



15400 Chets Way ▪ Armada ▪ MI ▪ 48005

TERMS AND CONDITION OF SALE

1. ACCEPTANCE AND TERMS AND CONDITIONS, SELLER'S ACCEPTANCE OF BUYER'S PURCHASE ORDER IS EXPRESSLY LIMITED TO AND CONDITIONAL UPON THE TERMS AND CONDITIONS CONTAINED HEREIN. By submitting its Purchase Order to Seller, Buyer agrees and assents to all such terms and conditions. Any proposals submitted by Buyer which vary such terms and conditions or which propose additional terms shall not become a part of the Agreement unless expressly approved by Seller in writing.

Reference herein to any such offer to sell, quotation or proposal shall not in any way constitute a modification of any of these terms and conditions of sale, unless otherwise stated in our quotation.

2. PAYMENT TERMS.

The standard terms of Experienced Concepts Inc. the buyer will pay thirty percent (30%) of the total purchase price with the Purchase Order, thirty percent (30%) of the total purchase price upon approval of the machine design, thirty (30%) of the total purchase price upon run-off by Buyer on Experienced Concepts's floor prior to shipment; and the remaining ten percent (10%) of the total purchase price net 30 days after shipment. Special agreed upon terms and conditions may apply.

Prices quoted are net prices. The equipment subject to this Purchase Order will be painted standard Experienced Concept Beige. An additional standard charge will be made for any other color requested by buyer. All machinery is built to Experienced Concepts standards and drawings are made on Experienced Concepts paper. If the customer request use of different material or drawing standards the price will be affected accordingly.

4. WARRANTY.

Subject to the limitations and conditions set forth below, Seller warrants to the Buyer that the equipment under normal conditions and use will be free from defects in material and workmanship (the "Warranty"). This warranty extends only to the original purchaser and is not transferable. The provisions of the Warranty commence on the day of purchase (defined as the date the machinery is tendered to Buyer for delivery at Seller's place of business) and continues for a period of twelve (12) months or 2000 working hours (the "Warranty Period").

5. LIMITATIONS OF WARRANTY.

The warranty does not include replacement of bearings, valves, seals and electrical components, etc., since these components are supplied by independent manufactures.

The warranty does not apply to, or include coverage for defects attributed to:

- (a) Normal wear and tear
- (b) negligence, misuse or neglect
- (c) Failure to comply with instructions for use or maintenance of the machine as instructed by Seller and/or as set forth in the Owners Manual.

The warranty is not applicable unless Buyer uses parts free of burrs and flash. All parts must be clean, dry and to part print specifications. Damaged parts or malformed parts will cause jams and a loss of feed rate requiring manual intervention to clear. Under no circumstances will Seller be responsible for replacements or repairs, including labor costs, made in purchaser's plant without the express written consent beforehand of Seller.

This is the exclusive and complete warranty made by the seller with respect to the goods. No person whatsoever is authorized to make any representation, warranty or promise on behalf of the seller. The seller makes no other express warranties and disclaims all other implied warranties including implied warranties of merchantability and fitness for a particular purpose.

6. EXCLUSIVE REMEDY OF BUYER.

During the Warranty Period, The Seller will, as the exclusive remedy under the Warranty, repair or replace at no charge to Buyer, and part or parts returned to the Seller during the Warranty Period which do not conform to the above Warranty.

THE REMEDIES SET FORTH ABOVE PERTAINING TO REPAIR OR REPLACEMENT OF PARTS OR MATERIALS ARE EXCLUSIVE OF ALL OTHER REMEDIES.

7. SERVICE ASSISTANCE.

Experienced Concepts service personnel are available to help should service problems arise with Experienced Concepts equipment. Charges for domestic services beyond our normal warranty are made in accordance with the schedule of field service charges below.

Labor Charges/Machine Installation Supervision:

Travel Time from Experienced Concepts facility and return \$100 / hour.

