

**Standard General Terms and Conditions of Lease  
The Americas**

1. **Generally.** These terms and conditions stated below (these “terms”) shall apply to your rental from Pall Corporation or its subsidiaries (“Owner”) of certain equipment (the “Equipment”). These terms together with the Rental Agreement or Purchase Order by and between Owner and you (“Renter”), constitute a contract between the parties therein named which contract is hereafter referred to as this “Agreement”. Any additional or different terms proposed by Renter are specifically rejected.
2. **Rental Period.** The Rental Period shall cover all time consumed in transporting the Equipment, including the date of delivery to a public carrier for transit to Renter and upon return of the Equipment, the date of legal delivery by such carrier to Owner, or if no public carrier is used, shall include the date upon which transit to Renter begins and the date upon which transit from Renter ends at Owner’s unloading point.
3. **Delivery.** Delivery of the Equipment is FCA (Owner’s facility) Incoterms 2010; claims for damages to the Equipment in shipment must be made directly to the freight carrier. All transportation charges for delivery of the Equipment to Renter’s Location are to be paid by Renter. All rigging, drayage charges, structural alterations, rental of heavy equipment and/or other expense necessary to place the Equipment at the Location are to be promptly paid by Renter.
4. **Installation.** Renter agrees to pay for the actual installation of the Equipment at Renter’s Location. Renter shall make available and agrees to pay for all costs associated with providing a suitable place of installation and necessary power and utilities required for operating the Equipment as defined in the manual or instructions. All supplies consumed or required by the Equipment shall be furnished and paid for by Renter.
5. **Inspection; Conclusive Presumptions.** Renter shall inspect the Equipment within two (2) business days after receipt thereof. Unless Renter gives written notice to Owner within said period of time, specifying any defect in or other proper objection to the Equipment, Renter agrees that it shall be conclusively presumed, as between Owner and Renter, that Renter has fully inspected and acknowledged that the Equipment is in full compliance with the terms of this Agreement, in good condition and repair, and that Renter is satisfied with and has accepted the Equipment in such condition and repair.
6. **Rental Charges.** Renter shall pay the Rental Charges for the entire Rental Period on each article of Equipment, without notice, setoff or deduction, in advance on the first day of each month, in U.S. Dollars at the rate set forth in this Agreement and in accordance with the following:
  - (a) Monthly Rental Rates shall not be subject to any deductions on account of any non-working time in the month. The amount of Rental Charges payable for any fraction of a month at the beginning or end of the Rental Period shall be the monthly rental rate, prorated according to the number of calendar days in such fraction.
  - (b) Daily Rental Rates shall not be subject to deductions for any non-working time in the day and shall be paid for each calendar day in the month.
  - (c) All late payments shall be subject to any costs of collection and shall bear interest at the rate of 1½% per month, or the maximum legal rate allowed by applicable law, whichever is lower, calculated from the date when such payment was due until paid, and on any other sum for breach of this Agreement, from the date of the breach.

7. **Security Deposit.** Any security deposit paid by Renter to Owner is paid to guarantee Renter's full and faithful performance of all terms, conditions and provisions of this Agreement and for any damages caused by Renter or Renter's agents to the Equipment. Owner may use part or all of the security deposit to repair any damage to Equipment caused by Renter or Renter's agents. However, Owner is not just limited to the security deposit amount and Renter remains liable for any balance. Renter shall not apply or deduct any portion of any security deposit from the last or any month's rent. Renter shall not use or apply any such security deposit at any time in lieu of payment of rent. If Renter breaches any terms or conditions of this Agreement, Renter shall forfeit any deposit, as permitted by law. If Renter shall so perform, an equal sum shall be repaid without interest to Renter at the termination of this Agreement.
8. **Fees, Assessments, and Taxes Paid By Renter.** Renter shall pay all license fees, assessments, and sales, use, property and excise, and other taxes or hereafter imposed, and relating to Renter's use or possession of the Equipment.
9. **Repair, Maintenance, and Operation of the Equipment.**
  - (a) Renter shall use the Equipment in accordance with its specifications and for its designated use and shall comply with all requirements contained in this Agreement and any additional documentation delivered by Owner to Renter with respect to the Equipment. Renter shall ensure that the Equipment is not subjected to careless, unusually or needlessly rough usage.
  - (b) Renter shall, at its sole cost and expense, maintain the Equipment throughout the Rental Period, in good working condition and in good repair, ordinary wear and tear resulting from proper use thereof alone excepted, including without limitation, providing replacement parts which shall become part of the Equipment.
  - (c) Renter shall not remove, alter, disfigure or cover up any numbering, lettering, or insignia displayed upon the Equipment.
10. **Location and Ownership of the Equipment.**
  - (a) The Equipment shall, at all times, be the sole and exclusive property of Owner. Renter shall have no right or property interest therein, except for the right to use the Equipment in the normal operation of its business at the Location, or as otherwise provided herein. The Equipment is and shall remain personal property even if installed in or attached to real property. Owner shall be permitted to display notice of its ownership on the Equipment by means of a suitable stencil, label or plaque affixed thereto.
  - (b) Renter shall keep the Equipment separate from its own equipment and shall mark it to indicate that it is the property of Owner. Renter shall give Owner immediate notice in the event that any of said equipment is levied upon or is about to become liable or is threatened with seizure, and Renter shall indemnify Owner against all loss and damages caused by such action.
11. **Default; Remedies.** A default shall be deemed to have occurred hereunder upon the occurrence of any of the following (each, an "**Event of Default**") (i) non-payment of Rental Charges when due; (ii) non-payment when due of any other payment hereunder, (iii) default in the payment when due of any amounts to Owner or any affiliate of Owner arising independently of this Agreement; (iv) failure to maintain, use or operate the Equipment in compliance with this Agreement or applicable law; (v) failure to obtain, maintain and comply with all of the insurance coverages required under this Agreement; (vi) any transfer or encumbrance of the Equipment, or the existence of any lien on the Equipment; (vii) the commencement of any bankruptcy, insolvency, receivership or similar proceeding by or against Renter or any of its properties or business (unless, if involuntary, the

