTING, OR ANY LOSS OR DAMAGE RESULTING FROM A DEFECT IN THE GOODS. LIMIT OF LIABILITY: AQUA-AEROBIC SYSTEMS, INC.'S TOTAL LIABILITY UNDER THE ABOVE WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE PART. THE REMEDIES SET FORTH HEREIN ARE EXCLUSIVE, AND OUR LIABILITY WITH RESPECT TO ANY CONTRACT OR SALE, OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, OR OTHERWISE, SHALL NOT, IN ANY CASE, EXCEED THE PRICE OF THE GOODS UPON WHICH SUCH LIABILITY IS BASED.**

Final acceptance of this proposal must be given to Aqua-Aerobic Systems, Inc. at their office in Loves Park, Illinois. Please acknowledge acceptance by signing the proposal and returning it to Aqua-Aerobic Systems, Inc.

Accepted by: \_\_\_\_\_

Offer Respectfully Submitted, \_\_\_\_\_

Company: \_\_\_\_\_

Tamera Knapp, Applications Engineering Supervisor  
Aqua-Aerobic Systems, Inc.

By: \_\_\_\_\_ Date: \_\_\_\_\_