Worktime Weekdays Saturday Sunday

First 8 Hours \$125/Hour \$175/Hour \$225/Hour

Over 8 Hours \$175/Hour \$225/Hour \$275/Hour

Over 10 Hours \$225/Hour \$275/Hour \$325/Hour

Expense Charges:

In addition to the daily rate, the Purchaser will agree to compensate for all actual travel and living expenses incurred by the Experienced Concepts employee from the time he leaves his home base to the time of his return to that base.

Purchase Orders:

All requests for field service must be confirmed by a purchase order.

Materials and replacement parts are not included in the aforementioned rates. These will be replaced at the usual cost of individual items



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8. SHIPPING AND DELIVERY.

Unless otherwise provided in the Purchase Order or in any other agreement between Buyer and Seller, time shall NOT be of the essence with respect to any delivery or work schedule hereunder. Seller will make every reasonable effort to maintain the shipping schedule agreed upon at time of order acknowledgment but cannot be responsible for delays beyond Seller's control. Seller shall tender the items manufactured hereunder for Buyer at Seller's place of business in Armada, Michigan. Seller will provide Buyer notice Seller deems reasonable to enable Buyer to take delivery of the items.

9. INDEMNITY.

Buyer agrees to indemnify the Seller, its agents, and employees, and to hold each of them forever harmless from and against all suits, actions, legal or administrative proceedings, claims demands, damages, judgements, liabilities, interest, attorney fees, cost and expenses of any kind or nature whatsoever which are in any manner directly or indirectly caused, occasioned or contributed to by reason of acts, omissions, negligence or breach of the Buyer, or of anyone acting under its direction, control, or on its behalf in connection with or as an incident to the goods or services furnished by Seller to Buyer.

10. ASSIGNMENT.

Buyer shall not assign in any manner to any other person the performance of any of its duties hereunder without the written consent of the Seller.

11. DELEGATION.

Seller is entitled to delegate or subcontract the design and/or manufacture all of all or part of the goods subject to the Purchase Order.

12. REMEDIES OF THE SELLER.

The individual remedies reserved by Seller shall be cumulative and additional to any other or further remedies provide to Seller in law or equity. No waiver of any default or breach of any provisions of these Terms and Conditions shall constitute a waiver of any other breach or of such provision.

13. TITLE.

upon receipt of full payment by seller, title to the equipment shall pass immediately for Seller to Buyer.

14. RISK OF LOSS

Upon Seller's tender of the goods at Sellers's place of business in Armada, Michigan, the risk of loss for damage to the machinery will be upon the Buyer.

15. TAXES.

Any applicable taxes shall be the responsibility of the Buyer. Except as otherwise may be noted on the face of the Purchase Order, the price of any item does NET include any of the applicable federal, state and local taxes in effect on the Purchase Order date. In case of new taxes or increased rates, or repeal of taxes or reduction of rates, the Purchase Order price will be adjusted accordingly.

16. GOVERNING LAW.

The rights and obligations of the parties to this Purchase Order shall be governed by the laws of the State of Michigan and its Uniform Commercial Code. The rights and obligations of the parties shall not be governed by provisions of the United Nations Convention on Contracts for the International Sales of Goods, 1980.

17. GOVERNING FORUM.

Any and all claims, arbitrations or other action by or between the parties arising out of their rights hereunder shall be commenced and proceed in the State of Michigan.

18. COMPLETE AGREEMENT.

The terms and conditions contained in this Purchase Order are the compete and exclusive statement of the terms of the agreement between Buyer and Seller and no agreement of other understand in any way purporting to modify the terms and conditions hereof shall be binding upon Seller unless made in writing, date subsequently and signed by Seller's authorized representative.

19. AMENDMENTS.

This agreement may be amended only in writing signed by the person against whom the amendment is to be enforced.

20. NOTICES.

All notices or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if physically delivered, telephonically transmitted via telecopies or other similar means, or three days after having been deposited in the United States Mail, as certified mail with return receipt required and with postage prepaid, addressed to the Seller, Experienced Concepts at 15400 Chets Way, Armada MI, 48005. The address do indicated may be changed by similar written notice.