proceeding is dismissed within sixty (60) days of the filing thereof) or the rejection of this Agreement in any such proceeding; (viii) the failure by Renter generally to pay its debts as they become due or its admission in writing of its inability to pay the same; (ix) Renter shall cease to do business as a going concern, liquidate, or dissolve; (x) Renter shall sell, transfer, or otherwise dispose of all or substantially all of its assets or property; or (xi) Renter shall default in the performance of any other covenant herein and such default shall continue for five days after written notice hereof to Renter by Owner. Upon the Occurrence of an Event of Default, Owner shall have the right to exercise any one or more of the following remedies:

- (a) To declare the entire amount of Rental Charges hereunder immediately due and payable as to any or all items of the Equipment, without notice or demand to Renter;
- (b) To sue for and recover all Rental Charges, and other payments, then accrued or thereafter accruing, with respect to any or all items of the Equipment;
- (c) To take possession of any or all items of the Equipment without demand, notice, or legal process, wherever they may be located. Renter hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this Agreement as to any or all items of Equipment unless Owner expressly so notifies Renter in writing. If Renter denies or interferes with Owner's right of entry, removal and possession, Owner may enforce said right in a court of law and in such proceeding the only matter to be considered shall be the right of entry, possession and removal. In any undertaking required pursuant to such an enforcement, the levying officer as authorized shall promptly deliver possession of the Equipment to Owner and Renter shall be liable for all costs including reasonable attorneys' fees.
- (d) To terminate this Agreement as to any or all items of Equipment; and/or
- (e) To pursue any other remedy at law or in equity.

Notwithstanding any repossession, or any other action which Owner may take, Renter shall be and remain liable for the full performance of all obligations on the part of Renter to be performed under this Agreement. All remedies of Owner are cumulative, and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. Renter shall pay Owner all costs and expenses, including reasonable attorneys' fees, incurred by Owner in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions, or provisions hereof.

12. **Quiet Possession and Inspection.** Owner hereby covenants with Renter that Renter shall quietly possess the Equipment subject to and in accordance with the provisions of this Agreement so long as there is no Event of Default hereunder; provided, however, that Owner or its designated agent may, at any and all reasonable times during business hours, enter Renter's Location for the purposes of inspecting the Equipment and the manner in which it is being used, and upon prior written notice, audit Renter's records retained in connection with this Agreement to confirm compliance with the terms of this Agreement.

13. **Insurance.**

- (a) Renter shall, for the longer of (i) the Rental Period or (ii) the period in which the Equipment is at the Location of Renter or in route to Owner's premises, maintain: (i) Commercial General & Products Liability (written on ISO occurrence based form) with a bodily injury and property damage combined single limit in the amount of \$1,000,000 per occurrence (or such higher amounts as may be required in order to obtain the umbrella liability coverage described below); (ii) Commercial Umbrella Liability in the amount of

\$5,000,000 per occurrence; and (iii) Broad Form Property Insurance for the full replacement value of the Equipment. Owner shall be named as additional insured on the foregoing liability policies and loss payee on the foregoing property policies. Each of the above mentioned policies shall contain waivers of the insurer's subrogation rights against Owner. Insurance companies used for the above policies must have an A.M. Best rating of A- or better.

