

TERMS & CONDITIONS

1. FINAL ACCEPTANCE:

Purchase Orders submitted pursuant to this proposal shall not result in a Contract unless accepted by an Officer of E. D. Etnyre & Co., or designated Representative, at Oregon, Illinois.

2. PRICES AND PAYMENT TERMS (Unless otherwise specified or agreed by contract):

Prices shown are F. O. B. Factory. Payment terms, are Net Cash on receipt of invoice, Service Charges of 1% per month will be added to amounts unpaid for more than thirty (30) days from invoice date. Payments received will be applied first to Service Charges then toward invoiced amounts.

3. SECURITY INTEREST:

Upon acceptance, Purchaser grants to E. D. Etnyre & Co. a lien on the property described above, to secure all debts, obligations and liabilities, with applicable service charges arising from this contract. Upon request, the buyer shall provide an executed financing statement showing such lien.

4. BINDING TERMS OF CONTRACT:

This contract cannot be altered or cancelled without the written consent of E. D. Etnyre & Co. ("Etnyre"). If the Purchaser's order contains provisions additional to, inconsistent with, or otherwise varying, any of the terms and conditions stated herein, such provisions will be without effect unless Etnyre has specifically agreed to them in writing. Similarly, verbal alterations or agreements between the Purchaser and Etnyre personnel are not effective unless agreed to in writing by an officer of Etnyre or designated representative.

5. CLAIMS FOR DAMAGE IN TRANSIT:

Etnyre is not responsible for damage that occurs in transit after Etnyre receives "in good order" receipts from the carrier. Claims for such damage must be made by the Purchaser to the carrier as soon as possible after the Purchaser has received a damaged shipment. Upon the Purchaser's request, Etnyre will assist the Purchaser in making a damage claim. This assistance is offered, however, with the express understanding that the Purchaser will hold Etnyre harmless from liability of every kind in any way related to such assistance. All invoices are due and payable, according to TERMS contained herein.

6. CLAIMS FOR NONCONFORMING EQUIPMENT:

Any property delivered hereunder shall be deemed accepted unless Etnyre receives written notice of rejection within ten (10) days after tender of delivery. Etnyre shall, at its option, replace, repair or refund the purchase price of non-conforming equipment. The Purchaser shall promptly place any nonconforming equipment in safe storage for Etnyre's inspection. The Purchaser shall not deduct from the price the amount of any claim or return any equipment, unless Etnyre has approved such procedure in writing.

7. ETNYRE'S WARRANTY:

New Equipment:

Etnyre warrants that the new equipment it manufactures and sells under this contract will be free of defects in material and workmanship for one (1) year from the date of delivery. If such defects do occur, Etnyre will, at its option, replace the equipment or repair it at Etnyre's factory, free of all charges except transportation costs. The Purchaser must obtain Etnyre's written authorization before returning any equipment. Even when equipment is defective, Etnyre will assume no responsibility, and will accept no invoices, for unauthorized repairs or replacement of such equipment.

This warranty expressly excludes products that were not manufactured by Etnyre. If the actual manufacturer has made any warranties for its equipment, however, Etnyre will, to the full extent permitted, pass them on to the Purchaser.

THE ABOVE DESCRIPTION IS THE PURCHASER'S SOLE REMEDY HEREIN AND ETNYRE IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OR ANY OTHER FURTHER DAMAGE INCLUDING BUT NOT LIMITED TO DAMAGE CAUSED BY MISUSE, IMPROPER INSTALLATION, ALTERATION, UNAUTHORIZED REPAIRS OR THE NEGLIGENCE OF THE PURCHASER OR THIRD PARTY AND IN ALL CASES ETNYRE'S LIABILITY SHALL NOT EXCEED THE PURCHASE PRICE OF THE DEFECTIVE EQUIPMENT.

Used Equipment:

Used equipment is sold AS IS, WITH ALL FAULTS.

8. ETNYRE'S DISCLAIMER OF ADDITIONAL WARRANTIES:

THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTIONS ON THE FACE HEREOF AND ETNYRE FURTHER DISCLAIMS ANY IMPLIED WARRANTY WHATSOEVER INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. PRICE RISES AFTER QUOTATION PERIOD:

If the Purchaser sends an order for equipment after the time specified on the front of this form, the selling price of the equipment may have risen above that quoted on the proposal. In such a case the Purchaser will be deemed to have accepted the increased price unless he cancels his order by writing to Etnyre within five (5) days of receiving notice of the increased price.

10. ADDED CHANGES CAUSED BY PURCHASER:

If the Purchaser requests changes in engineering specifications or other matters after the contract is accepted by Etnyre, Etnyre may add charges to cover the extra expense of such changes, and may extend the delivery time beyond that specified in the contract.

11. TAXES:

The Purchaser shall pay any and all governmental sales, use, excise, or similar taxes that impose tax liability upon Etnyre with respect to the manufacture, sale, or use of the equipment sold under this contract. If any tax now in force is increased or decreased, the purchase price of any unshipped goods shall be adjusted accordingly.

12. CORRECTIONS:

Any stenographic or clerical error in this form and or associated with this transaction is subject to correction.

13. SPECIFICATIONS, DESIGNS, AND TECHNICAL DATA:

All specifications, designs, and technical data are subject to change without notice.

14. APPLICABLE LAW:

This contract shall be governed by the internal laws of the State of Illinois.

15. CANCELLATION:

Any order already accepted by Etnyre can be cancelled only by complying with Paragraph 4 and is subject to a reasonable cancellation charge. This charge shall take into account such factors as expenses already incurred and commitments made by Etnyre in reliance on the order, whether or not such commitments are legally binding on Etnyre.