

Customer Cost Commitment and Disclaimer

(Customer Account Name)

(Harcros Branch)

ChARMS (Chemical Asset Resource Management System) will incur costs and expenses in the initial set up and operation of the program. This Customer Cost Commitment and Disclaimer are intended to assign cost responsibilities and to forestall uncertainties of the capabilities of this system. By agreeing to the following, you understand and accept the responsibilities allocated herein.

The initial system set up cost includes that of the required monitoring equipment (as established by the site questionnaire) and the cost of installation.

1. The cost of equipment may include the sensors that monitor the product, the transmitters that supply the sensor with power and communicate the recorded data, and any extra features defined in the site questionnaire such as an antenna or special mounting for the transmitter. Harcros Chemicals will cover the cost and retain ownership of all said equipment. Harcros Chemicals reserves the right to remove any or all equipment if a contract is not renewed or customer is in breach of such contract.
2. The cost of installation may include but is not limited to the running of conduit and pulling of wire to specified locations on the tanks, providing 120 V power and a direct phone line to a specified location (phone line transmitters), the mounting of a process connection on the tank if one is not available, which may require cutting a hole and/or installing a flange specified by the project manager and defined by the sensor requirements, the installation of the equipment under the direction of the project manager (required in sites where regulations exceed normal safety requirements), and any other installation costs that may arise. The customer is responsible for all installation costs.

Operational costs include a monthly fee for tank monitoring services, troubleshooting and maintenance including travel expenses incurred during maintenance calls, and equipment replacement.

3. A monthly monitoring fee is required per tank. The Harcros Chemicals salesperson in charge of this account has defined a fee of _____ per tank for monitoring services provided.
4. As in all high tech systems, troubleshooting and maintenance will be required in the normal operation of this system. To avoid costly travel expenses, the customer agrees to make available their maintenance staff if an issue arises that is within their ability to repair. The Harcros monitoring manager will determine whether the site maintenance can solve an issue or if a maintenance call is required. Harcros Chemicals will cover travel expenses for all maintenance calls.

5. Tank monitoring equipment has a lifespan expectancy of 3-5 years depending on the harshness of the environment and/or product being monitored. Harcros Chemicals will buy and retain ownership of all replacement equipment.

Disclaimer:

HARCROS CHEMICALS DOES NOT GUARANTEE THAT THE CUSTOMER WILL NOT RUN OUT OF PRODUCT AND HEREBY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

CUSTOMER HEREBY ACKNOWLEDGES THAT CHARMS IS A TOOL DESIGNED TO ASSIST BOTH COMPANIES TO BE MORE EFFICIENT IN SUPPLY CHAIN MANAGEMENT, NOT AS AN AUTOMATIC DELIVERY SERVICE.

Customer further acknowledges that the transmitting equipment, while very reliable, is not perfect. There may be power or signal loss, Internet or server failure or maintenance, communication issues (i.e. phone line interruption, radio tower downtime, satellite malfunctions, etc.). Also, the sensor equipment may encounter issues where the product level graphs require interpretation. During system downtime it may be necessary for the customer to perform physical inventory checks.

IN NO EVENT SHALL HARCROS BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR SIMILAR DAMAGES, WHETHER BASED ON CONTRACT, TORT, WARRANTY, OR OTHER LEGAL OR EQUITABLE GROUNDS, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, OR OTHER PECUNIARY LOSS, ARISING OUT OF THE FAILURE OF THE CHARMS SYSTEM EVEN IN HARCROS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

IN NO EVENT SHALL HARCROS' CUMULATIVE LIABILITY EXCEED THE MONITORING FEE PAID BY THE CUSTOMER.

Harcros Chemicals does not operate on weekends. Deliveries may have to be set up in advance by Harcros ChARMS customer service representatives if lead-time is long or average weekend usage exceeds the reorder level.

Each Harcros Chemical Branch is responsible for monitoring the tanks of its own accounts.

Please sign and date below if you have read, understand and accept this cost commitment agreement and disclaimer.

(Signature of Harcros Chemicals District Manager)

(Date)

(Signature of Customer Representative)

(Date)

(Position of Customer Representative)