- (b) Prior to the delivery of the Equipment to Renter, Renter shall deliver to Owner a current certificate of insurance reflecting the above referenced coverages, in a form and substance satisfactory to Owner, acknowledging that Owner has been named as an additional insured on all referenced policies with respect to liability arising out of Renter's activities or omissions. No such policy will be cancelled or materially changed without at least 30 days prior written notice to and the consent of Owner.
14. **End of Rental Period.** Upon expiration of the applicable Rental Period, or the termination of this Agreement, Renter shall promptly return to Owner the Equipment, at Renter's cost and expense, in good working condition and good repair, ordinary wear and tear resulting from proper use thereof alone excepted; and pay to Owner any and all outstanding amounts due Owner as of the date of such termination or expiration. The Equipment must be returned in the same shipping container as it was received it; failure to do so will result in a restocking fee up to \$1,000.00. The amount of the restocking fee will vary based on the Equipment shipped and the shipping container that was used and is determined in Owner's sole discretion. Prior to return of the Equipment, Renter agrees to drain all fluids from the Equipment, remove and dispose of all used filter cartridges, and clean the Equipment. Failure to complete these actions may result in additional charges. The Equipment will be inspected upon return and the determination of any damage charges will be at the discretion of Owner. Renter agrees to pay additional Rental Charges on Equipment at the rate of two times the daily Rental Charge rate for each day, beginning on the expiration of the Rental Period, which the Equipment has not been returned to Owner. Rental Charges for late returns may be deducted from the security deposit at the option of Owner.
15. **No Subletting or Assignment.** Renter shall not assign, delegate, transfer or encumber any of its rights or obligations hereunder, sublet the Equipment or otherwise permit the Equipment to be operated or used by, or to come into or remain in the possession of, anyone but Renter. Without limiting the foregoing, Renter may not attempt to dispose of any of the Equipment, and Renter shall maintain the Equipment free from all liens, notify Owner immediately upon receipt of notice of any lien affecting the Equipment, and defend Owner's title to the Equipment.
16. **DISCLAIMER OF WARRANTIES.** OWNER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, ITS DESIGN, ITS CAPACITY, ITS PERFORMANCE, ITS MATERIAL, ITS WORKMANSHIP, ITS FITNESS FOR ANY PARTICULAR PURPOSE. OWNER FURTHER DISCLAIMS ANY LIABILITY WHATSOEVER FOR LOSS, DAMAGE, OR INJURY TO RENTER OR THIRD PARTIES AS A RESULT OF ANY DEFECTS, LATENT OR OTHERWISE, IN THE EQUIPMENT. AS TO OWNER, RENTER RENTS THE EQUIPMENT "AS IS". OWNER SHALL NOT BE LIABLE IN ANY EVENT TO RENTER FOR ANY LOSS, DELAY, OR DAMAGE OF ANY KIND OR CHARACTER RESULTING FROM DEFECTS IN, OR INEFFICIENCY OF, EQUIPMENT HEREBY RENTED OR ACCIDENTAL BREAKAGE THEREOF.
17. **Indemnity.** Renter shall defend and indemnify Owner against, and hold Owner harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including reasonable attorneys' fees, arising out of, connected with, or resulting from the Equipment or this Agreement, including without limitation, the manufacture, selection, delivery, leasing, renting, control, possession, use, operation, maintenance or return of the Equipment. Renter shall further defend and indemnify Owner, and hold Owner harmless from all loss and

damage to the Equipment during the Rental Period. Renter recognizes and agrees that included in this indemnity clause, but not by way of limitation, is Renter's assumption of any and all liability for injury, disability and death of workmen and other persons caused by the operation, use, control, handling, or transportation of the Equipment during the Rental Period.

