

TERMS AND CONDITIONS OF SALE



1. SHIPMENT:

Uesco Industries, Incorporated, hereafter referred to as the seller, will use all reasonable means to make shipment within the time specified, but assumes no responsibility for loss or damage arising from late delivery or non-fulfillment of contract by reason of fires, labor disputes, delays in transportation, or from any other cause unavoidable or beyond its control.

2. TAXES:

Sales tax, Use, Excise, Occupational tax or any other local Federal, State or Local Tax, Duty or Permit Fees have not been included in this proposal. The Purchaser hereby assumes and agrees to pay and/or reimburse the Seller for any of the above taxes, assessments or fees arising from this transaction.

3. TITLE AND RIGHT TO POSSESSION:

The title and right of possession of the equipment specified in our proposal shall remain with the Seller until all payments have been made in cash to the Seller at its home office in Worth, IL. It is understood and agreed that the above equipment shall remain the Sellers personal property what ever may be the mode of attachment to realty or otherwise until fully paid for in cash. An express Mechanic's Lien is hereby conveyed and granted to the Seller upon the building and real property in which the above described equipment is to be installed, for the purpose of securing payment of all sums due the Seller under this contract.

In the event the Seller is compelled to bring action in court against the Purchaser to enforce any of the provisions of this agreement, the Purchaser agrees to pay the Sellers reasonable Attorneys fees in addition to all other sums due to the Seller.

4. WAREHOUSING:

If for any reason the Buyer decides to place equipment in storage, all such storage and handling charges are to be at the buyers expense. In the event the Buyer does not accept shipment when ready as scheduled, and as previously agreed upon the Seller reserves the right to place the equipment in storage and all related costs are to be borne by the Buyer. All costs involved in manufacture of the equipment will be due under standard payment terms at this time.

5. FOOTINGS:

If required, concrete footings are to be supplied by the buyer for supporting runway columns or steel fabrications to be anchored to the floor. Unless stated otherwise, concrete anchor bolts or fasteners are not included in this proposal.

6. OPERATIONAL WARRANTY:

The equipment specified herein will perform the operation intended and is guaranteed to do so when installed in accordance with our drawings and instructions or under our supervision. Right is reserved by the Seller to make changes in material or design which in the Sellers judgment are necessary for the improvement or successful operation of the equipment.

7. PAINTING:

Equipment will be provided with our standard shop/finish coat of paint unless specified. Component parts not of the Sellers manufacture will be furnished with the manufacturer's standard finish or recoated as required.

8. WARRANTY:

The company (Uesco Industries, Inc.) will repair or replace, at its option, defects in material or workmanship developing within one year from date of installation, providing the Company receives immediate written notice of such defects upon their discovery and such claims are substantiated by the Company's inspection department. Correction of such defects by repair or replacement, F.O.B. the Company's factory, shall constitute fulfillment of this guarantee. The return of all parts submitted for inspection under this guarantee must be authorized by the Company and transportation prepaid by the shipper. The guarantee will not be applicable unless the equipment has been properly cared for and operated under normal conditions. The Company has no liability for repairs made outside the Company's factory unless with the prior written consent of the Company. All component equipment, not manufactured by the Company, is limited in warranty to that offered by its respective manufacturers.

9. WARRANTY WHEN PLANS AND SPECIFICATIONS ARE FURNISHED BY THE BUYER:

All equipment to be sold under this agreement which has been furnished in accordance with plans and specifications furnished to the Seller by the Buyer are warranted by the Seller that such equipment will comply to the plans and specifications. Seller makes no operational warranty express or implied as to the goods.

10. LIABILITY:

Anything in this agreement to the contrary notwithstanding, it is agreed between the Buyer and Seller that, whether by breach of contract, breach of warranty, or otherwise, Seller's liability is exclusively limited to repairing or replacing, at its option, defective equipment or nonconforming equipment or parts thereof, and in no event shall the Seller be liable to the Buyer for any incidental or consequential damages as same as defined in sections 2-715 of the Uniform Commercial Code.

11. ELECTRICAL PIPING AND CONDUIT:

Electrical wiring, conduit and necessary switching devices from your building power supply to our equipment or electrification systems are not a portion of the proposal and are to be provided by others unless otherwise specified.

12 ERRORS:

Seller reserves the right to correct all typographical or clerical errors which may be present in the prices or specifications in this proposal.

13. INSTALLATION:

Unless otherwise stated, no installation services are included in this proposal.

14. CHANGES AND ALTERATIONS:

Changes and alterations in the equipment requested by the Purchaser after this proposal becomes an order will require renegotiations for possible changes in the order amount. Changes required due to improper location of adjoining equipment, building openings or members caused by others, or from improper information furnished to the Seller by the Purchaser for layout purposes shall be paid for by the Purchaser. Adjustment for these changes shall be made on a time and material basis.

15. CANCELLATION:

Cancellation of this proposal after acceptance by the Purchaser can be made only with the Seller agreeing in writing. In the event of cancellation or suspension of manufacture of the equipment at the Purchaser request, the Purchaser agrees as a cancellation charge, to reimburse the Seller promptly for all expenditures for materials used or appropriated, labor and engineering, selling, and general and administrative expenses incurred in connection with such manufacture so far as it has been completed, and the contemplated normal profit on these items in accordance with invoices to be rendered by the Seller for extraordinary costs and other expenses attributable to such suspension or cancellation.

16 TERMS:

Our standard terms of payment are NET 30 days subject to the approval of our credit department as stipulated in this proposal. Purchaser agrees to pay Seller 1.5% per month on any balance unpaid after the due date.

17. OSHA:

Uesco Industries, Inc. will sincerely endeavor to design it's equipment to meet the technical requirements of the latest edition of OSHA Industry Standards. However, sole authority to determine compliance rests with the inspecting agency and responsibility for field changes of equipment to meet different interpretations are the users.

18. DRAWINGS:

All drawings, illustrations or samples prepared by Uesco Industries, Inc. applicable to this proposal are to be considered as property of Uesco Industries, Inc. and shall be returned upon demand. These drawings, illustrations or samples shall be considered as confidential and shall be used in no way which is detrimental to the best interest of Uesco Industries, Inc. Where drawings are prepared by the Seller, the Purchaser will evidence his approval of same by placing his or her signature upon such drawings.

19. EXISTING BUILDING CONDITIONS:

It is the responsibility of the Buyer to insure that any runways, monorails or steel fabrications attached to, supported from or in any way braced or connected to the building will not damage or have adverse effects upon the building structure. Uesco Industries, Inc. assumes no liability for any problems relating to the building or to our system due to failure of the Buyer to have the existing building investigated to assure the building can safely assume the loads and forces applied to the building.