18. **Limitation of Liability.** IN NO EVENT, WILL OWNER BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, WHATEVER THE CLAIM (TORT, BREACH OF CONTRACT OR WARRANTY OR OTHERWISE) AND WHATEVER THE FORUM. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN NO EVENT WILL OWNER BE LIABLE FOR ANY LOSSES OR DAMAGES IN EXCESS OF THE RENTAL CHARGES PAID TO OWNER WITH RESPECT TO THE 12 MONTH PERIOD PRECEDING THE CLAIM.
19. **Intellectual Property Infringement:** Renter has no authorization to make any representation, statement or warranty on behalf of Owner relating to the Equipment. Renter shall indemnify and defend, at its own expense, Owner against claims or liability for U.S. or applicable foreign patent, copyright, trademark or other intellectual property infringement and for product liability arising from the preparation or manufacture of a Equipment or part thereof according to Renter's specifications or instructions, or from Renter's unauthorized or improper use of the Equipment, or from any changes or alterations to the Equipment or part thereof made by persons other than Owner, or from the use of the Equipment in combination with products not furnished by Owner.
20. **Ownership of Materials:** All ideas, concepts, whether patentable or not, devices, inventions, copyrights, improvements or discoveries, designs (including drawings, plans and specifications), estimates, prices, notes, electronic data and other documents or information that are: a) created, prepared, reduced to practice or disclosed by Owner; and/or b) based upon, derived from, or utilize the Confidential Information of Owner, and all related intellectual property rights, shall at all times remain Owner's property. No right, title or interest in any patents, trademarks, trade names or trade secrets, or in any pattern, drawing or design for any Equipment or in any other Owner intellectual property right, shall pass or transfer to the Renter and Owner shall at all times retain ownership rights therein. Owner grants Renter a non-exclusive, non-transferable license to use any such material to the extent necessary and solely for Renter's use of the Equipment during the Rental Period. Renter shall not disclose any such material to third parties without Owner's prior written consent. Renter shall not, directly or indirectly, and shall cause its employees, agents and representatives not to: (i) alter or modify the Equipment and/or parts thereof, (ii) disassemble, decompile or otherwise reverse engineer or analyze the Equipment and/or parts thereof, (iii) remove any product identification or proprietary rights notices, (iv) modify or create derivative works, (v) otherwise take any action contrary to Owner's rights in the technology and intellectual property relating to the Equipment and/or parts thereof, and/or (vi) assist or ask others to do any of the foregoing.
21. **Confidentiality.** If Owner discloses or grants Renter access to any research, development, technical, economic, or other business information or know-how of a confidential nature, whether reduced to writing or not, Renter shall not use or disclose any such information to any other person or company at any time, without Owner's prior written consent. Such obligation shall continue for 5 years after said disclosure regardless of the termination of this Agreement or the expiration of the Rental Period. Renter shall not, directly or indirectly, and shall cause its employees, agents and representatives not to: (i) alter or modify the products, (ii) disassemble, decompile or otherwise reverse engineer or analyze the products, (iii) remove any product identification or proprietary rights notices, (iv) modify or create derivative works, (v) otherwise take any action contrary to Renter's rights in the technology and intellectual property relating to the products, and/or (vi) assist or ask others to do any of the foregoing. In the event that Owner and Renter have entered into a separate confidentiality agreement, the terms and conditions of such agreement shall take precedence over these terms.

22. **No Waiver.** No failure on the part of the Owner to exercise and no delay in exercising, any right or remedy, shall operate as a waiver thereof; nor shall any single or partial exercise by Owner of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.
23. **Force Majeure:** Whenever performance by Owner of any of its obligations hereunder, is prevented by reason of any act of God, strike, lock out, or other industrial or transportation disturbance, fire lack of materials, law, regulation or ordinance, war or war conditions, or by reason of any other matter beyond its reasonable control, then such performance shall be excused, and deemed suspended during the continuation of such event and for a reasonable time thereafter, delayed, or adjusted accordingly.
24. **Severability.** The provisions of this Agreement are several and, in the event that any court of competent jurisdiction shall determine that any portions of this Agreement is invalid, the terms of this Agreement shall nevertheless be fully enforceable to the extent not specifically deemed invalid.
25. **Governing Law:** This Agreement, and all the rights and duties of the Parties arising from or relating in any way to the subject matter of this Agreement or the transaction(s) contemplated by it, shall be governed by the laws of the State of New York, regardless of conflict of laws principles, and the parties hereby unconditionally and irrevocably submit to (and waive any objection on the grounds of inconvenient forum or otherwise) the jurisdiction of the Supreme Court of the State of New York, County of Nassau or the United States District Court for the Southern District of New York, which courts shall have exclusive jurisdiction to adjudicate and determine any suit, action or proceeding regarding or relating to this Agreement and the rental of the Equipment. A judgment, order or decision of those courts in respect of any such claim or dispute shall be conclusive and may be recognized and enforced by any courts of any state, country or other jurisdiction.

The parties expressly exclude the application of the United Nations Conventions on Contracts for the International Sale of Goods, and further exclude the applications of the International Sale of Goods Contracts Convention Act, S.C. 1990-1991, C.13, and the International Sale of Goods Act, R.S.O. 1990, C.I. 10, as amended.

EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS PURCHASE ORDER.

26. **Survival:** All payment, confidentiality and indemnity obligations, limitations of liability and ownership of materials provisions together with those sections the survival of which is necessary for the interpretation or enforcement of this Agreement, shall continue in full force and effect for the duration stated in such provisions or the applicable statute of limitations.
27. **Entire Agreement.** This Agreement represents the entire agreement of the Parties with respect to the rental of Equipment and may not be modified except in writing signed by Owner.